The City of
SACHSE

Monday, October 5, 2020
City Council Regular Meeting

This meeting will begin at approximately 7:00 p.m.

This meeting will be closed to in person attendance by the public.

A temporary suspension of the Open Meetings Act to allow telephone or videoconference public meetings has been granted by Governor Greg Abbott. These actions are being taken to mitigate the spread of COVID-19 by avoiding meetings that bring people into a group setting and in accordance with Section 418.016 of the Texas Government Code.

Citizens may join the Zoom Meeting by logging on at: https://us02web.zoom.us/j/84286906445
Or Telephone: (Toll Free) 877-853-5247
Webinar ID: 842 8690 6445

Members of the public who wish to submit their written comments on a listed agenda item must submit their comments by filling out the public meeting speaker form at: http://www.cityofsachse.com/328/Agendas-Minutes-Videos or by visiting the Agendas & Minutes button on the homepage of the City's website.

Comments must be received before 4:00 p.m. on Monday, October 5, 2020.

The City of Sachse reserves the right to reconvene, recess or realign the workshop meeting, regular meeting, called Executive Session or order of business at any time prior to adjournment.

As authorized by Section 551.071(2) of the Texas Government Code, these meetings may be convened into closed Executive Session at any time during the City Council workshop or regular meeting for the purpose of seeking confidential legal advice from the City Attorney on any workshop or regular meeting agenda item listed herein.

A. 7:00 PM REGULAR MEETING

1. Call to Order: The City Council of the City of Sachse will hold a Regular Meeting on Monday, October 5, 2020 at 7:00 p.m. to consider the following items of business:

2. Invocation and Pledges of Allegiance.

B. Special Announcements

1. Mayor and City Council announcements regarding special events, current activities, and local achievements.

C. Citizen Input

1. Citizen Input: We request citizens wishing to use the chat function state their name, address, and question for the record. However, if your remarks pertain to a specific agenda item, please hold them until that item, at which time the Mayor may solicit your comments using the chat function. Time limit is 3 minutes per speaker. The City Council is prohibited by state law from discussing any item not posted on the agenda according to the Texas Open Meetings Act, but may take them under advisement. Issues raised may be referred to City Staff for research and possible future action.

D. Consent Agenda - All items listed on the consent agenda will be considered by the City Council and will be enacted on by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests.

1. Approve the minutes of the September 21, 2020, combined meeting.

2. Accept the monthly revenue and expenditure report for the period ending August 31, 2020.

3. Approve the renewal of an agreement with Valley View Consulting for the purpose of investment advisory services for an additional two years.

4. Approve moving the second regular City Council meeting in October to Monday, October 26, 2020.

5. Approve the Consent Agenda Items as presented.

E. Regular Agenda Items

1. Receive an update regarding actions taken by the City as a result of the COVID-19 pandemic and any future measures that may be necessary including city operations and facilities, public safety, financial employee impact, and the CARES Act.

2. Consider approval of an ordinance amending Chapter 9 of the City of Sachse Code of Ordinances titled "Traffic Regulations" to prohibit a person to stop, stand, or park a motor vehicle along any curb along Concord Drive from a distance of 40 feet northeast of Bunker Hill Road.

3. Consider a resolution accepting and approving a preliminary service and assessment plan and preliminary assessment rolls for the Sachse Public Improvement District No. 1 at the Station and call for a public hearing to be held during the Regular City Council Meeting on Monday, October 26, 2020, regarding the levy of assessments against property in such Public Improvement District. (This item was tabled at the September 21, 2020 City Council meeting.)

4. Consider a resolution accepting and approving a preliminary service and assessment plan and preliminary assessment rolls for the operation and maintenance of the Sachse Public Improvement District No. 1 at the Station and calling for a public hearing to be held during the Regular City Council Meeting on October 26, 2020, regarding the levy of operation and maintenance assessments against property in such Public Improvement District. (This item was tabled at the September 21, 2020 City Council meeting.)

5. Consider an agreement between the City of Sachse and Goddard Enterprises in the amount of ninety-four thousand and fifty-four dollars and zero cents ($94,054.00) for electrical component and software upgrade to the Outdoor Warning Siren system.

6. Discuss and make a recommendation on the 2020 Christmas Extravaganza event.

F. Regular Meeting Closing

1. Adjournment.

I, the undersigned authority, do hereby certify that this notice of meeting was posted in accordance with the regulations of the Texas Open Meetings Act and was posted on the bulletin board, an accessible location at Sachse City Hall.

Michelle Lewis Sirianni

Michelle Lewis Sirianni, City Secretary

Accommodation requests for persons with disabilities should be made at least 48 hours prior to the meeting by contacting Lauren Rose, ADA Coordinator, via phone at 972.429.4770, via email at lrose@cityofsachse.com, or by appointment at 3815 Sachse Road, Building B, Sachse, Texas 75048.

The City of SACHSE

Agenda Item Details

Meeting	Oct 05, 2020 - City Council Regular Meeting
Category	D. Consent Agenda - All items listed on the consent agenda will be considered by the City Council and will be enacted on by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests.
Subject	1. Approve the minutes of the September 21, 2020, combined meeting.
Access	Public
Type	Action (Consent)
Recommended Action	Approve as presented.

Public Content

BACKGROUND
Minutes of the September 21, 2020, combined meeting.

POLICY CONSIDERATIONS
There are no policy considerations affiliated with this item.

RECOMMENDATION
Approve the minutes of the September 21, 2020, combined meeting.

09.21.20 Minutes.pdf (171 KB)

All items listed on the consent agenda will be considered by the City Council and will be enacted on by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests.

CITY COUNCIL OF THE CITY OF SACHSE

MEETING MINUTES

SEPTEMBER 21, 2020

The City Council of the City of Sachse held a regular meeting on Monday, September 21, 2020, at 6:30 p.m. via virtual teleconference. Those present were Mayor Pro Tem Michelle Howarth, Councilmembers Brett Franks, Paul Watkins, Chance Lindsey, Cullen King, and Jeff Bickerstaff; City Manager, Gina Nash; City Secretary, Michelle Lewis Sirianni; Parks and Recreation Director, Lance Whitworth; IT Manager, Danny Wheeler; Strategic Services Manager, Lauren Rose; Finance Director, Teresa Savage; Development Services Director, Matt Robinson; Human Resources Director, Melinda Walter; Fire Chief, Marty Wade, and Police Chief, Bryan Sylvester. Mayor Felix was absent.

Mayor Pro Tem Howarth opened the workshop meeting at 6:34 p.m.

RANCH PARK VILLAGE DEVELOPMENT: Discuss the prioritization of amenities for the 4.5-acre parkland adjacent to Ranch Park Village development.

Mr. Whitworth stated at the August 13, 2020, Municipal Development District meeting that the Board received a proposal from park design consultant, Kimley Horn and Associates. This proposal included the approximate costs to provide a design for the park to the City. The MDD Board made a recommendation to City Council to use MDD funds for a consultant to provide a conceptual plan and design of the 4.5 acres of parkland adjacent to the Ranch Park Village development. At the September 10, 2020, Parks and Recreation Board meeting, the Board discussed amenities they would like to see included in the park design by Kimley Horn and Associates. These amenities include: utilities (lighting and irrigation), benches and trash cans, splash pad and restrooms, sand volleyball court, walking trail, shelter with tables, drinking fountain and a sitting area, and a covered playground. The Board made a recommendation to City Council to move forward with including these amenities in the conceptual plan that Kimley Horn will be providing. In its recommendation, they requested that two concepts be provided by Kimley Horn. The first would include these amenities with the splash pad being the focal point of the park and the second would include these amenities but with the playground being the focal point of the park. Staff is seeking feedback from City Council.

Leah Campbell with Kimley Horn and Associates presented a list of amenity priorities based on the input received from the MDD Board and the Park Board. She provided examples of other recent similar size projects done in other cities. The current concept plan of the park was reviewed with the possible amenities and how, if needed, the City Council could do in phases. Ms. Campbell indicated that she will design two concepts based on the priorities given by the City Council.

The City Council discussed the amenities list. The Council placed an emphasis on the importance of the restrooms being included and the splash pad being added last. Councilman Franks would like to see the sand volleyball courts added and Mayor Pro Tem Howarth would like to see trees planted as soon as possible to allow time for growth. Based on the two priority lists provided, the City Council agreed primarily with the MDD Board list.

ADJOURNMENT:

Mayor Pro Tem Howarth adjourned the workshop at 7:17 p.m.

Mayor Pro Tem Howarth opened the regular meeting at 7:17 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE TO U.S. AND STATE FLAGS:
Councilman King offered the invocation and Councilman Franks led the pledges.

MAYOR AND CITY COUNCIL ANNOUNCEMENTS REGARDING SPECIAL EVENTS:

Councilman King announced that since the Chamber of Commerce cannot hold Fallfest this year, they have been working on putting other events together including a Walk to End Alzheimer's, a car parade for Cars Under the Stars, and a large regional food drive. Residents may visit their website or Facebook page for additional information.

Councilman Franks commented that the Community Center is open by appointment with various classes beginning.

CITIZEN INPUT:

Mayor Pro Tem Howarth read into the record the following comments.

Matthew Holboke, 5511 Oakridge Circle, stated:

> "At the last City Council meeting, I asked about the status of Bailey Road. The City's reply was four million and concrete curb and gutter. That response is totally irresponsible. It also shows that the City Council is more interested in padding their resumes then providing real leadership. There are numerous other options that provide an adequate roadway for the people of this neighborhood without the City sticking its head in the ground and saying I have to have four million dollars. Since everyone is my Council person, why don't we expect more from city staff and reasonable on Bailey road. $140,000 on concrete pavement repair on fairly new streets is the lazy way to spend money in the City."

CONSENT AGENDA: All items listed on the Consent Agenda are considered routine and will be acted on by one motion, with no separate discussion of these items unless a City Councilmember or citizen so requests.

1. **Approve the minutes of the September 8, 2020, combined meeting.**

2. Approve an amendment to the Household Hazardous Waste Interlocal Agreement between Dallas County and the City of Sachse.

Councilman Bickerstaff made a motion to approve the consent agenda items as presented. Councilman King seconded that motion and the motion was unanimously approved.

REGULAR AGENDA ITEMS:

Receive an update regarding actions taken by the City as a result of the COVID-19 pandemic and any future measures that may be necessary including city operations and facilities, public safety, financial employee impact, and the CARES Act.

Mrs. Nash stated Dallas County has notified the City that the funds that were set aside for participation in the County's Emergency Business Assistance Program will be returned. The third round of funding did not exceed the $30 million amount that Dallas County set aside. All eligible applicants were awarded assistance in the full amount. Staff will look to the contingency projects to use the remaining $100,000.00.

Mrs. Nash stated Collin County recently announced a similar emergency business assistance program with applications being accepted through September 25. The City notified the Sachse EDC and Chamber of Commerce for businesses in Collin County.

Mrs. Nash also provided an update of the CARES Act projects in the City including the 5 Loaves community project, the City Hall building modification project, telecommuting enhancements, and public safety items. Staff will continue to work on items and monitor guidance with Dallas County.

Consider a resolution approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2020 Rate Review Mechanism filings.

Mrs. Savage stated that the City, along with 171 other Mid-Texas cities, are members of the Atmos Cities Steering Committee. The Rate Review Mechanism process allows a longer review period. In March 2020, Atmos applied for the third annual review. Their initial application was to recover monies in additional revenues. Based on their application, residential charges will increase by $5.15 per month and commercial charges will increase by $15.48 per month. The Executive Committee recommends approving the settlement amount with new rates becoming effective December 1, 2020.

Councilman King made a motion to approve a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2020 Rate Review Mechanism filings. Councilman Bickerstaff seconded that motion and the motion was unanimously approved.

Conduct a public hearing and consider an ordinance amending the boundary of Reinvestment Zone Number Two to include approximately 14.933 acres, pursuant to Chapter 311 of the Texas Tax Code.

Mrs. Nash stated this item is in tandem with the following agenda item. The City Council must conduct a public hearing to consider this amendment. This amendment will be placing the acreage that was recently added into the Public Improvement District (PID) into Reinvestment Zone Number Two (TIRZ 2) and the following agenda item will be removing it from the Tax Increment Financing Zone One (TIRZ 1). Staff is recommending approval.

Mayor Pro Tem Howarth opened the public hearing.

No comments were made.

Mayor Pro Tem Howarth closed the public hearing.

Councilman Watkins made a motion to approve an ordinance amending the boundary of Reinvestment Zone Number Two to include approximately 14.933 acres, pursuant to Chapter 311 of the Texas Tax Code. Councilman King seconded that motion and the motion was unanimously approved.

Consider an ordinance amending Ordinance No. 2049, as amended by Ordinance No. 2196 and Ordinance No. 3897, by amending and reducing the boundaries of Tax Increment Financing Reinvestment Zone Number One ("PGBT Reinvestment Zone").

Councilman King made a motion to approve an ordinance amending Ordinance No. 2049, as amended by Ordinance No. 2196 and Ordinance No. 3897, by amending and reducing the boundaries of Tax Increment Financing Reinvestment Zone Number One ("PGBT Reinvestment Zone"). Councilman Watkins seconded that motion and the motion was unanimously approved.

Consider a resolution accepting and approving a preliminary service and assessment plan and preliminary assessment rolls for the Sachse Public Improvement District No. 1 at the Station and call for a public hearing to be held during the Regular City Council Meeting on Monday, October 19, 2020, regarding the levy of assessments against property in such Public Improvement District.

Mrs. Nash stated the bond counsel was awaiting an opinion from the Texas Attorney General's Office, therefore, more time is needed. Staff is requesting to table this item and the next agenda item to October 5, 2020.

Councilman Bickerstaff made a motion to table a resolution accepting and approving a preliminary service and assessment plan and preliminary assessment rolls for the Sachse Public Improvement District No. 1 at the Station and call for a public hearing to be held during the Regular City Council Meeting on Monday, October 19, 2020, regarding the levy of assessments against property in such Public Improvement District to October 5, 2020. Councilman King seconded that motion and the motion was unanimously approved.

Consider a resolution accepting and approving a preliminary service and assessment plan and preliminary assessment rolls for the operation and maintenance of the Sachse Public Improvement District No. 1 at the Station and calling for a public hearing to be held during

the Regular City Council Meeting on October 19, 2020, regarding the levy of operation and maintenance assessments against property in such Public Improvement District.

Councilman Bickerstaff made a motion to table a resolution accepting and approving a preliminary service and assessment plan and preliminary assessment rolls for the operation and maintenance of the Sachse Public Improvement District No. 1 at the Station and calling for a public hearing to be held during the Regular City Council Meeting on October 19, 2020, regarding the levy of operation and maintenance assessments against property in such Public Improvement District to October 5, 2020. Councilman King seconded that motion and the motion was unanimously approved.

Consider an ordinance authorizing the issuance and sale of City of Sachse, Texas Limited Tax Note, Series 2020, levying an annual ad valorem tax and providing for the security for and payment of said note; engaging bond consultants, including engaging bond counsel on a contingency fee basis; providing an effective date; and enacting other provisions relating to the subject.

Jason Hughes, the City's Financial Advisor with Hilltop Securities, stated this is the second issuance of tax notes to be used in the shared funding for the construction of roadway, drainage, water and sewer infrastructure and improvements to Heritage Park within the development of The Station project with PMB Station Land, LP. He indicated that five bids were received with the lowest interest rate coming in at 0.59% with Citizens National Bank. The second lowest coming in at 1.06%. The notes will have a two-year term in the aggregate principal amount of $2,670,000.

Councilman King made a motion to approve an ordinance authorizing the issuance and sale of City of Sachse, Texas Limited Tax Note, Series 2020, levying an annual ad valorem tax and providing for the security for and payment of said note; engaging bond consultants, including engaging bond counsel on a contingency fee basis; providing an effective date; and enacting other provisions relating to the subject. Councilman Lindsey seconded that motion and the motion was unanimously approved.

Receive a presentation from Texas Coalition for Affordable Power (TCAP) regarding a new procurement process for wholesale power purchases.

Margaret Somereve, Executive Director of TCAP, presented information regarding a new procurement process being proposed for wholesale power purchases in 2022 and beyond. Ms. Somereve explained the pricing pattern of when it is the best time to buy. The City Council would be buying a one-year contract that would keep rolling forward. At any time, the City Council could convert to a fixed price contract.

Councilman King asked if there would be any additional administration or overhead charges. Councilman Franks commented that he was against five-year contracts and would favor a shorter-term contract. The City Council agreed to further explore this new process.

Consider a resolution authorizing the City Manager to execute a Project Specific Agreement (PSA) with Dallas County for "Type B" Road and Bridge Maintenance of Sachse Road.

Mrs. Nash stated the City reached out to Dallas County to find funding in support of a short-term solution for Sachse Road. Dallas County will reimburse up to 50% of the project cost. The project is for maintenance only and includes striping of the new overlay. The PSA will go to the Commissioners Court for approval in October. Construction is expected to begin in October with completion of the project in November.

Mayor Pro Tem Howarth read the following citizen comment(s).

Matthew Holboke, 5511 Oakridge Circle, asked:

> "Describe in a better detail what is full depth repair of the failed sections. How deep into the subgrade will these areas be excavated. The City recently performed a repair on Merritt Road and it is already broken over and longitudinal cracking is occurring. The City felt the need to restripe the road when a sealing job would have been money better spent."

Mrs. Nash stated that she will get and share further specifics and details on full depth repair with Mr. Holboke.

Councilman Bickerstaff made a motion to approve a resolution authorizing the City Manager to execute a Project Specific Agreement (PSA) with Dallas County for "Type B" Road and Bridge Maintenance of Sachse Road. Councilman King seconded that motion and the motion was unanimously approved.

Consider authorizing the City Manager to negotiate and enter into a contract in the amount not to exceed five-hundred sixty-nine thousand six-hundred fifty-six dollars and zero cents ($569,656.00) with Reynolds Asphalt and Construction Co. for the Sachse Road Overlay project.

Mrs. Nash stated this item follows the previous agenda item. This item is to consider approval of the actual project with Reynolds Asphalt for the Sachse Road overlay project.

Councilman King made a motion to authorize the City Manager to negotiate and enter into a contract in the amount not to exceed five-hundred sixty-nine thousand six-hundred fifty-six dollars and zero cents ($569,656.00) with Reynolds Asphalt and Construction Co. for the Sachse Road Overlay project. Councilman Bickerstaff seconded that motion and the motion was unanimously approved.

Consider approving and authorizing the City Manager to execute a contract for professional services between the City of Sachse and Birkhoff, Hendricks and Carter, LLP for a Water, Wastewater, and Roadway Impact Fee Study in the amount of sixty-five thousand three hundred eighty dollars and zero cents ($65,380.00).

Mr. Robinson stated the scope of this project is to update the Water, Wastewater and Roadway Impact Fees for the City as prescribed by Chapter 395 of the Texas Local Government Code. This chapter of the code mandates that impact fees be reviewed and updated at least every five years. The City Council last adopted an Impact Fee Study in 2012. Impact fees were reviewed by staff in 2017, but no changes were made. If approved, staff will work with the consultant to compile data and information related to the study. Staff will ask the City Council to appoint an advisory committee to review and comment on the study. Staff recommends appointing the Planning and Zoning Commission as the advisory committee. Findings will be presented along with the ten year CIP Program with consideration in early 2021.

The City Council discussed the comparisons of the study from 2012 and 2017 along with if they would be able to recoup the amount being spent on the study.

Councilman Lindsey made a motion to approve and authorize the City Manager to execute a contract for professional services between the City of Sachse and Birkhoff, Hendricks and Carter, LLP for a Water, Wastewater, and Roadway Impact Fee Study in the amount of sixty-five thousand three hundred eighty dollars and zero cents ($65,380.00). Councilman King seconded that motion and the motion was unanimously approved.

ADJOURNMENT:

Mayor Pro Tem Howarth adjourned the meeting at 8:50 p.m.

MICHELLE HOWARTH, MAYOR PRO TEM

ATTEST:

Michelle Lewis Sirianni, City Secretary

The City of SACHSE

Agenda Item Details

Meeting	Oct 05, 2020 - City Council Regular Meeting
Category	D. Consent Agenda - All items listed on the consent agenda will be considered by the City Council and will be enacted on by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests.
Subject	2. Accept the monthly revenue and expenditure report for the period ending August 31, 2020.
Access	Public
Type	Action (Consent)
Preferred Date	Oct 05, 2020
Fiscal Impact	No
Recommended Action	Accept the monthly revenue and expenditure report for the period ending August 31, 2020.
Goals	Be a model of financial stewardship through growth management, responsible investment, and financial transparency.

Public Content

BACKGROUND
The Finance Department prepares a report each month to update the City Council regarding revenues and expenditures for the City. Included in the report are unaudited summaries for the General Fund, Utility Fund, Debt Service Fund, Sachse Economic Development Corporation, and Sachse Municipal Development District.

POLICY CONSIDERATIONS
The City Charter requires that the City Manager submit a monthly report covering revenues and expenditures.

RECOMMENDATION
Accept the monthly revenue and expenditure report for the period ending August 31, 2020.

All Funds-8-31-20.pdf (110 KB)

Sales Tax Analysis October 2020.pdf (80 KB)

All items listed on the consent agenda will be considered by the City Council and will be enacted on by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests.

City of Sachse

Monthly Revenue and Expenditure Report

August 31, 2020

(Unaudited)

GENERAL FUND

92% of Year Completed

	Annual Budget	Current Month Actual	Actual YTD	YTD Actual as a Percent of Budget	Note Reference
Revenue Summary					
Property Tax	$ 12,586,210	$ 5,082	$ 12,809,441	101.77%	
Sales Tax	1,633,000	213,116	1,805,219	110.55%	
Franchise Fees	1,809,027	199,959	1,752,143	96.86%	
Licenses and Permits	579,500	33,712	917,841	158.39%	
Service Fees	833,000	101,491	1,354,835	162.65%	
Fines	250,000	15,181	198,270	79.31%	
Interest Income	100,000	7,095	161,973	161.97%	
Miscellaneous Income	432,853	21,661	299,165	69.11%	
Intergovernmental Revenue	1,363,897	113,658	1,250,239	91.67%	
Total Revenue	**$ 19,587,487**	**$ 710,955**	**$ 20,549,127**	**104.91%**	
Expenditure Summary					
City Manager	$ 752,099	$ 49,775	$ 603,857	80.29%	
City Secretary	192,702	16,656	212,102	110.07%	C
Human Resources	393,974	29,560	329,240	83.57%	
Finance	684,177	30,701	489,548	71.55%	
Municipal Court	242,307	16,931	186,645	77.03%	
Parks	990,022	91,598	857,907	86.66%	B
Senior Programs	175,778	9,233	141,980	80.77%	
Library Services	520,532	36,775	435,030	83.57%	
Community Development	721,743	50,304	589,737	81.71%	
Streets & Drainage	2,279,892	(14,839)	1,942,962	85.22%	D
Facility Maintenance	568,276	101,036	526,044	92.57%	
Police	5,436,091	383,851	4,696,780	86.40%	
Animal Control	236,067	13,417	191,343	81.05%	
Fire/EMS	4,541,005	338,509	4,301,536	94.73%	
Combined Services	407,310	9,632	390,673	95.92%	A
Recreation	332,695	19,215	247,726	74.46%	B
City Engineer	347,000	92,294	299,501	86.31%	
Information Technology	741,473	45,002	514,898	69.44%	
Total Expenditures	**$ 19,563,143**	**$ 1,319,650**	**$ 16,957,512**	**86.68%**	
Total Revenue Over/Under Expenses	**$ 24,344**	**$ (608,696)**	**$ 3,591,615**		

Explanation of Major Variances:

A Total annual property and liability premium paid in October

B Recreation is a separate department for FY2020, but included in Parks for FY2019

C Special Election costs posted in December

D YTD payroll adjustment caused one-month negative for August

City of Sachse

Monthly Revenue and Expenditure Report

August 31, 2020

(Unaudited)

UTILITY FUND

92% of Year Completed

	Annual Budget	Current Month Actual	Actual YTD	YTD Actual as a Percent of Budget	Note Reference 0%
Revenue Summary					
Water Revenue	$ 6,945,622	$ 1,172,824	$ 7,219,584	103.94%	
Sewer Revenue	4,790,920	412,296	4,470,323	93.31%	
Drainage Revenue	210,000	17,259	209,765	99.89%	
Fees	164,500	16,946	145,965	88.73%	
Interest Income	150,000	6,816	170,149	113.43%	
Transfer In-Impact Fee	1,047,000	-	1,047,000	100.00%	
Miscellaneous Income	-		23,698		
Total Revenue	**$ 13,308,042**	**$ 1,626,141**	**$ 13,286,485**	**99.84%**	
Expenditure Summary					
Utility Administration	$ 430,387	$ 32,820	$ 391,415	90.94%	
Water Operations	6,227,956	549,309	6,228,059	100.00%	**A**
Sewer Operations	4,405,115	448,232	3,604,524	81.83%	
Drainage Projects	100,000		62,500	62.50%	
Total Expenditures	**$ 11,163,457**	**$ 1,030,362**	**$ 10,286,499**	**92.14%**	
Total Revenue Over/Under Expenses	**$ 2,144,585**	**$ 595,779**	**$ 2,999,986**		

Explanation of Major Variances:

A Includes $507,000 transfer to Capital Projects for Sachse Road

City of Sachse

Monthly Revenue and Expenditure Report
August 31, 2020
(Unaudited)

Debt Service Fund

92% of Year Completed

	Annual Budget	Current Month Actual	Actual YTD	YTD Actual as a Percent of Budget	Note Reference 0%
Revenue Summary					
Property Tax	$ 4,713,027	$ 1,877	$ 4,801,357	101.87%	
Interest Income	8,000	21	15,431	192.89%	
Miscellaneous Receipts					
Total Revenue	**$ 4,721,027**	**$ 1,899**	**$ 4,816,788**	**102.03%**	
Expenditure Summary					
Fees	$ 42,320		$ 36,147	85.41%	B
Principal	3,420,000		3,420,000	100.00%	A
Interest	1,353,750	646,980	1,334,767	98.60%	A
Transfer Out-Utility Fund					
Total Expenditures	**$ 4,816,070**	**$ 646,980**	**$ 4,790,914**	**99.48%**	
Total Revenue Over/Under Expenses	**$ (95,043)**	**$ (645,082)**	**$ 25,874**		

A Principal payments are due in February and interest payments in February and August

B Includes Financing Costs on 2019 Tax Notes all incurred in October

City of Sachse

Monthly Revenue and Expenditure Report
August 31, 2020
(Unaudited)

SACHSE ECONOMIC DEVELOPMENT CORPORATION

92% of Year Completed

	Annual Budget	Current Month Actual	Actual YTD	YTD Actual as a Percent of Budget	Note Reference
Revenue Summary					
Sales Tax	$ 775,000	$ 106,560	$ 896,084	115.62%	
Other Income	$ 12,500	$ -	$ 2,166	17.33%	
Interest Income	4,000	423	13,320	333.01%	A
Total Revenue	**$ 791,500**	**$ 106,982**	**$ 911,570**	**115.17%**	
Expenditure Summary					
Expenditures	808,349	29,665	628,998	77.81%	
Total Expenditures	**$ 808,349**	**$ 29,665**	**$ 628,998**	**77.81%**	
Total Revenue Over/Under Expenses	**$ (16,849)**	**$ 77,318**	**$ 282,572**		

Explanation of Major Variances:

A Allocation of pooled money market better than projected

City of Sachse

Monthly Revenue and Expenditure Report
August 31, 2020
(Unaudited)

MUNICIPAL DEVELOPMENT DISTRICT

92% of Year Completed

	Annual Budget	Current Month Actual	Actual YTD	YTD Actual as a Percent of Budget	Note Reference
Revenue Summary					
Sales Tax	$ 355,000	$ 49,819	$ 419,461	118.16%	
Other Income	$ -				
Interest Income	1,000	171	518	51.77%	
Total Revenue	**$ 356,000**	**$ 49,990**	**$ 419,979**	117.97%	
Expenditure Summary					
Expenditures	80,000	5,089	84,935	106.17%	
Total Expenditures	**$ 80,000**	**$ 5,089**	**$ 84,935**	106.17%	
Total Revenue Over/Under Expenses	**$ 276,000**	**$ 44,901**	**$ 335,043**		

Explanation of Major Variances:

CITY OF SACHSE
2019/2020 SALES TAX ANALYSIS

FY 2019	Total Sales tax	General Fund Sales Tax	General Fund Year-To-Date	YTD Percent of Budget
October	208,112	118,915	118,915	9.75%
November	295,677	168,950	287,865	19.52%
December	216,610	123,771	411,635	27.91%
January	230,470	131,690	543,326	36.84%
February	337,215	192,685	736,011	49.90%
March	209,463	119,687	855,698	58.01%
April	200,166	114,375	970,073	65.77%
May	290,146	165,789	1,135,862	77.01%
June	186,681	106,670	1,242,532	84.24%
July	233,228	133,266	1,375,798	93.27%
August	309,283	176,724	1,552,523	105.26%
September	239,512	136,857	1,689,380	114.53%
TOTAL	2,956,564	1,689,380		
BUDGET		1,475,000		

FY 2020	Total Sales tax	General Fund Sales Tax	General Fund Year-To-Date	YTD Percent of Budget
October	240,829	137,609	137,609	8.63%
November	316,904	181,079	318,688	19.98%
December	252,331	144,182	462,870	29.02%
January	272,241	155,558	618,429	38.77%
February	401,877	229,633	848,061	53.17%
March	250,829	143,324	991,385	62.16%
April	224,183	128,098	1,119,483	70.19%
May	332,834	190,181	1,309,665	82.11%
June	273,969	156,546	1,466,211	91.93%
July	197,476	112,838	1,579,048	99.00%
August	372,977	213,119	1,792,167	112.36%
September	275,319	157,317	1,949,485	122.22%
TOTAL	3,411,769	1,949,485		
BUDGET		1,595,000		

The City of SACHSE

Agenda Item Details

Meeting	Oct 05, 2020 - City Council Regular Meeting
Category	D. Consent Agenda - All items listed on the consent agenda will be considered by the City Council and will be enacted on by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests.
Subject	3. Approve the renewal of an agreement with Valley View Consulting for the purpose of investment advisory services for an additional two years.
Access	Public
Type	Action (Consent)
Preferred Date	Oct 05, 2020
Absolute Date	Oct 05, 2020
Fiscal Impact	No
Budgeted	Yes
Budget Source	Interest Earnings
Recommended Action	Approve the renewal of an agreement with Valley View Consulting for the purpose of investment advisory services for an additional two years.

Public Content

BACKGROUND

In October 2006, Valley View Consulting, LLC was initially contracted to provide investment advisory services to the City. The City desires to renew the contract which expired September 30, 2020, for a two-year period with the option to renew for an additional two years. The Public Funds Investment Act (PFIA) requires the investment advisory services contracts to be reviewed every two years.

The City has, under the guidance and advice of Valley View Consulting, laddered the City 's portfolio with authorized investments whenever possible in order to address portfolio diversification, yield and maturity, while maintaining the liquidity required for obligations as they come due. They also assist the City with the Investment Policy and Broker/Dealers list annual review as required by the PFIA, and in the preparation of Quarterly Investment Reports.

As part of the advisory service, Valley View assisted with the recent bank depository request for proposals for the new depository bank contract that began June 1, 2020.

OVERVIEW

The cost of the advisory service remains an annual fee equal to 0.06% of the City's average book value in its portfolio. The fee will be charged against interest earnings. These fees have been taken into consideration for the current budget. The fees paid in 2017-2018 were approximately $32,000. The fees paid in 2018-2019 were approximately $34,000. The fees for 2019-2020 are projected to total approximately $33,000. The fees fluctuate with the cash balances and interest earnings related to debt issuances including the issuance of the 2017 Certificate of Obligations, the 2017A Certificate of Obligations and 2019 Tax Notes.

POLICY CONSIDERATIONS

Investment strategies and objective to preserve principal, maintain liquidity and attain competitive overall yields.

RECOMMENDATION

Approve the renewal of an agreement with Valley View Consulting for the purpose of investment advisory services for an additional two years.

IA Agreement 2020 exp 093022.pdf (92 KB)

Form ADV Part 2 2020 03 17.pdf (80 KB)

All items listed on the consent agenda will be considered by the City Council and will be enacted on by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests.

AGREEMENT
BY AND BETWEEN
THE CITY OF SACHSE, TEXAS
AND
VALLEY VIEW CONSULTING, L.L.C.

It is understood and agreed that the City of Sachse (the *Investor*) will have from time to time money available for investment (the *Investable Funds*) and Valley View Consulting, L.L.C. (the *Advisor*) has been requested to provide professional services to the Investor with respect to the Investable Funds. This agreement (the *Agreement*) constitutes the understanding of the parties with regard to the subject matter hereof.

1. This Agreement shall apply to any and all Investable Funds of the Investor from time to time during the period in which this Agreement shall be effective.

2. The Advisor agrees to provide professional services as requested by the Investor while adhering to the rules and regulations of Securities and Exchange Commission-registered investment advisors.

3. The Advisor, if so requested, is prepared to perform the following duties, as requested:

   a. Assist the Investor in developing cash flow projections,

   b. Suggest appropriate investment strategies to achieve the Investor's objectives,

   c. Advise the Investor on market conditions, general information and economic data,

   d. Analyze risk/return relationships between various investment alternatives,

   e. Attend occasional meetings as requested by the Investor,

   f. Assist in the selection, purchase, and sale of investments. The Advisor shall not have discretionary investment authority over the Investable Funds and the Investor shall make all decisions regarding purchase and sale of investments. All funds shall be invested consistent with the Texas Public Funds Investment Act, Chapter 2256 Government Code and the Investor's Investment Policy. The eligible investments are listed in the Investor's Investment Policy,

   g. Advise on the investment of bond funds as to provide the best possible rate of return to the Investor in a manner which is consistent with the proceedings of the Investor authorizing the investment of the bond funds or applicable federal rules and regulations,

   h. Assist the Investor in creating investment reports in compliance with State legislation and the Investor's Investment Policy,

   i. Assist the Investor in creating monthly portfolio accounting reports, and

   j. Assist the Investor in selecting a primary depository services financial institution.

4. The Investor agrees to:

   a. Compensate the Advisor for any and all services rendered and expenses incurred as set forth in Appendix A attached hereto,

   b. Provide the Advisor with the schedule of estimated cash flow requirements related to the Investable Funds, and will promptly notify the Advisor as to any changes in such estimated cash flow projections,

   c. Allow the Advisor to rely upon all information regarding schedules, investment policies and strategies, restrictions, or other information regarding the Investable Funds as provided to it by the Investor and that the Advisor shall have no responsibility to verify, through audit or investigation, the accuracy or completeness of such information,

   d. Recognize that there is no assurance that recommended investments will be available or that such will be able to be purchased or sold at the price recommended by the Advisor, and

   e. Not require the Advisor to place any order on behalf of the Investor that is inconsistent with any recommendation given by the Advisor or the policies and regulations pertaining to the Investor.

5. In providing the investment services in this Agreement, it is agreed that the Advisor shall have no liability or responsibility for any loss or penalty resulting from any investment made or not made in accordance with the provisions of this Agreement, except that the Advisor shall be liable for its own gross negligence or willful misconduct; nor shall the Advisor be responsible for any loss incurred by reason of any act or omission of any broker, selected with reasonable care by the Advisor and approved by the Investor, or of the Investor's custodian. Furthermore, the Advisor shall not be liable for any investment made which causes the interest on the Investor's obligations to become included in the gross income of the owners thereof.

6. The fee due to the Advisor in providing services pursuant to this Agreement shall be calculated in accordance with Appendix A attached hereto, and shall become due and payable as specified. Any and all expenses for which the Advisor is entitled to reimbursement in accordance with Appendix A attached hereto shall become due and payable at the end of each calendar quarter in which such expenses are incurred.

7. This Agreement shall remain in effect until September 30, 2022, with the option of the Investor to extend this Agreement in two-year increments thereafter. Provided, however, the Investor or Advisor may terminate this Agreement upon thirty (30) days written notice to the other party. In the event of such termination, it is understood and agreed that only the amounts due to the Advisor for services provided and expenses incurred to and including the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. In the event this Agreement is terminated, all investments and/or funds held by the Advisor shall be returned to the Investor as soon as practicable. In addition, the parties hereto agree that upon termination

of this Agreement the Advisor shall have no continuing obligation to the Investor regarding the investment of funds or performing any other services contemplated herein.

8. The Advisor reserves the right to offer and perform these and other services for various other clients. The Investor agrees that the Advisor may give advice and take action with respect to any of its other clients, which may differ from advice given to the Investor. The Investor agrees to coordinate with and avoid undue demands upon the Advisor to prevent conflicts with the performance of the Advisor towards its other clients.

9. The Advisor shall not assign this Agreement without the express written consent of the Investor.

10. The Investor acknowledges that:

1) _____ Investor was provided a written copy of Form ADV Part 2 not less than 48 hours prior to entering into this written contract, or

2) _____ Investor received a written copy of Form ADV Part 2 at the time of entering into this contract and has the right to terminate this contract without penalty within five business days after entering into this contract.

3) __X__ Investor is renewing an expiring contract and has received in the past, and offered annually, a written copy of Form ADV Part 2.

When accepted by the Investor, it, together with Appendix A attached hereto, will constitute the entire Agreement between the Investor and Advisor for the purposes and the consideration herein specified.

Respectfully submitted,

Richard G. Long Jr.

Richard G. Long, Jr.
Manager, Valley View Consulting, L.L.C.

This agreement is hereby agreed to and executed on behalf of the City of Sachse, Texas.

By: ______________________________

Title: ______________________________

Date: ______________________________

APPENDIX A

REQUESTED SERVICES, FEE SCHEDULE AND EXPENSE ITEMS

In consideration for these services, an annual fee equal to 0.06% (6 basis points) of the investment portfolio's average book value. Said fee shall be due and payable at the end of each investment quarter.

In the event a flexible repurchase agreement or other similar investment option is utilized, the Advisor shall receive a normal and customary fee within the guidelines of the Internal Revenue Service, in lieu of Agreement Fee.

Said fee includes all costs related to the requested services, and all travel and business expenses related to attending one onsite meeting per quarter. Travel and business expenses for special meetings or requests of the Investor will be reimbursed by the Investor to the Advisor, to the extent any such expenses have been pre-approved by the Investor. The obligation of the Advisor to pay expenses shall not include any costs incident to litigation, mandamus action, test case or other similar legal actions.

Any other services requested by the Investor will include appropriate fees and expenses as mutually agreed to by the Investor and the Advisor at the time of request.

Valley View Consulting, L.L.C.

FORM ADV Part 2 – The Brochure

Valley View Consulting, L.L.C.
2428 Carters Mill Road
Huddleston, VA 24104-4003

SEC File Number 801-56181

540.297.3419 phone
888.853.3778 toll-free

www.valleyviewconsultingllc.com

March 17, 2020

This brochure provides information about the qualifications and business practices of Valley View Consulting, L.L.C. If you have any questions about the contents of this brochure, please contact us at 540.297.3419. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Valley View Consulting, L.L.C. is available on the SEC's website at www.adviserinfo.sec.gov.

This filing of Form ADV Part 2 is in conjunction with the Annual Updating Amendments requirement. General wording edits, Form ADV Part 2 requirements, and resume revisions have been incorporated. The last update to this brochure was March 14, 2019.

Valley View Consulting, L.L.C.

Table of Contents

Valley View Consulting, L.L.C.

Advisory Business

Valley View Consulting, L.L.C. ("Valley View"), established in 1998 and registered in 1999. Registration with the SEC does not imply a certain level of skill or training.

Valley View provides investment supervisory services primarily to government entities and their related organizations. Services are provided on a non-discretionary, non-custodial basis. State legislation and individual client investment policies determine authorized investments and appropriate strategies. Fixed income/fixed maturity securities, mutual funds, local government investment pools, and financial institution deposits provide the main investment options. Strategies are generally focused on safety of principal and maintenance of adequate liquidity to fund operational needs.

Each client's investment policy and cash flow requirements tailor the investment advice offered by Valley View. Clients have complete control and discretion over allowed investments and implemented strategies. Valley View does not participate in any wrap-fee programs.

As of December 31, 2019, Valley View provided non-discretionary advisory services to fifty-six entities with approximately $5.5 billion (Book Value) in total assets under management. Additionally, Valley View provides other cash and investment consulting services to non-advisory clients.

Valley View is solely owned by Richard G. Long, Jr.

Fees and Compensation

Investment supervisory fees can be a percentage of assets under management, hourly rates, fixed fees, or a combination of these. All fees are negotiable, and direct-billed and payable in arrears. Fees structures generally range from 0.01% to 0.20%, annually, based on the book value of assets under management; $100.00 to $750.00 per hour; $250 to $25,000 per project; $800 to $3,000 per day; $150.00 to $500.00 per month; $400.00 to $1,000.00 per transaction; or other fees as negotiated at the time of contract. In some cases, a minimum or maximum annual fee may apply. Contracts are cancelable without cause with 30 days' notice. Clients maintain their own safekeeping agent/custodian relationships and are responsible for any related fees. Local government investment pools and mutual funds are subject to their own fee schedules. Recommended mutual funds have been, and are anticipated to be, no-load money market funds. Valley View assists each client in minimizing transactional expenses or any other normal business expenses that might be incurred in the management of its funds.

In the event that a guaranteed investment contract, flexible repurchase agreement or other structured investment option is utilized, Valley View may receive a normal and customary fee (usually paid by the counterparty) within the guidelines of the Internal Revenue Service, in lieu of the fee prescribed in the advisor agreement.

Although no other forms of compensation are anticipated, if any additional compensation is received, the amount and source will be disclosed to the client.

Performance-Based Fees and Side-By-Side Management

Valley View does not charge any performance-based fees nor participate in side-by-side management.

Types of Clients

Valley View generally provides investment advice to "government entity" investors, including, but not limited to state agencies, cities, counties, school districts, special districts, colleges and universities, and special authorities. Additionally, Valley View provides advice to clients on matters not directly involving investing.

Valley View does not impose a minimum dollar value of assets for starting or maintaining a relationship.

Methods of Analysis, Investment Strategies and Risk of Loss

Each client's investment policy governs investment strategy selection and implementation, with most client investment objectives focused on preservation of principal and maintenance of adequate liquidity to fund ongoing operations. Investing in securities involves risk of loss that clients should be prepared to bear. Selecting investments with limited credit risk and matching short and long-term maturity purchases to client-based cash needs primarily manages the risk of realized loss. Most investments are cash equivalent or fixed income/fixed maturity that are held to maturity.

Depending upon investment and strategy selection, each client may risk loss of principal or anticipated earnings due to issuer default or adverse market movement.

Valley View most often offers advice on money market instruments, certificates of deposit and other financial institution deposits, municipal securities, mutual fund shares, United States government securities, repurchase agreements, and local government investment pools. Valley View's analysis includes fundamental, cyclical, and client-based cash flow requirements. Information sources include financial newspapers and magazines, research material prepared by others, corporate rating services, annual reports, prospectuses, regulatory filings, and other financial information sources.

Credit Risk – Most government entities specifically manage and limit exposure to credit risk. Assuming large amounts of credit risk is inconsistent with the main objectives to "primarily emphasize safety of principal and liquidity." All issuers contain incremental credit risk, although the markets believe certain ones have reduced credit risk (e.g. U.S. government securities). Generally, legislation does allow specific issuer-types with credit risk, but restricts that risk based on measurements of nationally recognized credit rating agencies or other criteria.

Credit risk considerations extend beyond the investments that are selected to be included in the entity's portfolio. Properly collateralized deposits or repurchase agreements, secured in accordance with the investment policy and federal banking regulations, essentially reduce the inherent credit risk of the financial institution or counterparty. Each client retains control and responsibility for collateral fair value monitoring. Valley View may periodically review collateral values and financial institution strength.

Prior to investment, accurate identification of the individual issuer's risk profile or the local government investment pool/mutual fund's investment criteria, and analysis of the historical risk/return relationship determines if the client will potentially receive adequate return for any increased risk. Although minimum credit rating requirements may apply, the investment policies and strategies of available pools/funds are reviewed to ensure that their policies are congruent with those of the client.

Market/Opportunity Risk – The restriction of most credit risks focuses portfolio management on controlling market risk and opportunity risk. Working with the yield curve, issuer yield spreads, and cash flow requirements addresses these two risks.

Appropriate yield curve positioning, with limited interest rate cycle timing, provides most yield enhancement. Our services include the research and analysis necessary to assist the client in formulating strategy recommendations. Cash flow predictability creates the baseline for investment strategy development. Keeping current-use funds in expenditure-related maturities or cash-equivalent alternatives, while positioning stable and longer-range funds further out the yield curve, generally provides overall portfolio enhancement.

For government entities, the higher yield-advantage of extended maturities most safely manifests itself in increased interest earnings (not speculative gains). Therefore, a hold-to-maturity strategy is primarily utilized.

Disciplinary Information

Valley View attempts to comply with all registration requirements and has not experienced any legal or disciplinary event that is material to a client's evaluation of its advisory business or to the integrity of its management personnel.

Other Financial Industry Activities and Affiliations

Valley View is not affiliated with any other financial institution and no related person is a general partner in any partnership in which clients are solicited to invest. There are no registrations (current or pending) for either the firm or its management personnel to register as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person to the forgoing entities.

Three Valley View team members individually hold positions that provide continuing education services through the University of North Texas (see attached resumes).

Any and all investment advice and security transactions are separately handled and are not subject to any commingling or front loading. Except as described above, Valley View is not compensated by any investment provider or investment manager.

Valley View is actively engaged in business other than giving investment advice, and anticipates spending less than 50% of its resources pursuing and providing non-investment advisory services. Other activities include, but are not limited to, bank service analysis and provider selection, cash and investment management policies and procedures creation and revision, government entity investment continuing education, and other finance-related services.

Valley View Consulting, L.L.C.

Code of Ethics, Privacy Policy, Participation or Interest in Client Transactions, and Personal Trading

Valley View maintains a Code of Ethics that is available upon request to its clients. The Code is designed to prevent client-based conflicts of interest and attempts to comply with applicable laws and regulations.

Valley View advises governmental entities subject to various open records requirements. Therefore most, if not all, client information is considered public. If Valley View and its advisory personnel do have access to non-public information, Valley View pledges its best efforts to not disclose the information without the prior written client approval and destroy any discarded files (e.g. shredding).

As a firm, Valley View does not participate in, nor have an interest in, investments that may be recommended to clients or resulting client transactions. However, the team members are allowed to purchase similar investments for his or her personal account and related accounts. The team member is not allowed to commingle or execute in front of client transactions.

To further reduce any conflict of interest, individual Valley View team members primarily invest in "non-reportable securities" or securities not eligible for client portfolios.

Brokerage Practices

Specific client consent is required to determine the investments to be bought or sold, the amount of the investments to be bought or sold, the broker-dealer or financial institution to be used, or the commission rates to be paid (where applicable). In most cases, the client authorizes and annually re-approves a broker-dealer list. Valley View may assist clients in selecting broker-dealers based on the firm and representative's government funds experience, compliance with client investment policies, competitive pricing, and responsiveness to client needs. Valley View does receive "general" market research from investment providers; however, no products, services, or soft dollar benefits are provided to Valley View. Eligible securities are usually sold by each broker-dealer "as principal" without additional commissions. Multiple client transactions are not aggregated as each client has specific needs and settlement requirements. Given the commonality of most investment options, not aggregating client transaction generally does not result in higher commissions or costs.

Review of Accounts

At relationship initiation, Valley View reviews each client's investment policy, eligible investment products, current investment practices, cash flow requirements, recent investment reports, authorized broker-dealer and investment provider lists, and other pertinent documentation. Investment maturities, significant cash inflows and/or outflows, bond issuance, quarter end, fiscal year end, major market movements, and other factors trigger periodic reviews. Ongoing reviews include current portfolio, projected cash flows, investment policy requirements, investment strategy targets, market conditions, and other considerations.

As Chief Investment Officer, Mr. Long performs the investment supervisory function and reviews all accounts. Ms. Anderson, Mr. Day, Mr. Hufstedler, Mr. Koch, Mr. Ross, and Ms. Upshaw assist in all aspects of client service as registered investment adviser representatives. Mr. Phifer and Ms. Mendoza primarily focus on monthly accounting and quarterly investment reports. Mr. Ross, Mr. Pinon, and Mr.

Hufstedler will support bank relationship selection and documentation. Ms. Steeger and Ms. Gerhardt will assist as needed.

Client reports include, but are not limited to:

- Individual transaction information (at time of transaction).
- Broker-dealer trade and financial institution deposit confirmations and activity reports sent directly to the client by the respective firm.
- Safekeeping agent/custodian clearance receipts and holdings reports sent directly to the client by the respective firm.
- Written portfolio reports, prepared as per each client's investment policy and contract terms.

Fixed income security "Fair Value" is provided by client-specific safekeeping agents/custodians, by generally available market prices, or determined by reviewing generally available offering prices and decreasing the price by an appropriate bid/offer spread.

Client Referrals and Other Compensation

Valley View does not have any arrangements where it receives cash or other economic benefit from a non-client in connection with giving advice to clients. If fee sharing applies to future, new client referrals, the arrangement and potential compensation will be disclosed to each potential client prior to contract initiation, and on an ongoing basis thereafter.

Custody

Valley View does not have custody of client funds.

Investment Discretion

Valley View does not have investment discretion over client funds. Any and all investment advice and investment transactions are separately handled and are not subject to any commingling or front loading.

Voting Client Securities

Valley View does not vote client proxies. Each client's safekeeping agent/custodian is responsible for communicating any and all proxy events.

Financial Information

Valley View does not have discretion over investment transactions, custody of client funds, or require payment of more than $1,200 in fees per client, six or more months in advance. Audited financial statements are not available.

Valley View Consulting, L.L.C.

Brochure Supplement

Valley View Consulting, L.L.C.
2428 Carters Mill Road
Huddleston, VA 24104-4003

SEC File Number 801-56181

540.297.3419 phone
888.853.3778 toll-free

www.valleyviewconsultingllc.com

March 17, 2020

This brochure supplement provides information about all Valley View personnel supplementing the Valley View Consulting, L.L.C. brochure. It is usually attached to the brochure. Please contact Richard G. Long, Jr., Chief Compliance Officer (540.297.3419) if you did not receive Valley View's brochure or if you have any questions about the contents of this supplement.

Additional information about all registered investment adviser representatives is available on the SEC's website at www.adviserinfo.sec.gov.

As Chief Compliance Officer, Richard G. Long, Jr. (540.297.3419) provides supervisory oversight of all Valley View personnel. That oversight includes individual adherence with the firm's Compliance Manual and Code of Ethics. Client reports, transactions, correspondence, and other activities are routinely monitored to confirm appropriateness and suitability.

Résumés

Susan K. Anderson

- Registered Investment Adviser Representative, Valley View Consulting, L.L.C.
- Chief Executive Officer, Anderson Financial Management, L.L.C.
- Investing Public Funds since 1981
- Former City of Austin, Texas Treasurer & Investment Officer
- Served as Chief Investment Officer for State of Texas
- University of North Texas – Center for Public Management staff

Ms. Anderson has extensive public fund experience, beginning in 1971 with her first government position at the City of Austin. Ms. Anderson served the City in the Financial Services Division for over twenty-five years. The last twenty years were specifically dedicated to the management of the investment, debt and cash resources of the City. As Treasurer of the City of Austin, she was responsible for the $1.5 billion investment portfolio, the $3.3 billion debt portfolio and all cash management programs, including collections and bank relations. Additional relevant responsibilities included serving as liaison to all three of the City's pension programs and as Trustee on the City of Austin Firemen's Relief and Retirement Fund, and Board Member of the City of Austin Deferred Compensation Fund. Investment strategies developed for City funds, pension funds and deferred compensation funds spanned the entire spectrum of public-eligible investment products, including fixed income, equity and international funds.

Following her retirement from the City of Austin, she served as Chief Investment Officer for the State of Texas where she was responsible for the management of $35 billion of combined operating, endowment and trust funds. After her public service, she joined a national financial and investment advisory firm exposing her to a myriad of government clients with unique needs and requirements and honing her skills to identify problems and find the appropriate solutions for her clients.

Ms. Anderson (born 1952) founded Anderson Financial Management, L.L.C. in 2008 and has partnered with Valley View to bring her expertise to the Valley View team. Ms. Anderson provides continuing education classes through the University of North Texas and has presented information to multiple investment management organizations.

Ms. Anderson earned a Bachelor of Science, Business Administration degree in Finance from St. Edward's University. She is a Certified Cash Manager and a registered investment adviser representative.

Benjamin F. Day

- Registered Investment Adviser Representative, Valley View Consulting, L.L.C.
- Investment industry since 1984
- Diversified background in sales and trading
- Extensive client-based risk/return analysis experience

Mr. Day first entered the securities industry in 1984 and has sales and trading desk experience in equity, matched book and fixed income investments. His various positions with large and regional investment-related firms developed a knowledgeable assessment of the major market rallies and melt downs of the last thirty years. This background enhances his outlook regarding portfolio risk/reward and client expectation. He has over fifteen years' experience in developing and delivering investment portfolio management seminars.

Mr. Day (born 1957) is a graduate of Northwood University with a Bachelor of Business Administration degree and is a registered investment adviser representative.

Julie S. Gerhardt

- Investment industry since 1993
- Responsible for administration, marketing and organizational issues
- Experienced in customer support and reporting

Ms. Gerhardt (born 1970) is primarily responsible for administrative, marketing and organizational issues. She began her career in the financial industry in 1993 with Legg Mason Wood Walker, and then subsequently with Smith Barney. Ms. Gerhardt is an honors graduate of the University of Phoenix with a Bachelor of Science in Health Administration.

E.K. Hufstedler, III

- Registered Investment Adviser Representative, Valley View Consulting, L.L.C.
- Banking industry since 1982
- Former regional bank President
- Experienced in financial institution deposit and service products

Mr. Hufstedler has been actively involved in the banking profession since 1982. He has been involved in nearly all aspects of lending areas with a higher degree of experience in the Mortgage and Commercial lending areas for the past 15 years. He has participated in actively bidding on public funds on behalf of banking organizations as well as support of depository services for banking clients. Mr. Hufstedler has served in Executive role for several banks in the past 15 years by researching, securing and developing new markets for those banks. Mr. Hufstedler most recently served as a Regional President for a $20 billion asset Texas based organization (Prosperity Bank).

Mr. Hufstedler (born 1959) earned a Bachelor of Business Administration in Banking and Finance in 1982 from Abilene Christian University in Abilene, Texas and is a registered investment adviser representative.

Richard G. Long, Jr.

* Registered Investment Adviser Representative, Valley View Consulting, L.L.C.
* Manager, Valley View Consulting, L.L.C.
* Investment industry since 1981
* Founded Valley View Consulting, L.L.C. and registered with the SEC as an investment advisory firm
* University of North Texas – Center for Public Management staff

Mr. Long's background includes extensive public entity investment management. He has been actively involved in government entity investment legislation; investment policies and strategies; cash flow-based investment portfolios; eligible investment options; appropriate asset allocations; investment transaction settlement and safekeeping procedures; bank service agreements; and arbitrage rebate regulation.

Mr. Long founded Valley View Consulting, L.L.C., in the fall of 1998 and became registered with the Securities and Exchange Commission as an investment adviser firm effective January 1999. Since 1988, Mr. Long has primarily provided cash and investment-related services to government entities. In earlier capacities, Mr. Long originated corporate, asset backed and tax-exempt securities, managed a government trading operation, and distributed both public and private securities.

Mr. Long (born 1957) earned a Bachelor of Science, Business Administration degree in Finance from Colorado State University and a Masters of Business Administration degree from the University of Dallas. Mr. Long provides continuing education classes through the University of North Texas and has presented information to multiple investment management organizations.

Maria Teresa Mendoza

- Extensive background in Accounting & Finance (since 2007)
- Government experience since 2010.

Ms. Mendoza has a background in Customer Service and Accounting & Finance. Teresa is experienced with cash management, banking relations, financial reporting, maintaining treasury records, pledged collateral, and investment reports. She recently worked at Trinity Metro (aka Fort Worth Transportation Authority) as their Finance Administrator which has given her a client's perspective to the Valley View team.

Ms. Mendoza (born 1979) joined Valley View in February 2020.

Johnny L. Phifer

- Former City of Keller, Texas Finance Director
- Thirty years public-sector experience
- Lengthy finance and accounting career

Mr. Phifer, recently retired as Finance Director for the City of Keller, brings with him a wealth of knowledge and experience attained during a career of over thirty years of public-sector experience. Mr. Phifer also brings a comprehensive and distinctive client operations perspective to the Valley View practice in the areas of cash management, governmental accounting and financial reporting, banking relations, management reporting, portfolio/treasury management, financial analysis and financial and budget administration.

Mr. Phifer is a member of the Government Finance Officers Association of Texas (GFOAT), where he earned the designation of Certified Government Finance Officer (CGFO), and the Government Treasurer's Organization of Texas (GTOT).

Mr. Phifer (born 1957) is a graduate of The University of North Alabama with a Bachelor of Science in Accounting.

Timothy D. Pinon

- Banking industry since 1987
- Government banking relationship manager
- Depository banking service experience

Mr. Pinon began his career in banking in 1987. He worked for seven years as a Series 7 registered representative, helping bank customers invest their short-term funds. Following that, he spent the next 24 years working in Treasury Management and Relationship Management on the banking side. Prior to joining Valley View, he worked for eleven years as a Government Banking Relationship Manager, which involved bidding for government contracts for depository bank services, and managing a portfolio of bank customers consisting of cities, schools, counties, and special districts. His background in investments, treasury management, and banking have provided him with a wealth of experience that he can share with government clients.

Mr. Pinon earned a Bachelor of Business Administration in Finance in 1987 from the University of Texas at Arlington. He went on to complete his Master of Business Administration in 1993, also from the University of Texas at Arlington.

Mr. Pinon (born 1964) joined Valley View in January 2020.

Valley View Consulting, L.L.C.

Thomas H. Ross

- Registered Investment Adviser Representative, Valley View Consulting, L.L.C.
- Former City of Bedford, Texas Director of Administrative Services
- Twenty years public-sector experience
- Lengthy corporate finance and accounting career

Mr. Ross has a background in financial operations and information technology management and most recently completed fourteen years of service with the City of Bedford, Texas, retiring as Director of Administrative Services. Joining the team in February 2010, Mr. Ross brings a broad and unique client operations perspective to the areas of cash management, governmental accounting, banking relations, management reporting, portfolio management, and general financial analysis, all of which impact the successful execution of a client's investment program.

Mr. Ross is a member of the Government Finance Officers Association of Texas (GFOAT), where he earned the designation of Certified Government Finance Officer (CGFO), and the Government Treasurer's Organization of Texas (GTOT).

Mr. Ross is a graduate of Texas A&M University with a Bachelor of Business Administration degree in Management and is a registered investment adviser representative.

Mr. Ross (born 1944) retired from full-time service December 2016, but continues to assist selectively.

Corrine L. Steeger

- Forty years Government Entity cash and treasury management
- Former City of Dallas Treasurer
- University of North Texas – Center for Public Management staff

Ms. Steeger is an experienced public funds treasurer, who has provided treasury management services for the cities of Arlington, Austin, and Dallas. Her responsibilities for each city included supervision of treasury operations, including banking, investments, and debt management.

Ms. Steeger has also served as Associate Director for the Center for Public Management, a department of the College for Health and Public Service at the University of North Texas. She has actively promoted the passage of legislation to improve public funds management in Texas, often testifying before the State Legislature on these issues. She frequently speaks and writes on public funds management and has provided the investment training required by the Public Funds Investment Act for the Texas Municipal League, the Government Finance Officers Association of Texas, the Government Treasurers' Organization of Texas, the Texas Water Conservation Association, and the Texas Higher Education Coordinating Board. She is a Past President of the Government

Finance Officers Association of Texas and is an honorary lifetime member of the Government Treasurers Organization of Texas.

Ms. Steeger (born 1950) received B.A. and M.A. degrees in Government from the University of Texas at Austin and an M.B.A. in Finance from Columbia University.

Emily A. Upshaw, CPA

- Registered Investment Adviser Representative, Valley View Consulting, L.L.C.
- Accounting, client service and transaction facilitation background
- Market analysis, trading and funds management experience
- Chief Executive Officer, Live Oak Portfolios, L.L.C.

Ms. Upshaw began her career in taxation with Ernst & Young in Austin, Texas where she completed her Certified Public Accountant designation. With an interest in investment management, she then worked as an associate of Employee Incentive Plans in charge of various client services and transactions. There she expanded her knowledge of market analysis, trading and fund management for individual client accounts and business qualified retirement accounts in the central Texas area.

Ms. Upshaw (born 1987) is a graduate of the University of Texas at Austin with a Bachelor of Business Administration and a Master in Professional Accounting from the McCombs School of Business. She is a registered investment adviser representative.

William J. Koch (retired)

- Registered Investment Adviser Representative, Valley View Consulting, L.L.C.
- President, Avalon Financial Services
- Public-sector consulting since 1990
- Over forty years financial management experience

Mr. Koch is a capable and versatile financial professional with extensive management and operational credentials that include a strong background in accounting, cash management, treasury, and information systems. He has broad industry experience with both publicly traded and privately held firms, including international market activities and public sector organizations. His career has included management positions with Fortune magazine ranked firms in which he was responsible for accounting and financial reporting, treasury, and information services.

Since 1990, Mr. Koch has been a management consultant providing specialized financial services primarily to public sector organizations, including municipalities, school districts, colleges, hospital districts, and regional transportation authorities. With proven financial expertise, solidly versed in statutes and legal requirements, and extensive knowledge of banking systems and services, he has a unique blend of capabilities to offer his clients.

Formerly a partner with a regional consulting group, Mr. Koch founded Avalon Financial Services in 1996 and serves as its president. Mr. Koch is a graduate of Texas A&M University and is a registered investment adviser representative.

Mr. Koch (born 1939) retired from full-time service December 2019, but may assist selectively.

The City of SACHSE

Agenda Item Details

Meeting	Oct 05, 2020 - City Council Regular Meeting
Category	D. Consent Agenda - All items listed on the consent agenda will be considered by the City Council and will be enacted on by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests.
Subject	4. Approve moving the second regular City Council meeting in October to Monday, October 26, 2020.
Access	Public
Type	Action (Consent)
Recommended Action	Approve as presented.

Public Content

BACKGROUND

The second regular meeting in October this year is Monday, October 19, 2020.

OVERVIEW

Staff needs additional time regarding the preliminary assessment plans for the Public Improvement District Number One in order to allow the underwriters and the attorneys time to review and make any changes. The document is also under review with the Texas Attorney General's Office. Therefore, staff is requesting to move the regular City Council meeting from Monday, October 19, 2020, to Monday, October 26, 2020, which will allow time for staff to make any of these changes and stay within the recommended allocated timeframe to complete.

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Approve moving the second regular City Council meeting in October to Monday, October 26, 2020.

All items listed on the consent agenda will be considered by the City Council and will be enacted on by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests.

The City of SACHSE

Agenda Item Details

Meeting	Oct 05, 2020 - City Council Regular Meeting
Category	E. Regular Agenda Items
Subject	1. Receive an update regarding actions taken by the City as a result of the COVID-19 pandemic and any future measures that may be necessary including city operations and facilities, public safety, financial employee impact, and the CARES Act.
Access	Public
Type	Discussion, Information

Public Content

CARES Act-COVID Council Update.pdf (41 KB)

CARES Act/COVID-19 Update

City Council

October 5, 2020

The City of SACHSE

CARES Act Federal Guidance

- The CARES Act provides that payments from the Fund may only be used to cover costs that-
  - Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
  - Were not accounted for in the budget most recently approved as of March 27, 2020 for the State or government; and
  - Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

  - Although a broad range of uses is allowed, revenue replacement is <u>not a permissible use of Fund payments</u>

The City of
SACHSE

Sachse Project Updates

The City of
SACHSE

CARES Act Projects-Community Outreach

- **5 Loaves Community Outreach**
  - In process
- **Building Modification Project**
  - In process
- **Telecommuting Enhancements**
  - Permitting software —implementation and kick-off in process
  - Laptops, phones have been purchased and are being deployed
  - Contract tracing project—implementation and kick-off in process
  - Scanning project approved by Dallas County and kick-off is in process
- **Public Safety**
  - Risk assessment approved by Dallas County and in process
  - PPE, sanitizing, and other items being purchased as needed for public safety staff
  - 75% FEMA funding eligibility on certain public safety items

The City of SACHSE

Next Steps

- Staff will continue to work on the items outlined in the original plan approved by the City Council
  - Now working under the new submission deadline of October 31, 2020 so the City is no longer taking new funding requests from departments unless they for emergencies
- Staff is also closely monitoring the guidance and is participating in weekly phone calls with Dallas County
- Staff is following all reporting requirements for both Dallas and Collin counties

The City of
SACHSE

The City of SACHSE

Agenda Item Details

Meeting	Oct 05, 2020 - City Council Regular Meeting
Category	E. Regular Agenda Items
Subject	2. Consider approval of an ordinance amending Chapter 9 of the City of Sachse Code of Ordinances titled "Traffic Regulations" to prohibit a person to stop, stand, or park a motor vehicle along any curb along Concord Drive from a distance of 40 feet northeast of Bunker Hill Road.
Access	Public
Type	Action
Preferred Date	Oct 05, 2020
Absolute Date	Oct 05, 2020
Fiscal Impact	No
Budgeted	No
Recommended Action	Staff recommends approval of this Ordinance amendment.
Goals	Meet the public safety needs of a growing citizen, student, and business population.

Public Content

BACKGROUND
Residents in the Hudson Crossing subdivision have concerns regarding the residents of the Domain at the One Forty apartment complex are parked in a manner that blocks and restricts turning onto Concord Drive. Vehicles are parking too close to the intersection of Bunker Hill Road encroaching into cross walks, blocking vehicle access, and restricting pedestrian/vehicle visibility and turning at the intersection.

OVERVIEW
In order to provide a safer and clear entrance into the subdivision staff recommends amending the parking restrictions on Concord Drive to allow better visibility and to allow vehicles to maneuver safely.

POLICY CONSIDERATIONS
This amends Chapter 9 of the City of Sachse "Traffic Regulations" Ordinance

RECOMMENDATION
Staff recommends approval of this Ordinance amendment.

Ordinance Amending Chapter 9 by Adding No Parking Along Concord Drive Interstion Bunker Hill Road.pdf (16 KB)

Concord Drive Parking Presentation.pdf (213 KB)

Parking Ordinance – Concord Drive

City Council

October 5, 2020

The City of SACHSE

Background

- Residents in the Hudson Crossing subdivision have complained that residents of the Domain at the One Forty apartment complex are parked in a manner that blocks and restricts turning onto Concord Drive
- Staff have contacted the apartment managers and requested that residents park within their own facility
- Police have cited numerous vehicles for blocking the road and parking too close to a stop sign
- In order to provide a safer and clear entrance into the subdivision staff recommends amending the parking restrictions on Concord Drive to allow better visibility and to allow vehicles to maneuver safely

The City of SACHSE

Proposed Location

Proposed Location

Proposed No Stopping, Standing, or Parking Area

The City of SACHSE

Objective

- To restrict parking of vehicles near intersections along Concord Drive at Bunker Hill Road
- Achieved through:
  - Adoption of an amendment to Chapter 9 "Traffic Regulations" for Concord Drive
  - Enforcement of the Texas Transportation Code on Concord Drive that prohibits parking within 30 feet of a stop sign
  - Installation of "No Parking Here to Corner" and "No Stopping, Standing, and Parking" Signs at designated locations

The City of SACHSE

Next Steps

- Staff recommends approval of an amendment to Chapter 9 of the "Traffic Regulations" Ordinance to prohibit a person to Stop, Stand, or Park a motor vehicle along any curb along Concord Drive from a distance of 40 feet northeast of the intersection with Bunker Hill Road
- Enforce Texas Transportation Code Section 545.302 (b) (3,4) on Concord Drive that prohibits parking within 30 feet of a stop sign
- Install "No Parking Here to Corner" and "No Stopping, Standing, and Parking" Signs at designated locations

The City of SACHSE

ORDINANCE NO. ________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, AMENDING THE SACHSE CODE OF ORDINANCES BY AMENDING CHAPTER 9, "TRAFFIC REGULATIONS" BY AMENDING SECTION 9-6, "PARKING" BY ADDING A NEW SUBSECTION B(7) TO PROVIDE FOR NO A PARKING AREA ALONG CONCORD DRIVE AND THE BUNKER HILL ROAD INTERSECTION; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR A PENALTY OF A FINE NOT TO EXCEED THE SUM OF TWO HUNDRED ($200.00) DOLLARS FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council has determined that an amendment to the no parking zones regulations for the city is necessary in order to clarify where no parking is permitted.

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

SECTION 1. The Code of Ordinances, City of Sachse, Texas, be amended, by amending Chapter 9, Traffic Regulations by amending Section 9-6, Parking by adding a new subsection (B)(7), to read as follows:

"CHAPTER 9
TRAFFIC REGULATIONS

Sec. 9-6. Parking.

B. No parking areas. Certain areas or portions of the public streets described in this section have been, are hereby and shall hereafter be set apart, marked and designated as no parking for all vehicles owned by or operated by any person within said areas or portions of said public streets. The parking of any vehicle within any space within the designated area which is or shall be marked "No Parking" shall be prohibited on each and every day of the year between the hours of 12:01 a.m. and 12:00 midnight.

ADD

(7) It shall be unlawful for any person to stop, stand, leave, or park any motor vehicle along any curb along Concord Drive from a distance of 40 feet (40') northeast of the intersection with Bunker Hill Road."

SECTION 2. That all provisions of the Ordinances of the City of Sachse, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed, and all other provisions of the Ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 3. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 4. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this ordinance, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said ordinance, which shall remain in full force and effect.

SECTION 5. That any person violating any of the provisions or terms of this Ordinance shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Sachse as heretofore amended and upon conviction shall be punished by a fine not to exceed the sum of Two Hundred Dollars ($200.00) for each offense.

SECTION 6. This ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and charter in such cases provides.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas on the _____ day of ___________________________, 2020.

APPROVED:

____
Mike J. Felix
Mayor

DULY ENROLLED:

____
Michelle Lewis Sirianni
City Secretary

APPROVED AS TO FORM:

____
Joseph J. Gorfida, Jr.
City Attorney
(09-15-2020:TM 117956)

The City of SACHSE

Agenda Item Details

Meeting	Oct 05, 2020 - City Council Regular Meeting
Category	E. Regular Agenda Items
Subject	3. Consider a resolution accepting and approving a preliminary service and assessment plan and preliminary assessment rolls for the Sachse Public Improvement District No. 1 at the Station and call for a public hearing to be held during the Regular City Council Meeting on Monday, October 26, 2020, regarding the levy of assessments against property in such Public Improvement District. (This item was tabled at the September 21, 2020 City Council meeting.)
Access	Public
Type	Action, Discussion, Information
Preferred Date	Oct 05, 2020
Absolute Date	Oct 05, 2020
Recommended Action	Approve a resolution accepting and approving a preliminary service and assessment plan and preliminary assessment rolls for the Sachse Public Improvement District No. 1 at the Station and call for a public hearing to be held during the Regular City Council Meeting on Monday, October 26, 2020, regarding the levy of assessments against 26property in such Public Improvement District.

Public Content

BACKGROUND

The Public Improvement District Assessment Act (the PID Act), Texas Local Government Code, Chapter 372, as amended, authorizes the City Council to create a public improvement district within the City. On January 22, 2019, the Council approved Resolution No. 3905 authorizing, establishing and creating the Sachse Public Improvement District No. 1, and, on December 2, 2019, the Council approved Resolution No. 3958 adding land to the District.

OVERVIEW

The Council and the City staff have been presented a "Sachse Public Improvement District No. 1 Preliminary Service and Assessment Plan", including the proposed assessment roll. The PID Act requires that the Proposed Assessment Roll be filed with the City Secretary of the City and be subject to public inspection. The PID Act also requires that a public hearing be held to consider proposed assessments and requires the Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Assessment Hearing.

POLICY CONSIDERATIONS

This action item is authorized under Chapter 372 of the Texas Local Government Code and is contemplated within the original Development Agreement between the City and PMB Station Land LP that was executed on October 3, 2018.

RECOMMENDATION

Approve a resolution accepting and approving a preliminary service and assessment plan and preliminary assessment rolls for the Sachse Public Improvement District No. 1 at the Station and call for a public hearing to be held during the Regular City Council Meeting on Monday, October 26, 2020, regarding the levy of assessments against property in such Public Improvement District.

Sachse PID No. 1--Resolution Calling Assessment Hearing (v.5).pdf (55 KB)

PID No. 1 SAP_v8.1 PSAP.pdf (4,740 KB)

RESOLUTION NO. _________

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, APPROVING A SACHSE PUBLIC IMPROVEMENT DISTRICT NO. 1 PRELIMINARY SERVICE AND ASSESSMENT PLAN, INCLUDING A PROPOSED ASSESSMENT ROLL; DIRECTING THE FILING OF THE PROPOSED ASSESSMENT ROLL WITH THE CITY SECRETARY; CALLING AND NOTICING A PUBLIC HEARING TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN THE SACHSE PUBLIC IMPROVEMENT DISTRICT NO. 1; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "Act"), authorizes the City Council (the "Council") of the City of Sachse, Texas (the "City"), to create a public improvement district within the City; and

WHEREAS, on January 22, 2019, the Council approved Resolution No. 3905 (the "Authorization Resolution"), authorizing, establishing and creating the Sachse Public Improvement District No. 1 (the "District"), and, on December 2, 2019, the Council approved Resolution No. 3958 adding land to the District; and

WHEREAS, the Council and the City staff have been presented a "Sachse Public Improvement District No. 1 Preliminary Service and Assessment Plan", including the proposed assessment roll (the "Proposed Assessment Roll") attached thereto (the "Preliminary SAP"), a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes; and

WHEREAS, the Act requires that the Proposed Assessment Roll be filed with the City Secretary of the City (the "City Secretary") and be subject to public inspection; and

WHEREAS, the Act requires that a public hearing (the "Assessment Hearing") be held to consider proposed assessments and requires the Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Assessment Hearing; and

WHEREAS, the Act requires that notice of the Assessment Hearing be mailed to property owners liable for assessment and published in a newspaper of general circulation in the City before the 10^{th} day before the date of the Assessment Hearing; and

WHEREAS, the Council finds it to be in the public interest to accept the Preliminary SAP and the Proposed Assessment Roll and to establish a date for the Assessment Hearing and to take such further action as required by the Act.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS AS FOLLOWS:

SECTION 1. The recitals set forth above in this Resolution are true and correct and are hereby adopted as findings of the Council and are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2. The Preliminary SAP for the District, including the Proposed Assessment Rolls, is hereby accepted.

SECTION 3. The Proposed Assessment Roll shall be filed with the City Secretary and the same shall be available for public inspection.

SECTION 4. A public hearing (the Assessment Hearing as defined above) shall be conducted during the regular meeting of the Council to be held on October 26, 2020 at 7:00 p.m., which meeting will be conducted by video conference in accordance with applicable provisions of the Texas Open Meetings Act as waived and/or modified by the Governor of the State of Texas pursuant to Texas Government Code §418.016 and during which the Council shall, among other actions, hear and pass on any objections to the proposed assessments. Upon the adjournment of the Assessment Hearing, the Council may consider an ordinance approving the final update to the Service and Assessment Plan. Citizens may access at http://www.cityofsachse.com/councilmeetings.

SECTION 5. The City Secretary is hereby authorized and directed to publish notice of the Assessment Hearing, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in a newspaper of general circulation in the City, as required by Section 372.016(b) of the Act.

SECTION 6. The City Secretary is hereby authorized and directed to mail notice of the Assessment Hearing to owners of property liable for the assessments set forth in the Proposed Assessment Roll, as required by Section 372.016(c) of the Act.

SECTION 7. This Resolution shall become effective from and after its date of passage in accordance with law.

PASSED AND APPROVED on this the 5th day of October 2020.

ATTEST:

____
Mike J. Felix, Mayor

____
Michelle Lewis Sirianni, City Secretary

Exhibit A

SACHSE PUBLIC IMPROVEMENT DISTRICT NO. 1
SERVICE AND ASSESSMENT PLAN

Exhibit B
CITY OF SACHSE, TEXAS
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of Sachse, Texas at 7:00 p.m. on the 26th day of October 2020, at Sachse City Hall, 3815 Sachse Road, Sachse, Texas 75048. The public hearing will be held to consider proposed assessments to be levied against certain assessable property within the Sachse Public Improvement District No. 1 (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government, as amended (the "Act").

The general nature of the proposed public improvements may include: (i) street, roadway and sidewalk improvements, including related drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) water, wastewater and drainage improvements and facilities; (iii) parks, trails and recreational facilities improvements; (iv) projects similar to those listed above authorized by the Act, including similar off-site projects that provide a benefit to the Property (defined below); (v) acquisition of real property, interests in real property, or contract rights in connection with each Authorized Improvement; (vi) payment of costs, including, without limitation, design, engineering, permitting, legal, required payment, performance and maintenance bonds, bidding, support, construction, construction management, administrative and inspection costs, associated with developing and financing the public improvements listed in (i) through (v) above [(i) through (vi), collectively, the "Public Projects"]; (vii) payment of costs associated with operating and maintaining the public improvements listed in (i) through (v) above; and (viii) payment of costs of establishing, administering, and operating the District, as well as the interest, costs of issuance, reserve funds, or credit enhancement of bonds issued for the purposes described in (i) through (vii) above [(vii) and (viii) above, collectively, the "District Expenses" and, together with the Public Projects, the "Authorized Improvements"] and secured by assessments levied against the property in the District that benefit from such Authorized Improvements (the "Property"). The Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property. The total cost of the Public Projects is approximately $30,397,854, plus the District Expenses.

The boundaries of the District include approximately 170.933 acres of land generally located north of the PGBT between Merritt Road and Miles Road and including parcels west of Miles Road and south of the PGBT, as more particularly described by a metes and bounds description available for public inspection at the office of the City Secretary, Sachse City Hall, 3815 Sachse Road, Sachse, Texas 75048.

All written or oral objections on the proposed assessments within the District will be considered at the public hearing. Information for persons who wish to attend the meeting by telephone, videoconference or other electronic means will be posted on the City's website at http://www.cityofsachse.com/councilmeetings.

A copy of the Proposed Assessment Roll relating to the Authorized Improvements to be undertaken at this time, which includes the assessments to be levied against certain assessable parcels in the District, is available for public inspection at the office of the City Secretary, Sachse City Hall, 3815 Sachse Road, Sachse, Texas 75048.

Sachse Public Improvement District No. 1

PRELIMINARY SERVICE AND ASSESSMENT PLAN

VERSION 8.1 10/02/2020

P3 WORKS

AUSTIN, TX | NORTH RICHLAND HILLS, TX

TABLE OF CONTENTS

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," an "Exhibit," or an "Appendix" 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 January 22, 2019, the City Council passed and approved Resolution No. 3905 authorizing the establishment 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 170.686 acres located within the corporate limits of the City, as described by the boundary description and depiction of the District on **Exhibit M-1** and **Exhibit A-1**, respectively.

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 Assessed Property within the District based on the special benefits conferred on such property 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 Council. The Assessment against each Parcel of Assessed Property must be sufficient to pay the share of the Actual Costs of the Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by such Authorized Improvements. The Assessment Roll for Improvement Area #1 is included as **Exhibit E-1.** The Assessment Roll for the Major Improvement Area is included as **Exhibit F-1.**

SECTION I: DEFINITIONS

"Actual Costs" mean with respect to Authorized Improvements, the actual costs paid or incurred by or on behalf of the Owner, including : (1) the costs incurred by the Owner, or on behalf of the Owner (either directly or through affiliates) or the City for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Authorized Improvements; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Authorized Improvements; (3) the costs incurred by or on behalf of the Owner for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) all labor, bonds, and materials, including equipment and fixtures, by contractors, builders, and materialmen in connection with the acquisition, construction, or implementation of the Authorized Improvements; (5) all related permitting, and public approval expenses, architectural, engineering, legal and consulting fees, and governmental fees and charges; and (6) costs to implement, administer, and manage the above-described activities including, but not limited to, a construction management fee equal to four percent (4%) of construction costs if managed by or on behalf of the Owner.

"Additional Interest" means the amount collected by application of the Additional Interest Rate.

"Additional Interest Rate" means the 0.50% additional interest rate that may be charged on Assessments securing PID Bonds pursuant to Section 372.018 of the PID Act.

"Administrator" means the City or independent firm designated by the City who shall have the responsibilities provided in this Service and Assessment Plan, the Indenture, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District. The initial Administrator is P3Works, LLC.

"Annual Collection Costs" mean the actual or budgeted costs and expenses related to the operation of the District, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (6) paying and redeeming PID Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with this Service and Assessment Plan and the PID Act with respect to the PID Bonds, including the City's continuing disclosure and arbitrage rebate requirements; and (9) 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, if applicable.

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

"Assessed Property" means any Parcel within the District against which an Assessment is levied.

"Assessment" means an assessment levied against a Parcel within the District, other than Non-Benefitted Property, 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 in the PID Act.

"Assessment Ordinance" means an ordinance adopted by the City Council in accordance with the PID Act that levies an Assessment on Assessed Property within the District as shown on any Assessment Roll.

"Assessment Plan" means the methodology employed to assess the Actual Costs of the Authorized Improvements against the Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements, more specifically set forth and described in **Section V**.

"Assessment Roll" means any assessment roll for the Assessed Property within the District, including the Major Improvement Area Assessment Roll and the Improvement Area #1 Assessment Roll, 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 any Annual Service Plan Update.

"Authorized Improvements" means (1) improvements authorized by Section 372.003 of the PID Act as depicted on **Exhibit G-1, Exhibit G-2,** and **Exhibit G-3** and described in **Section III,** and (2) Bond Issuance Costs, and (3) District Formation Costs.

"Bond Issuance Costs" means the costs associated with issuing PID Bonds, including, but not limited to, attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, capitalized interest, reserve fund requirements, underwriter's discount, fees charged by the Texas Attorney General, and any other cost or expense incurred by the City directly associated with the issuance of any series of PID Bonds.

"City" means the City of Sachse, Texas.

"City Contribution" means cash provided by the City to finance a portion of the total costs of the Major Improvements. The City Contribution exceeds the benefit received or to be received by the Authorized Improvements allocable to the City Land and is made in lieu of an Assessment on the City Land.

"City Council" means the governing body of the City.

"City Land" means approximately 37 acres within the Major Improvement Area that is benefitted from the Major Improvements but will not be assessed and is more specifically described in **Exhibit M-4**. The City Land is any land that is owned by the City or will be dedicated to the City.

"Commercial 1 Lot Type" means Assessed Property intended for use as Inline Retail or Food Retail within Improvement Area #1, as provided by Owner.

"Commercial 2 Lot Type" means Assessed Property intended for use as Inline Retail, Food Retail, Pad Retail, or Office within the Major Improvement Area, as provided by Owner.

"Commercial 3 Lot Type" means Assessed Property intended for use as Jr. Anchor Retail or Office Flex within the Major Improvement Area, as provided by Owner.

"County" means Dallas County, Texas.

"Delinquent Collection Costs" mean costs related to the foreclosure on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this Service and Assessment Plan, including penalties and reasonable attorney's fees actually paid, but excluding amounts representing interest and penalty interest.

"**Development Agreement**" means that certain ***Development Agreement*** by and between PMB Station Developer, LLC (by assignment from PMB Station Land, LP per instrument dated August 14, 2019) and the City of Sachse, Texas, effective October 8, 2018, as amended by (i) that certain ***First Amendment to Development Agreement and Consent to Assignment*** effective September 5, 2019 and (ii) that certain ***Second Amendment to Development Agreement*** effective July 21, 2020, and inclusive of any subsequent amendments to the Development Agreement to which the parties to the Development Agreement may enter from time to time. A memorandum of the Development Agreement dated March 12, 2019, was recorded March 20, 2019, as Instrument No. 201900068907 in the Official Public Records of Dallas County, Texas.

"District" means Sachse Public Improvement District No. 1, containing approximately 170.686 acres located within the corporate limits of the City, and more specifically described in **Exhibit M-1** and depicted on **Exhibit A-1**.

"District Formation Costs" means the costs associated with forming the District, including but not limited to attorney fees and any other cost or expense incurred by the City directly associated with the establishment of the District.

"Engineer's Report" means a report provided by a licensed professional engineer that describes the Authorized Improvements, including costs already spent, location, benefit, and estimated costs to be spent, and is attached hereto as **Appendix B.**

"Estimated Buildout Value" means the estimated value of an Assessed Property with fully constructed buildings, as provided by the Owner, attached as Appendix A, and confirmed by the City Council. The Estimated Buildout Value is established by **Exhibit H-1** for all Lot Types and all improvement areas and will not change in Annual Service Plan Updates.

"Food Retail" means a property intended to be developed into a retail building primarily used as a restaurant or food service establishment.

"Future Improvement Area" means a distinct portion of the Major Improvement Area described by metes and bounds and developed as an individual improvement area after Improvement Area #1, with such area(s) to be described, designated, and subject to separate Assessments levied in future Annual Service Plan Updates.

"Improvement Area #1" means approximately 48.387 acres located within the District, more specifically described in **Exhibit M-2** and depicted on **Exhibit A-1**.

"Improvement Area #1 Annual Installment" means the Annual Installment of the Improvement Area #1 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, if applicable, which amount may be reduced by the TIRZ No. 2 Annual Credit Amount.

"Improvement Area #1 Assessed Property" means any Parcel within Improvement Area #1 against which an Improvement Area #1 Assessment is levied.

"Improvement Area #1 Assessment" means an Assessment levied against a Parcel within Improvement Area #1 and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Improvement Area #1 Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

"Improvement Area #1 Assessment Roll" means the Assessment Roll for the Improvement Area #1 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 updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #1 Assessment Roll is included in this Service and Assessment Plan as **Exhibit E-1.**

"Improvement Area #1 Bonds" means those certain "City of Sachse, Texas, Special Assessment Revenue Bonds, Series 2020 (Sachse Public Improvement District No. 1 Improvement Area #1 Project)" that are secured by Improvement Area #1 Assessments.

"Improvement Area #1 Improvements" means the Authorized Improvements which only benefit the Improvement Area #1 Assessed Property, as further described in **Section III.C** and depicted on **Exhibit G-1.**

"Improvement Area #1 Maximum Assessment" means for each Lot within Improvement Area #1, the amount shown on **Exhibit H-1.**

"Improvement Area #1 Projects" means collectively: (1) the pro rata portion of the Major Improvements allocable to Improvement Area #1; (2) the Improvement Area #1 Improvements; (3) the first year's Annual Collection Costs related to the Improvement Area #1 Bonds; and (4) Bond Issuance Costs incurred in connection with the issuance of the Improvement Area #1 Bonds.

"Improvement Area #1 Reimbursement Obligation" means an amount not to exceed $5,375,000 secured by Improvement Area #1 Assessments to be paid to the Owner pursuant to the Reimbursement Agreement. The Annual Installments for the Improvement Area #1 Reimbursement Obligation are shown on **Exhibit K-2.**

"Indenture" means an Indenture of Trust entered into between the City and the Trustee in connection with the issuance of each series of PID Bonds, as amended from time to time, between the City and the Trustee setting forth terms and conditions related to a series of PID Bonds.

"Inline Retail" means a property intended to be developed into a retail building where tenants are placed contiguous to neighboring tenants, under a single roof, such that their frontages are in a straight line.

"Jr. Anchor Retail" means a property intended to be developed for a single tenant which can attract or generate traffic for the surrounding retail properties.

"Lot" means (1) for any portion of the District for which a final Subdivision Plat has been recorded in the Official Public Records of the County, a tract of land described by "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 as shown on a concept plan or a preliminary plat. A "Lot" shall not include real property owned by a government entity, even if such property is designated as a separate described tract or lot on a recorded Subdivision Plat.

"Lot Type" means a classification of final building Lots with similar characteristics (e.g. retail, office, multi-family, single family residential), as determined by the Administrator and confirmed by the City Council. In the case of residential and commercial Lots, the Lot Type shall be further defined by classifying the Lots by the Estimated Buildout Value of the Lot as provided in **Exhibit H-1.**

"Major Improvement Area" means approximately 122.299 acres located within the District described in **Exhibit M-3** and depicted on **Exhibit A-1**. The Major Improvement Area includes all of the District save and except Improvement Area #1.

"Major Improvement Area Annual Installment" means the Annual Installment 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 within the District, 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-1**.

"Major Improvement Area Bonds" means those certain "City of Sachse, Texas, Special Assessment Revenue Bonds, Series 2020 (Sachse Public Improvement District No. 1 Major Improvement Area Project)" that are secured by Major Improvement Area Assessments.

"Major Improvement Area Initial Parcel" means all of the Major Improvement Area Assessed Property against which the entire Major Improvement Area Assessment is levied as shown on Major Improvement Area Assessment Roll.

"Major Improvement Area Maximum Assessment" means for each Lot within the Major Improvement Area, the amount shown on **Exhibit H-1**, which does not include Future Improvement Area Assessments for phased improvements levied on the Future Improvement Area.

"Major Improvement Area Maximum Assessment Per Net Acre" means the amount shown on **Exhibit H-2,** as reduced annually in each future Annual Service Plan Update by principal payments and any Prepayments made on the Major Improvement Area Assessment.

"Major Improvement Area Platted Property" means any portion of the Major Improvement Area for which a Subdivision Plat has been recorded in the Official Public Records of the County.

"Major Improvement Area Projects" means collectively: (1) the pro rata portion of the Major Improvements allocable to the Major Improvement Area; (2) the first year's Annual Collection Costs related to the Major Improvement Area Bonds; and (3) Bond Issuance Costs incurred in connection with the issuance of the Major Improvement Area Bonds.

"Major Improvement Area Remaining Parcel" means all of the Major Improvement Area Initial Parcel less the Major Improvement Area Platted Property.

"Major Improvement Area True-Up" means the true up performed by the City: (1) each time any series of Future Improvement Area bonds is issued, and (2) when 20%, 40%, 60% and 80% of the Major Improvement Area Assessments are allocated to Major Improvement Area Platted Properties to verify that the Major Improvement Area Remaining Property will have a Major Improvement Area Maximum Assessment per net acre equal to or less than the Major Improvement Area Maximum Assessment Per Net Acre depicted on **Exhibit H-2,** as described in **Section VI.D.**

"Major Improvements" means those Authorized Improvements that confer special benefit to all Assessed Property within the District as further described in **Section III.A.** and depicted on **Exhibit G-2** and **Exhibit G-3.** Major Improvements are allocated pro rata to Improvement Area #1 Assessed Property and Major Improvement Area Assessed Property based on Estimated Buildout Value.

"Multi-family Lot Type" means an Assessed Property within the District intended to be developed as multi-family housing.

"Net Acres" means acres per block as depicted on the concept plan shown on **Exhibit A-1** and **Exhibit H-2**, pertaining to the Major Improvement Area Remaining Parcel. The total Net Acres in the Major Improvement Area, as shown on **Exhibit H-2** will not change in Annual Service Plan Updates.

"Non-Assessed Property" means Parcels within the boundaries of the District that accrue special benefit from the Authorized Improvements as determined by the City Council but will not be assessed for the costs of the Authorized Improvements.

"Non-Benefitted Property" means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements as determined by the City Council.

"Notice of Assessment Termination" means a document that shall be recorded in the Official Public Records of the County evidencing the termination of an Assessment, a form of which is attached as **Exhibit J.**

"Office Flex" means a property designed to be versatile that may be developed and used in combination with office, research and development, quasi-retail sales, and including, but not limited to, industrial, warehouse, and distribution uses.

"Office" means a property designed to house employees of business entities that produce a product or service primarily for support services such as administration, accounting, marketing, information processing and dissemination, consulting, human resource management, financial and insurance services, education and medical services, and other professional services.

"Operations and Maintenance Assessment" means a separate Assessment levied against a Parcel and imposed pursuant to an Assessment Ordinance, which pays for the City's operation and maintenance of the Authorized Improvements, as shown on an Assessment Roll in the Operations and Maintenance Service and Assessment Plan.

"Operations and Maintenance Service and Assessment Plan" means the Operations and Maintenance Service and Assessment Plan, adopted on October 26, 2020, which governs the Operations and Maintenance Assessment, as it may be modified, amended, supplemented and updated by the City Council from time to time.

"Owner" means PMB Station Developer LLC, and any successors or assigns thereof that intends to develop the property in the District for the ultimate purpose of transferring title to end users.

"Pad Retail" means a free-standing building, oftentimes with a drive-thru, that compliments the surrounding retail's existing tenant mix. Examples of such uses include banking, fuel, eating establishments, and other similar services.

"Parcel" or **"Parcels"** means a specific property within the District identified by either a tax parcel identification number assigned by the Dallas Central Appraisal District for real property tax purposes, by the legal 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.

"PID Account" means a segregated account of the TIRZ No. 2 Fund in which the TIRZ No. 2 Annual Credit Amount is deposited.

"PID Act" means Chapter 372, Texas Local Government Code, as amended.

"PID Bonds" means any bonds issued by the City in one or more series and secured in whole or in part by Assessments.

"Plat" or **"Subdivision Plat"** means a "plat" as defined in and approved in accordance with Section 8-5 of the Code of Ordinances, City of Sachse, Texas, as amended.

"Prepayment" means the payment of all or a portion of an Assessment before the due date of the final Annual Installment 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.

"Prepayment Costs" means interest, including Additional Interest and Annual Collection Costs incurred up to the date of Prepayment.

"Reimbursement Agreement" means that certain "Agreement for the Construction of PID Projects and Reimbursement of Advances" effective July 20, 2020, entered into by and between the City and the Owner, whereby all or a portion of the Actual Costs not paid to the Owner from PID Bond proceeds will be paid to the Owner from Assessments to reimburse the Owner for Actual Costs paid by the Owner, plus interest, that are eligible to be paid with Assessments.

"Service and Assessment Plan" means this Sachse Public Improvement District No. 1 Service and Assessment Plan as updated, amended, or supplemented from time to time.

"Service Plan" covers a period of at least five years and defines the annual indebtedness and projected costs of the Authorized Improvements, more specifically described in **Section IV**.

"Single Family Lot Type" means a Assessed Property within the District platted or anticipated to be platted into similarly benefitted Lots to be used and developed for single family detached dwelling units and being marketed to homebuilders as a uniform lot type that may be developed with and sold for single family detached dwelling units. See **Exhibit L-1** for homebuyer disclosures for single family Lots.

"TIRZ No. 2" means the Sachse Tax Reinvestment Zone Number Two, City of Sachse, Texas.

"TIRZ No. 2 Annual Credit Amount" means a portion of the TIRZ No. 2 Revenues generated from the Assessed Property to reduce the Annual Installments allocable to the Assessed Property on a Lot Type basis which shall not annually exceed the TIRZ No. 2 Maximum Annual Credit Amount, and which shall be transferred from the TIRZ No. 2 Fund to the applicable pledged revenue fund pursuant to the TIRZ No. 2 Final Plan, as amended from time to time.

"TIRZ No. 2 Final Plan" means the Sachse Tax Reinvestment Zone Number Two, City of Sachse, Texas Final Project and Financing Plan, dated ____________, 2020, providing for the payment of project costs related to certain public improvements, including the Major Improvements, Improvement Area #1 Improvements and Future Improvement Area improvements as provided pursuant to the Development Agreement, Section 7.07, as amended.

"TIRZ No. 2 Fund" means the tax increment fund created pursuant to the TIRZ No. 2 Ordinance into which TIRZ No. 2 Revenues are deposited annually.

"TIRZ No. 2 Maximum Annual Credit Amount" means the amount of TIRZ No. 2 Revenues that, when applied to Assessed Property on a Lot Type basis to reduce the Annual Installment next due for such Assessed Property, results in an aggregate equivalent tax rate of Annual Installments of Assessments plus all other overlapping taxing entities of $3.15 per $100 of assessed value for such Assessed Property. The TIRZ No. 2 Maximum Annual Credit Amount for Improvement Area #1 will be calculated based on the Estimated Buildout Value at the time the City Council approves the Assessment Ordinance levying the Improvement Area #1 Assessments as shown on **Exhibit H-1.** The TIRZ No. 2 Maximum Annual Credit Amount for Future Improvement Areas will be calculated based on the Estimated Buildout Value as shown in **Exhibit H-1**, as will be further described in future Annual Service Plan Updates as each respective Future Improvement Area is created. The Major Improvement Area Assessments will not have any TIRZ No. 2 Annual Credit Amount applied since the equivalent tax rate of the Major Improvement Area Annual Installment plus all other overlapping taxing entities within the Major Improvement Area is less than $3.15 per $100 of assessed value.

"TIRZ No. 2 Ordinance" means Ordinance No. 3898 enacted by the City Council approving the creation and boundary of TIRZ No. 2 and establishing the TIRZ No. 2 Fund and any later ordinance enacted by the City Council amending the boundaries of TIRZ No. 2.

"TIRZ No. 2 Revenues" mean, for each year, the amounts which are deposited in the TIRZ No. 2 Fund pursuant to the TIRZ No. 2 Ordinance, TIRZ No. 2 Final Plan, as amended from time to time, and TIRZ No. 2 Agreement.

"Townhome Lot Type" means an Assessed Property within the District platted or anticipated to be platted into townhome Lots and being marketed to homebuilders as townhome Lots. See **Exhibit L-2** for homebuyer disclosures for townhome Lots.

"Trustee" means the trustee or successor trustee under an Indenture.

SECTION II: THE DISTRICT

The District includes approximately 170.686 contiguous acres (except for certain public roadways) located within the corporate limits of the City, as more particularly described by the legal description on **Exhibit M-1** and depicted on **Exhibit A-1**. Development of the District is anticipated to include approximately 165 Lots classified as Single-Family Lot Types, 84 Lots classified as Townhome Lot Types, 789 Multi-Family Lot Type units, 15,600 square feet of building space classified as Commercial 1 Lot Type, 262,500 square feet of building space classified as Commercial 2 Lot Type, and 340,000 square feet of building space classified as Commercial 3 Lot Type.

Improvement Area #1 includes approximately 48.387 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit M-2** and depicted on **Exhibit A-1**. Development of Improvement Area #1 is anticipated to include approximately 165 Lots classified as Single-Family Lot Types, 59 Lots classified as Townhomes Lot Types, 300 Multi-Family Lot Type units, and 15,600 square feet of building space classified as Commercial 1 Lot Type.

The Major Improvement Area includes approximately 122.299 contiguous acres (except for certain public roadways), located within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit M-3** and depicted on **Exhibit A-1**. Development of the Major Improvement Area is anticipated to include approximately 25 Lots classified as Townhome Lot Types, 489 Multi-Family Lot Type units, 262,500 square feet of building space classified as Commercial 2 Lot Type, and 340,000 square feet of building space classified as Commercial 3 Lot Type.

SECTION III: AUTHORIZED IMPROVEMENTS

The City, based on information provided by the Owner 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. Authorized Improvements will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City or operated by a third party pursuant to a qualified management contract. The budget for the Authorized Improvements and the allocation between Improvement Area #1 and the Major Improvement Area are shown on **Exhibit B.**

A. Major Improvements

- *Station Blvd/Bunker Hill Road*

  Improvements including subgrade stabilization (including lime treatment and

compaction), concrete and reinforcing steel for roadways, testing, ADA ramps, and sidewalks. All related earthwork, excavation, erosion control, retaining walls, signage, dry utility infrastructure, drainage infrastructure, screen walls, landscaping, irrigation, and re-vegetation of all disturbed areas within the right-of-way.

- *Hudson Road*

  Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, ADA ramps, and sidewalks. All related earthwork, excavation, erosion control, retaining walls, signage, drainage infrastructure, screen walls, landscaping, irrigation, and re-vegetation of all disturbed areas within the right-of-way.

- *Merritt Road*

  Improvements include landscaping enhancements, screen walls, and retaining walls for the right-of-way of Merritt Road.

- *Commons Parkway/Street A*

  Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, ADA ramps, and sidewalks. All related earthwork, excavation, erosion control, retaining walls, signage, dry utility infrastructure, drainage infrastructure, landscaping, irrigation, and re-vegetation of all disturbed areas within the right-of-way. The street improvements will provide a benefit to all property within the District.

- *Heritage Park Improvements*

  Improvements include earthwork, excavation, erosion control, retaining wall, signage, playground equipment, shade structures, park furniture fixtures, fountains, splash pad, parking, sidewalks, trails, drainage infrastructure, landscaping, water and sewer utility improvements, concrete paving, irrigation, and re-vegetation of all disturbed areas.

- *Regional Detention*

  Improvements include clearing, pond excavation, soil testing, retaining walls, erosion control, piping of inbound and outbound drainage lines, and construction of outlet structures. Hardscape and landscape improvements including a boardwalk, pedestrian bridge, trails, re-vegetation, and fountains are also included.

- *Master Water Line Extension*

  Improvements including trench excavation and embedment, trench safety, piping, fire hydrant assemblies, manholes, service connections, irrigation services, testing, related earthwork, excavation, and erosion control and all necessary appurtenances constructed to City standards required to provide water service to the District.

- *Master Sewer Main Extension – Line A*

  Improvements including trench excavation and embedment, trench safety, piping, manholes, service connections, testing, related earthwork, excavation, and erosion control and all necessary appurtenances constructed to City standards required to provide wastewater service to the District.

- *Master Sewer Main Extension – Line B*

  Improvements including trench excavation and embedment, trench safety, piping, boring, manholes, service connections, testing, related earthwork, excavation, and erosion control and all necessary appurtenances constructed to City standards required to provide wastewater service to the District.

- *Master Entry Monumentation/Artwork*

  Improvements include public entry signage components such as monument signs, lighting, brick wall footings, and landscaping. Public art features such as statues and monuments are also included.

- *Public Collector Road B/Street B*

  Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, ADA ramps and sidewalks located within the right of way. All related earthwork, excavation, erosion control, retaining walls, intersections, signage, drainage infrastructure, landscaping, irrigation, and re-vegetation of all disturbed areas within the right-of-way are included. The street improvements will provide benefit to each Lot within the District.

- *Soft Costs*

  Costs related to designing, constructing, installing, and financing the Major Improvements, including land planning and design, City fees, engineering, soil testing, survey, construction management, legal fees, consultant fees, contingency, District Formation Costs, and other PID costs incurred and paid by the Developer.

B. Improvement Area #1 Improvements

- *Public Parking Access and In-Tract Improvements/Public Parking Area*

  - *Street*

    Improvements including subgrade stabilization (including lime treatment and

compaction), concrete and reinforcing steel, testing, ADA ramps, striping, drainage infrastructure, TxDOT Improvements, and curb cut driveways. All related earthwork, excavation, erosion control, retaining walls, street signs and traffic safety signs, landscaping, and irrigation and re-vegetation of all disturbed areas within the right of way are also included.

- *Water*

  Improvements including trench excavation and embedment, trench safety, piping, manholes, service connections, irrigation services, testing, related earthwork, excavation, and erosion control all necessary appurtenances required to provide water service to all Lots within Improvement Area #1.

- *Sewer*

  Improvements including trench excavation and embedment, trench safety, piping, ductile iron encasement, boring, manholes, service connections, testing, related earthwork, excavation, erosion control and all necessary appurtenances required to provide wastewater service to all Lots within Improvement Area #1.

- *Storm Drainage*

  Improvements including earthen channels, swales, curb and drop inlets, piping and boxes, headwalls, concrete flumes, rip rap, outfalls, and testing as well as all related earthwork, excavation, erosion control, drainage ponds, retaining walls, and necessary appurtenances to provide storm drainage for all Lots within Improvement Area #1.

- *Phase 1 SF/East Tract*

  - *Public Open Space*

    Improvements include earthwork, excavation, erosion control, retaining walls, signage, playground equipment, shade structures, park furniture fixtures, lighting, fountains, parking, sidewalks, trails, drainage infrastructure, landscaping, screen wall, water and sewer utility improvements, concrete paving, irrigation, and re-vegetation of all disturbed areas within public open space,

  - *Street*

    Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, ADA ramps, and sidewalks. All related earthwork, excavation, erosion control, retaining walls, intersections, signage, drainage infrastructure, landscaping, irrigation, and re-vegetation of all disturbed areas within the right-of-way are included. The street improvements will provide benefit to each Lot within Improvement Area #1.

- *Water*

  Improvements including trench excavation and embedment, trench safety, piping, manholes, service connections, irrigation services, testing, related earthwork, excavation, and erosion control and all necessary appurtenances required to provide water service to all Lots within Improvement Area #1.

- *Sewer*

  Improvements including trench excavation and embedment, trench safety, piping, ductile iron encasement, boring, manholes, service connections, testing, related earthwork, excavation, erosion control and all necessary appurtenances required to provide wastewater service to all Lots within Improvement Area #1.

- *Storm Drainage*

  Improvements including earthen channels, swales, curb and drop inlets, piping and boxes, headwalls, concrete flumes, rip rap, outfalls, and testing as well as all related earthwork, excavation, erosion control, drainage ponds, retaining walls, and all necessary appurtenances to provide storm drainage for all Lots within Improvement Area #1.

- *Soft Costs*

  Costs related to designing, constructing, and installing, and financing the Improvement Area #1 Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, legal fees, consultant fees, contingency, and other PID costs incurred and paid by the Developer.

C. Future Improvement Area Improvements

The Authorized Improvements that specifically benefit the Future Improvement Area specifically will be determined and described in a future Annual Service Plan Update.

D. Bond Issuance Costs

- *Debt Service Reserve Fund*

  Equals the amount required under an applicable Indenture in connection with the issuance of PID Bonds.

- *Capitalized Interest*

  Equals the capitalized interest payments 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 related to the costs of underwriting such PID Bonds.

- *Underwriter's Counsel*

  Equals a percentage of the par amount of a particular series of PID Bonds reserved for the underwriter's attorney fees.

- *Cost of Issuance*

  Includes costs of issuing a particular series of PID Bonds, including, but not limited to, issuer fees, attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, fees charged by the Texas Attorney General, and any other cost or expense incurred by the City directly associated with the issuance of PID Bonds.

E. Other Costs

- *Initial Administrative Fund Deposit*

  Equals the amount necessary to fund the first year's Annual Collection Costs for a particular series of PID Bonds.

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 in each Annual Service Plan Update. **Exhibit C** summarizes the initial Service Plan for the District.

Exhibit D summarizes the sources and uses of funds required to construct the Authorized Improvements. The sources and uses of funds shown on **Exhibit D** shall be updated each year in the Annual Service Plan Update.

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, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City 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 or order reasonable classifications and formulas for the apportionment of the cost between the City and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

This section of this Service and Assessment Plan describes the special benefit received by each Parcel within the District as a result of the Authorized Improvements and provides the basis and justification for the determination that this special benefit equals or exceeds the amount of the Assessments to be levied on the Assessed Property for such Authorized 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 Owner and all future owners, developers and end-users of the Assessed Property.

A. Assessment Methodology

The City Council, acting in its legislative capacity based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the costs related to the Authorized Improvements shall be allocated as follows:

- The costs of the Improvement Area #1 Projects, less the privately financed costs, as shown on **Exhibit B**, shall be allocated to each Lot Type within Improvement Area #1 based upon the ratio of the Estimated Buildout Value of each Lot Type designated as Improvement Area #1 Assessed Property to the Estimated Buildout Value of all Improvement Area #1 Assessed Property.
- The costs of the Major Improvement Area Projects, less the City's Contribution and the privately financed costs, as shown on **Exhibit B,** shall be allocated to each Parcel within the Major Improvement Area based upon the ratio of the Estimated Buildout Value of each Parcel designated as Major Improvement Area Assessed Property to the Estimated Buildout value of all Major Improvement Area Assessed Property. Currently, the Major Improvement Area Initial Parcel is the only Parcel within the Major Improvement Area and, as such, the Major Improvement Area Initial Parcel is allocated 100% of the Major Improvement Area Projects. The costs of the portion of Major Improvements allocated to the City Land will be paid for by the City in cash as part of the City Contribution, also shown in **Exhibit B**, and, because the City Contribution exceeds the benefit received or to be received by the Authorized Improvements allocable to the City Land, the City Land will be classified as Non-Assessed Property.

B. Assessments

The Improvement Area #1 Assessment will be levied on the Improvement Area #1 Assessed Property in the amounts shown on the Improvement Area #1 Assessment Roll, attached hereto as **Exhibit E-1**. The projected Improvement Area #1 Annual Installments are shown on **Exhibit E-2**. Upon division or subdivision of any Improvement Area #1 Assessed Property, the Improvement Area #1 Assessment will be reallocated pursuant to **Section VI**.

The Major Improvement Area Assessment will be levied on the Major Improvement Area Initial Parcel in the amount shown on the Major Improvement Area Assessment Roll, attached hereto as **Exhibit F-1**. The projected Major Improvement Area Annual Installments are shown on **Exhibit F-2**.

The Assessment for any Future Improvement Areas will be determined when a Future Improvement Area is created.

C. Findings of Special Benefit

The City Council, acting in its legislative capacity based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has found and determined:

- *Improvement Area #1*
    - The costs of the Improvement Area #1 Projects, less the private costs related to the Improvement Area #1 Improvements, equal \$12,235,916 as shown on **Exhibit B**; and
    - The Improvement Area #1 Assessed Property receives special benefit from the Improvement Area #1 Projects equal to or greater than the Actual Cost of the Improvement Area #1 Projects; and
    - The Improvement Area #1 Assessed Property will be allocated 100% of the Improvement Area #1 Assessment levied for the Improvement Area #1 Projects, which equals \$12,235,000 as shown on the Improvement Area #1 Assessment Roll attached hereto as **Exhibit E-1**; and
    - The special benefit (≥ \$12,235,916) received by the Improvement Area #1 Assessed Property from the Improvement Area #1 Projects is equal to or greater than the amount of the Improvement Area #1 Assessment (\$12,235,000) levied on the Improvement Area #1 Assessed Property for the Improvement Area #1 Projects.
- *Major Improvement Area*

- The costs of the Major Improvement Area Projects, less the City Contribution and the private costs, equal $8,745,702 as shown on **Exhibit B**; and
- The Major Improvement Area Assessed Property receives special benefit from the Major Improvement Area Projects equal to or greater than the Actual Cost of the Major Improvement Area Projects to be paid from Major Improvement Area Assessments; and
- The Major Improvement Area Initial Parcel will be allocated 100% of the Major Improvement Area Assessment levied for the Major Improvement Area Projects, which amount equals $8,745,000 as shown on the Major Improvement Area Assessment Roll attached hereto as **Exhibit F-1**; and
- The special benefit (≥ $8,745,702) received by the Major Improvement Area Initial Parcel from the Major Improvement Area Projects is equal to or greater than the amount of the Major Improvement Area Assessment ($8,745,000) levied on the Major Improvement Area Initial Parcel for the Major Improvement Area Projects.

D. Annual Collection Costs

Annual Collection Costs shall be paid for annually by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. 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

The interest rate on Assessments securing PID Bonds may exceed the interest rate on the PID Bonds by the Additional Interest Rate. To the extent required by any Indenture, Additional Interest shall be collected as part of each Annual Installment and shall be deposited pursuant to the applicable Indenture.

The interest on the Improvement Area #1 Assessment securing the Improvement Area #1 Reimbursement Obligation shall be collected at the rate(s) established under the Reimbursement Agreement as part of each Improvement Area #1 Annual Installment pursuant to the Reimbursement Agreement.

F. TIRZ No. 2 Annual Credit Amount

The City Council, in accordance with the TIRZ No. 2 Final Plan, as amended from time to time, has agreed to use a portion of TIRZ No. 2 Revenues generated from the Assessed Property to reduce the Annual Installment allocable to the Assessed Property on a Lot Type basis by the TIRZ No. 2 Annual Credit Amount.

1. The Improvement Area #1 Annual Installment for an Improvement Area #1 Assessed Property shall receive a TIRZ No. 2 Annual Credit Amount on a Lot Type basis from the TIRZ No. 2 Revenue generated by the Improvement Area #1 Assessed Property for the previous Tax Year (e.g. TIRZ No. 2 Revenue collected from the Improvement Area #1 Assessed Property for Tax Year 2020 shall be applied as the TIRZ No. 2 Annual Credit Amount applicable to the Improvement Area #1 Assessed Property's Improvement Area #1 Annual Installment, to be collected in Tax Year 2021), but in no event shall the TIRZ No. 2 Annual Credit Amount exceed the TIRZ No. 2 Maximum Annual Credit Amount shown in **Section V.F.2** as calculated on **Exhibit I** for each Improvement Area #1 Assessed Property.

2. The TIRZ No. 2 Maximum Annual Credit Amount to reduce the Improvement Area #1 Annual Installment for an Improvement Area #1 Assessed Property is calculated for each Lot Type as shown on **Exhibit I**. The TIRZ No. 2 Maximum Annual Credit Amount is calculated so that the Improvement Area #1 Annual Installment minus the TIRZ No. 2 Maximum Annual Credit Amount for each Lot Type in Improvement Area #1 does not produce an equivalent tax rate for such Lot Type which exceeds the competitive, composite equivalent ad valorem tax rate ($3.15 per $100 of assessed value) taking into consideration the 2020 tax rates of all applicable overlapping taxing units (which includes the Operations and Maintenance Assessment applicable to such Lot Type) at the time Assessment Ordinance levying the Improvement Area #1 Assessment is approved. The resulting TIRZ No. 2 Maximum Annual Credit Amount for each Lot Type in Improvement Area #1 is shown below[1]:

1.	Single Family	$969.28
2.	Townhome	$647.57
3.	Multi-family	$430.09
4.	Commercial 1	$0.48

3. The TIRZ No. 2 Annual Credit Amount for each Improvement Area #1 Assessed Property shall be credited against its Annual Installment as follows: for Improvement Area #1 Assessed Property that has an outstanding Improvement Area #1 Assessment, the TIRZ No. 2 Annual Credit Amount shall be allocated to the amounts due for the Annual Installment relating to the Improvement Area #1 Bonds. Any excess revenues remaining in the PID Account of the TIRZ No. 2 Fund shall be used in accordance with the approved TIRZ No. 2 Final Plan, as

[1] Shown per Unit for Townhome, Single Family, and Multi-Family and per gross building square foot for Commercial 1.

amended from time to time, and the Development Agreement, as amended.

4. The TIRZ No. 2 Annual Credit Amount will not be applied to reduce the Major Improvement Area Annual Installment since the equivalent tax rate on the Major Improvement Area Annual Installments is equal to or less than $0.4005, which yields a competitive, composite equivalent ad valorem tax rate (< $3.15 per $100 of assessed value) taking into consideration the 2020 tax rates of all applicable overlapping taxing units (which includes the O&M Assessment applicable to such Lot Type) based on Estimated Buildout Value at the time the Assessment Ordinance levying the Major Improvement Area Assessment is approved.

5. Upon the adoption of a Future Improvement Area Assessment Ordinance, the TIRZ No. 2 Maximum Annual Credit Amount shall be calculated for each Lot Type so that the Future Improvement Area Annual Installment, minus the TIRZ No. 2 Maximum Annual Credit Amount for each Lot Type in such Future Improvement Areas produces an equivalent tax rate for such Lot Type that does not exceed the $3.15 per $100 of assessed value taking into consideration the tax rates of all applicable overlapping taxing units (which shall include the Operations and Maintenance Assessment and the Major Improvement Area Annual Installment applicable to such Lot Type) at the time the Assessment Ordinance levying the Future Improvement Area Assessment is approved, in accordance with the approved TIRZ No. 2 Final Plan, as amended from time to time, and the Development Agreement, as amended. While the Major Improvement Area Annual Installment will be included in the calculation to determine the TIRZ No. 2 Maximum Annual Credit Amount applicable to each Lot Type in a Future Improvement Area, applicable TIRZ No. 2 Annual Credit Amount will not be applied to reduce the Major Improvement Area Annual Installment, and will only be applied to reduce the Future Improvement Area Annual Installment, if applicable.

6. The TIRZ No. 2 Annual Credit Amount shall be held in a segregated account by the City, the PID account of the TIRZ No. 2 Fund, which is then applied to provide a Parcel by Parcel credit towards a portion of the Improvement Area #1 Annual Installment for the Improvement Area #1 Assessed Property[LK1]. Any excess revenues remaining in the PID Account of the TIRZ No. 2 Fund shall be used in accordance with the approved TIRZ No. 2 Final Plan, as amended from time to time, and the Development Agreement, as amended.

In the event PID Bonds are refunded for Improvement Area #1 or for any PID Bonds issued for Future Improvement Areas, then the TIRZ No. 2 Maximum Annual Credit Amount will be reduced in the same proportion as the reduction of the Annual Installment for all Lot Types securing those PID Bonds being refunded.

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 a 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 x (C ÷ 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 Assessment of an Assessed Property shall be performed by the Administrator and shall be based on the Estimated Buildout Value of the Lot Type within 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 the next Annual Service Plan Update and 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 Estimated Buildout Value according to the following formula:

A = [B x (C ÷ 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 Buildout Value of all newly subdivided Lots with same Lot Type

D = the sum of the Estimated Buildout Value for all of the newly subdivided Lots excluding Non-Benefitted Property

E= the number of newly subdivided Lots with same Lot Type

Prior to or concurrent with the submission of a plat application to the City within the Major Improvement Area, the Owner shall provide the City the estimated gross building square footage by lot Type for the Major Improvement Area Remaining Parcel that will be remaining upon approval of the Subdivision Plat and for each Lot created by the Subdivision Plat. The calculation of the Assessment for a Lot shall be performed by the Administrator and confirmed by the City Council based on the Estimated Buildout Value information shown in **Exhibit H-1,** and/or the Official Public Records of the County regarding the Lots within the plat.

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 the next Annual Service Plan Update and approved by the City Council.

3. Upon Consolidation

Upon the consolidation of two or more Assessed Properties, the Assessment for the consolidated Assessed Property shall be the sum of the Assessments for the Assessed Properties prior to consolidation. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be calculated by the Administrator and reflected in an Annual Service Plan Update approved by the City Council. The consolidation of any Assessed Property as described herein shall be considered an administrative action and will not require any notice or public hearing (as defined in the PID Act) by the City Council.

B. True-Up of Assessments if Improvement Area #1 Maximum Assessment Exceeded

Upon submission of a preliminary plat and/or site plan by the Owner to the City, the Owner shall provide the City the gross building square footage and use type for land included in the preliminary plat and/or site plan for each Lot anticipated to be created by the preliminary plat and/or site plan considering factors that may impact value. The Administrator will review the preliminary plat and/or site plan to determine if such plat and/or site plan will or will not result in the Improvement Area #1 Assessment per Lot for any Lot Type within the preliminary plat and/or site plan exceeding the Improvement Area #1 Maximum Assessment. If the Administrator determines the preliminary plat and/or site plan results in an Improvement Area #1 Assessment per Lot for any Lot Type exceeding the Improvement Area #1 Maximum Assessment, prior to the City issuing any building permit for any such Lot described in the reviewed preliminary plat or site plan, the Owner will make a Prepayment in an amount sufficient to reduce the Improvement Area #1 Assessment for each Lot within such preliminary plat and/or site plan to the Improvement Area #1 Maximum Assessment. The City's approval of an Annual Service Plan Update, a preliminary plat, or a site plan without payment of such Prepayment amounts does not eliminate the obligation of the Owner to pay such amounts.

C. True-Up of Major Improvement Area Assessments if Major Improvement Area Maximum Assessment Exceeded

Upon submission of a preliminary plat and/or site plan by the Owner to the City, the Owner shall provide the City the gross building square footage and use type for land included in the preliminary plat and/or site plan for each Lot anticipated to be created by the preliminary plat and/or site plan considering factors that may impact value. The Administrator will review the preliminary plat and/or site plan to determine if such preliminary plat and/or site plan will or will not result in the Major Improvement Area Assessment per Lot for any Lot Type within the preliminary plat and/or site plan exceeding the Major Improvement Area Maximum Assessment. If the Administrator determines the preliminary plat and/or site plan results in a Major Improvement Area Assessment per Lot for any Lot Type to exceeding the Major Improvement Area Maximum Assessment, prior to the City issuing any building permit for any such Lot described in the reviewed preliminary plat or site plan, the Owner will make a in an amount sufficient to reduce the Major Improvement Area Assessment for each Lot within such preliminary plat and/or site plan to the Major Improvement Area Maximum Assessment. The City's approval of an Annual Service Plan Update, a preliminary plat, or a site plan without payment of such Prepayment amounts does not eliminate the obligation of the owner to pay such amounts.

D. True-Up of Major Improvement Area Assessments if the Major Improvement Area Maximum Assessment per Net Acre Exceeded

The City will perform the Major Improvement Area True-Up: (1) each time any series of Future Improvement Area PID Bonds is issued, and (2) when 20%, 40%, 60% and 80% of the Major Improvement Area Assessments are allocated to Major Improvement Area Platted Properties to verify that the Major Improvement Area Remaining Property will have a Major Improvement Area Assessment per net acre equal to or less than the Major Improvement Area Maximum Assessment Per Net Acre depicted on **Exhibit H-2.** Whenever the Major Improvement Area True-Up is performed, the City shall calculate the outstanding Major Improvement Area Assessment per net acre on the Major Improvement Area Remaining Parcel. If the outstanding Major Improvement Area Assessment per net acre on the Major Improvement Area Remaining Parcel is below the Major Improvement Area Maximum Assessment Per Net Acre, then no further action is needed. However, if the outstanding Major Improvement Area Assessment per net acre on the Major Improvement Area Remaining Parcel exceeds the Major Improvement Area Maximum Assessment Per Net Acre, the Owner shall be obligated to make a Prepayment, plus accrued interest in a principal amount sufficient to reduce the outstanding Major Improvement Area Assessment per net acre on the Major Improvement Area Remaining Parcel to the Major Improvement Area Maximum Assessment Per Net Acre prior to the City approving the Annual Service Plan Update for that year and prior to any future plats being filed. The City's approval of an Annual Service Plan Update or a plat without payment of such amounts does not eliminate the obligation of the owner of the Major Improvement Area Remaining Parcel to pay such amounts.

Prior to the filing of the last plat in the Major Improvement Area, the Administrator will ensure that the plat yields a uniform Major Improvement Area Assessment per Lot Type in the Major Improvement Area, notwithstanding any Future Improvement Area assessment. For example, if previously platted Lot Type Commercial 3 Parcels all have the same Major Improvement Area Assessment of $5 per gross building square foot, and the last plat contains Commercial 3 Lot Types, but due to previous Prepayments or an increase in building size, the amount to be allocated less than $5 per gross building square foot, then all the Lot Type Commercial 3 Major Improvement Area Assessments will be reduced so that all Lot Type Commercial 3 Major Improvement Area Assessments have the same Major Improvement Area Assessment.

E. Mandatory Prepayment of Assessments

If title to Assessed Property or a portion thereof is conveyed to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Lot, Parcel or portion thereof to become Non-Benefited Property, the owner of such Lot, Parcel or portion thereof shall pay to the City the full amount of the Assessment, plus all Prepayment Costs, and Delinquent Collection Costs, for such Lot, Parcel or portion thereof prior to any such conveyance or act. Such Prepayment of the Assessment shall not be required for portions of a Parcel that are dedicated or conveyed to the City for use as internal roads, utilities, and other similar public improvements in which case the Assessment that was allocated to the Parcel will be reallocated to the remainder of the Parcel, provided the requirements of Section 14 of the PGBT Zoning District of the City's codified ordinance, are followed. Following payment of the foregoing costs in full, the City shall provide the owner with a recordable "Notice of PID Assessment Termination," a form of which is attached hereto as **Exhibit J.**

F. Reduction in Assessments

If, as a result of cost savings or the failure to construct all or a portion of an Authorized Improvement, the Actual Costs of completed Authorized Improvements are less than the Assessments, (i) in the event PID Bonds are not issued, the City Council shall reduce each Assessment on a pro-rata basis such that the sum of the resulting reduced Assessments for all Assessed Property equals the Actual Costs that were expended, or (ii) in the event that PID Bonds are issued, the Trustee shall apply amounts on deposit in the applicable account of the Project Fund relating to the PID Bonds that are not expected to be used for purposes of the Project Fund, to redeem outstanding PID Bonds, unless otherwise directed by the applicable Indenture, and the TIRZ No. 2 Annual Credit Amount will be reduced in the same proportion as the Assessments. The Assessments shall not be reduced to an amount less than the amount required to pay all debt service requirements on all outstanding PID Bonds.

G. Prepayment of Assessments

The owner of any Assessed Property may pay, at any time, all or any part of an Assessment in accordance with the PID Act. Prepayment Costs, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed, or the Annual SAP Update has been approved by the City Council prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment is prepaid 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 such revised Assessment Roll 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."

If an Assessment is prepaid 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 will be reduced to the extent of the Prepayment made.

For purposes of Prepayments, the Improvement Area #1 Reimbursement Obligation is and will remain subordinated to (i) the Improvement Area #1 Bonds and (ii) any additional PID Bonds secured by a parity lien on the Improvement Area #1 Assessments issued to refinance all or a portion of the Improvement Area #1 Reimbursement Obligation. For purposes of Prepayments, additional PID Bonds issued to refinance all or a portion of the Improvement Area #1 Reimbursement Obligation will be on parity with the Improvement Area #1 Bonds.

H. Payment of Annual Installments

Assessments that are not paid in full shall be due and payable in Annual Installments. **Exhibit E-2** shows the estimated Improvement Area #1 Annual Installments, and **Exhibit F-2** shows the estimated Major Improvement Area Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

Prior to the recording of a final Subdivision Plat, if any Parcel shown on the Assessment Roll is assigned multiple tax parcel identification numbers for billing and collection purposes, the Annual Installment shall be allocated pro rata based on the acreage of the property as shown by the Dallas Central Appraisal District for each tax parcel identification number.

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. The Annual Collection Costs for a given Assessment shall be paid by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. Annual Installments shall be reduced by any credits applied under an applicable Indenture, such as capitalized interest, interest earnings on account balances, and any other funds available to the Trustee for such purposes. Annual Installments shall be collected by the City 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 any of the remaining unpaid Annual Installments as they become due and payable.

The City reserves the right to refund PID Bonds in accordance with applicable law, including 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, 2021.

Failure of an Owner to receive an invoice for an Annual Installment on the property tax bill shall not relieve the Owner of the responsibility for payment of the Assessment. Assessments, or Annual Installments thereof, that are delinquent shall incur Delinquent Collection Costs. The City may provide for other means of collecting the Annual Installments to the extent permitted by the PID Act or other applicable law.

I. Allocating Improvement Area #1 Annual Installments

Any amounts collected from the Improvement Area #1 Annual Installments shall be allocated, first on a pro rata basis to amounts due for the Improvement Area #1 Bonds including any amounts due for Additional Interest and Annual Collection Costs, and second to amounts due the Improvement Area #1 Reimbursement Obligation.

For example, if the owner of a Parcel owes an Improvement Area #1 Annual Installment of $1,000, of which $500 is due for the Improvement Area #1 Bonds and $500 is due for the Improvement Area #1 Reimbursement Obligation, then:

- If a partial Annual Installment of $250 is made, $250 shall be credited to the payment of Improvement Area #1 Bonds and $0 shall be credited to the Improvement Area #1 Reimbursement Obligation.
- If a partial Annual Installment of $500 is made, $500 shall be credited to the payment of Improvement Area #1 Bonds and $0 shall be credited to the Improvement Area #1 Reimbursement Obligation.
- If a partial Annual Installment of $750 is made, $500 shall be credited to the payment of Improvement Area #1 Bonds, and $250 shall be credited to the Improvement Area #1 Reimbursement Obligation.

With regard to the payment of Annual Installments, the Improvement Area #1 Reimbursement Obligation will remain subordinated to (i) the Improvement Area #1 Bonds and (ii) any additional PID Bonds secured by a parity lien on the Improvement Area #1 Assessments issued to refinance all or a portion of the Improvement Area #1 Reimbursement Obligation. With regard to the payment of Annual Installments, additional PID Bonds issued to refinance all or a portion of the Improvement Area #1 Reimbursement Obligation will be on parity with the Improvement Area #1 Bonds.

J. Prepayment as a Result of an Eminent Domain Proceeding or Taking

If any portion of any Parcel of Assessed Property is taken from an owner as a result of eminent domain proceedings, or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a "**Taking**"), the portion of the Assessed Property that was taken or transferred (the "**Taken Property**") shall be reclassified as Non-Benefitted Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property) (the "**Remaining Property**") following the reclassification of the Taken Property as Non-Benefitted Property, subject to an adjustment of the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. The owner of the Remaining Property will remain liable to pay in Annual Installments, or payable as otherwise provided by this Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the Remaining Property, subject to an adjustment in the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. Notwithstanding the foregoing, if the Assessment that remains due on the Remaining Property exceeds the applicable Improvement Area #1 Maximum Assessment or the Major Improvement Area Maximum Assessment, the owner of the Remaining Property will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed such Improvement Area #1 Maximum Assessment or the Major Improvement Area Maximum Assessment, in which case the Assessment applicable to the Remaining Property will be reduced by the amount of the partial Prepayment. If the City receives all or a portion of the eminent domain proceeds (or payment made in an agreed sale in lieu of condemnation), such amount shall be credited against the amount of Prepayment, with any remainder credited against the Assessment on the Remainder Property.

In all instances the Assessment remaining on the Remaining Property shall not exceed the applicable Improvement Area #1 Maximum Assessment or the Major Improvement Area Maximum Assessment.

By way of illustration, if an owner owns 100 acres of Assessed Property subject to a $100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefitted Property and the remaining 90 acres constituting the Remaining Property shall be subject to the $100 Assessment (provided that this $100 Assessment does not exceed the Maximum Assessment on the Remaining Property). If the Administrator determines that the $100 Assessment reallocated to the Remaining Property would exceed the Improvement Area #1 Maximum Assessment or the Major Improvement Area Maximum Assessment, as applicable, on the Remaining Property by $10, then the owner shall be required to pay $10 as a Prepayment of the Assessment against the Remaining Property and the Assessment on the Remaining Property shall be adjusted to be $90.

Notwithstanding the previous paragraphs in this subsection, if the owner of the Remaining Property notifies the City and the Administrator that the Taking prevents the Remaining Property from being developed for any use which could support the Estimated Buildout Value requirement, the owner shall, upon receipt of the compensation for the Taken Property, be required to prepay the amount of the Assessment required to buy down the outstanding Assessment to the Improvement Area #1 Maximum Assessment or the Major Improvement Area Maximum Assessment, as applicable, on the Remaining Property to support the Estimated Buildout Value requirement. The owner will remain liable to pay the Annual Installments on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

Notwithstanding the previous paragraphs in this subsection, the Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds.

SECTION VII: ASSESSMENT ROLL

The Improvement Area #1 Assessment Roll is attached as **Exhibit E-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #1 Assessment Roll and Improvement Area #1 Annual Installments for each Parcel as part of each Annual Service Plan Update.

The Major Improvement Area Assessment Roll is attached as **Exhibit F-1**. 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 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 the City Council's approval of the calculation. Otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. The Administrator shall provide a written response to the City Council and the owner not later than 30 days of such receipt of a written notice of error by the Administrator. The City Council shall consider the owner's notice of error and the Administrator's response at a public meeting, and not later than 30 days after closing such meeting, the City Council shall make a final determination as to whether 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 applicable Assessment Ordinance, the applicable Indenture, or as 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 of Assessed Property adversely affected by the interpretation. Appeals shall be decided by the City Council after holding a public meeting at which all interested parties have an opportunity to be heard. Decisions by the City Council shall be final and binding on the owners of Assessed Property 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.

EXHIBITS

The following Exhibits are attached to and made a part of this Service and Assessment Plan for all purposes:

Exhibit A-1	Map of the District
Exhibit A-2	Plat of Improvement Area #1
Exhibit B	Authorized Improvements Budget
Exhibit C	Service Plan
Exhibit D	Sources and Uses of Funds
Exhibit E-1	Improvement Area #1 Assessment Roll
Exhibit E-2	Improvement Area #1 Annual Installments
Exhibit F-1	Major Improvement Area Assessment Roll
Exhibit F-2	Major Improvement Area Annual Installments
Exhibit G-1	Maps of Improvement Area #1 Improvements
Exhibit G-2	Maps of Major Improvements
Exhibit G-3	Map of Park Improvements
Exhibit H-1	Improvement Area #1 Maximum Assessment and Major Improvement Area Maximum Assessment
Exhibit H-2	Major Improvement Area Net Acres
Exhibit I	TIRZ No. 2 Maximum Annual Credit Amount
Exhibit J	Form of Notice of Assessment Termination
Exhibit K-1	Debt Service Schedules for the Improvement Area #1 Bonds
Exhibit K-2	Installment Schedule for the Improvement Area #1 Reimbursement Obligation
Exhibit K-3	Debt Service Schedules for the Major Improvement Area Bonds
Exhibit L-1	Homebuyer Disclosures for Single Family Lots
Exhibit L-2	Homebuyer Disclosures for Townhome Lots
Exhibit L-3	Sample Commercial Seller's Disclosures
Exhibit M-1	District Boundary Description
Exhibit M-2	Improvement Area #1 Boundary Description
Exhibit M-3	Major Improvement Area Boundary Description
Exhibit M-4	City Land Legal Description

APPENDICES

The following Appendices are attached to and made a part of this Service and Assessment Plan for all purposes:

Appendix A	Estimated Buildout Values and Unit Counts
Appendix B	Engineer's Report

EXHIBIT A-1 – MAP OF THE DISTRICT

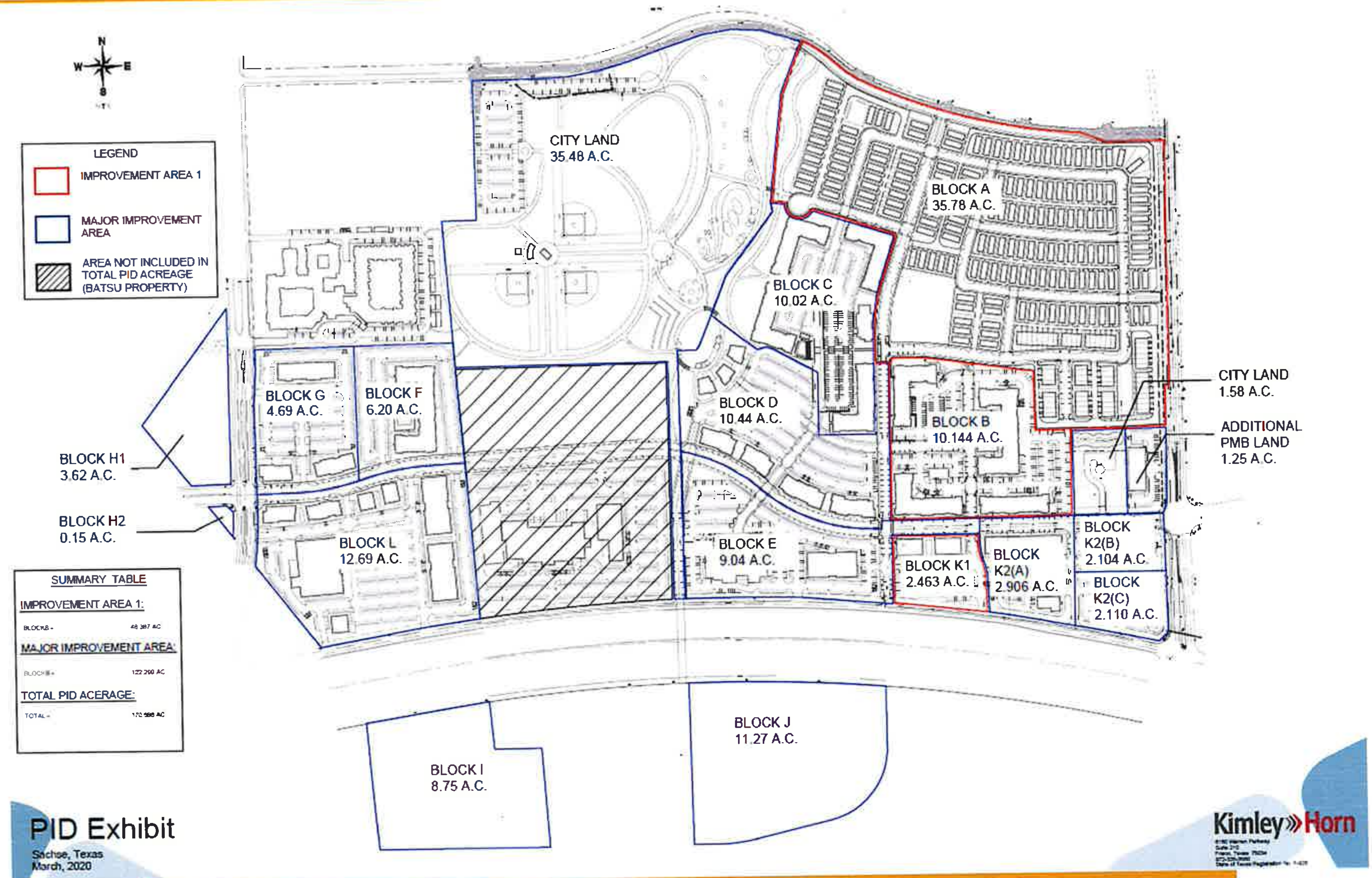
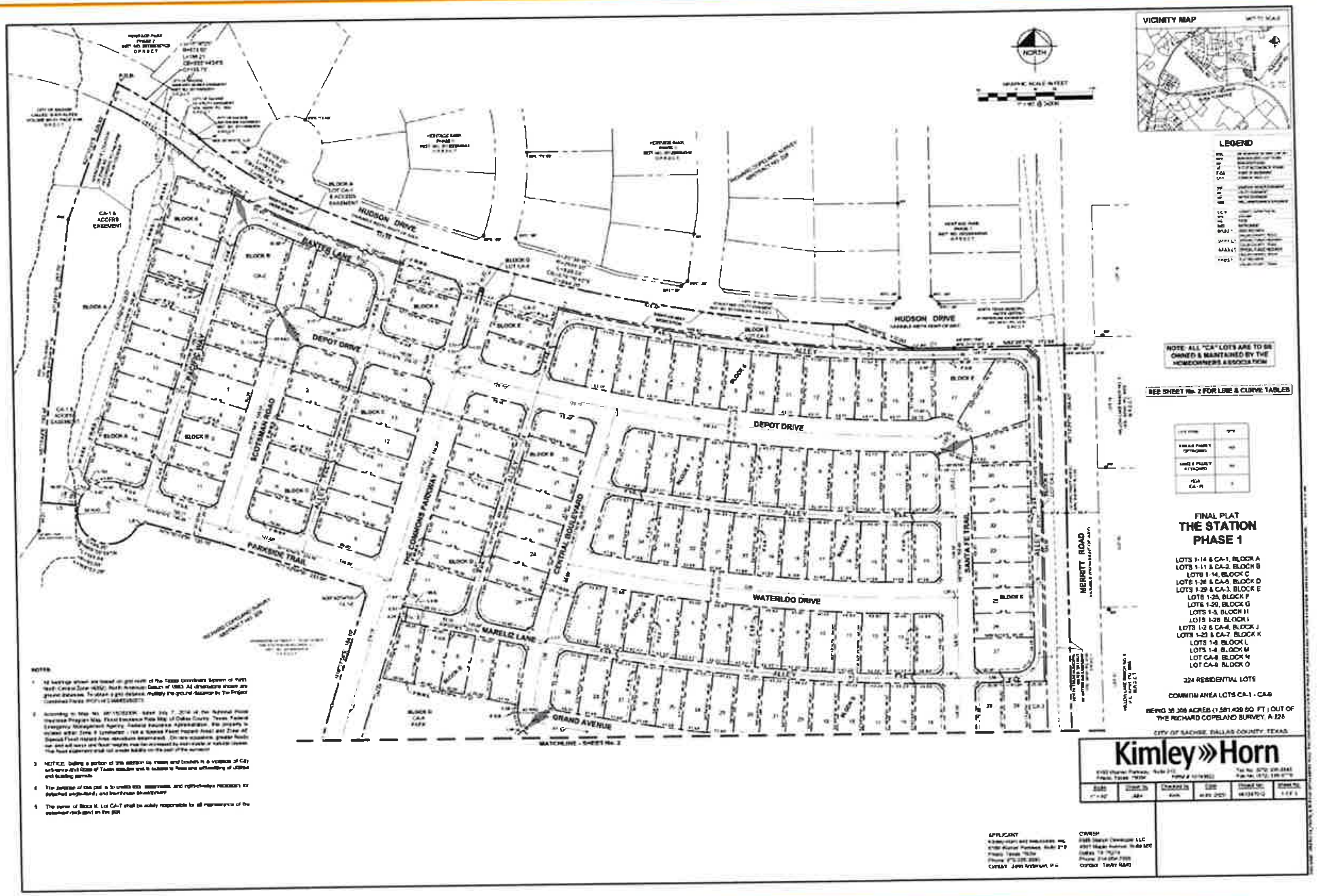
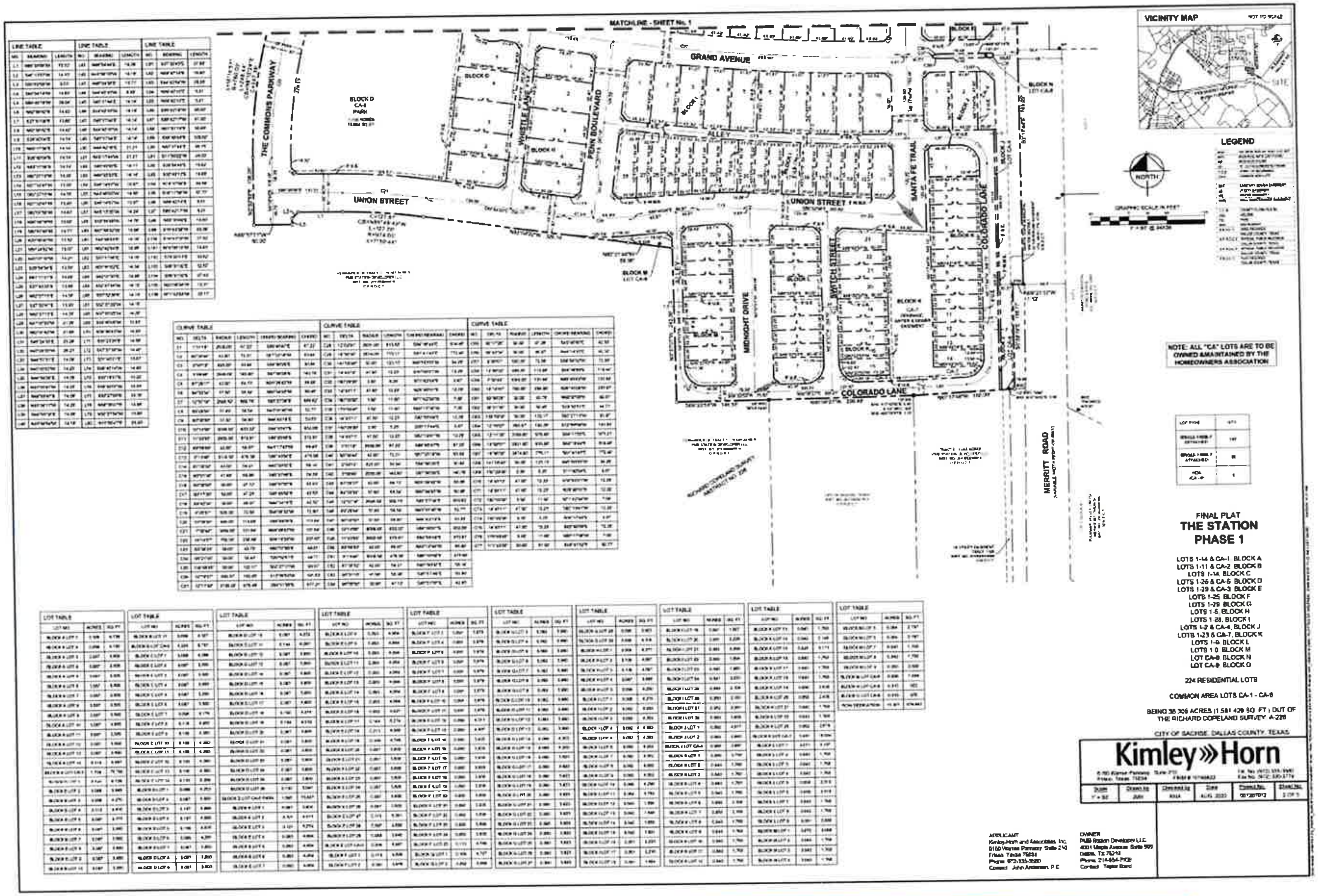


EXHIBIT A-2 –PLAT OF IMPROVEMENT AREA #1




MATCHLINE - SHEET No. 1
VICINITY MAP
LEGEND
NORTH
GRAND AVENUE
UNION STREET
ALLEY
THE COMMONS PARKWAY
WHISTLE LANE
PENN BOULEVARD
SANTA FE TRAIL
COLORADO LANE
MIDNIGHT DRIVE
SWITCH STREET
MERRITT ROAD
BLOCK D
CA-5
PARK
LINE TABLE
CURVE TABLE
LOT TABLE
NOTE: ALL "CA" LOTS ARE TO BE OWNED & MAINTAINED BY THE HOMEOWNERS ASSOCIATION
FINAL PLAT
THE STATION
PHASE 1
LOTS 1-14 & CA-1, BLOCK A
LOTS 1-11 & CA-2, BLOCK B
LOTS 1-14, BLOCK C
LOTS 1-26 & CA-5, BLOCK D
LOTS 1-39 & CA-3, BLOCK E
LOTS 1-25, BLOCK F
LOTS 1-29, BLOCK G
LOTS 1-5, BLOCK H
LOTS 1-28, BLOCK I
LOTS 1-2 & CA-4, BLOCK J
LOTS 1-23 & CA-7, BLOCK K
LOTS 1-9, BLOCK L
LOTS 1-10, BLOCK M
LOT CA-8, BLOCK N
LOT CA-9, BLOCK O
224 RESIDENTIAL LOTS
COMMON AREA LOTS CA-1 - CA-9
BEING 36.305 ACRES (1,581,429 SQ. FT.) OUT OF THE RICHARD COPELAND SURVEY, A-220
CITY OF SACHSE, DALLAS COUNTY, TEXAS
Kimley»Horn
APPLICANT
OWNER

OWNER'S CERTIFICATE

STATE OF TEXAS §

COUNTY OF DALLAS §

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS:

WITNESS OUR HANDS AT Dallas TEXAS this 5th day of August 2020.

By: PMB STATION DEVELOPER LLC, a Texas limited liability company

Name: TAYLOR BAIRD

Title: MANAGER

STATE OF TEXAS §

COUNTY OF Dallas §

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 5th day of August 2020.

SURVEYOR'S CERTIFICATION

KNOW ALL MEN BY THESE PRESENTS:

Michael B. Marx

Registered Professional Land Surveyor No. 5181

STATE OF TEXAS §

COUNTY OF COLLIN §

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 4th day of August 2020

FINAL PLAT
THE STATION
PHASE 1

LOTS 1-14 & CA-1, BLOCK A
LOTS 1-11 & CA-2, BLOCK B
LOTS 1-14, BLOCK C
LOTS 1-26 & CA-5, BLOCK D
LOTS 1-29 & CA-3, BLOCK E
LOTS 1-25, BLOCK F
LOTS 1-29, BLOCK G
LOTS 1-5, BLOCK H
LOTS 1-28, BLOCK I
LOTS 1-2 & CA-4, BLOCK J
LOTS 1-23 & CA-7, BLOCK K
LOTS 1-9, BLOCK L
LOTS 1-9, BLOCK M
LOT CA-8, BLOCK N
LOT CA-9, BLOCK O

224 RESIDENTIAL LOTS

COMMON AREA LOTS CA-1 - CA-9

BEING 36.305 ACRES (1,581,429 SQ. FT.) OUT OF THE RICHARD COPELAND SURVEY, A-328

CITY OF SACHSE, DALLAS COUNTY, TEXAS

Kimley»Horn

Sheet No. 1 OF 1

APPLICANT
Kimley-Horn and Associates, Inc.
6160 Warren Parkway, Suite 210
Frisco, Texas 75034
Phone 972-335-3580
Contact: John Anderson, P.E.

OWNER
PMB Station Developer LLC
4001 Maple Avenue, Suite 600
Dallas, TX 75219
Phone 214-604-7300
Contact: Taylor Baird

EXHIBIT B – AUTHORIZED IMPROVEMENTS BUDGET

	Total Costs	City Contribution	Private Costs	Authorized Improvements	Improvement Area #1 Projects		Major Improvement Area Projects	
	A	B	C	D = A - B - C	%[1]	Cost	%[1]	Cost
Improvement Area #1 Improvements								
Public Parking and In-Tract Improvements/Public Parking Area	$ 977,778	$ -	$ 481,008	$ 496,770	100%	$ 496,770	0%	$ -
Phase 1 SF/East Tract	5,931,542	-	785,190	5,146,352	100%	5,146,352	0%	-
Soft Costs	800,721	-	-	800,721	100%	800,721	0%	-
	7,710,041	$ -	$ 1,266,198	$ 6,443,843		$ 6,443,843		$ -
Major Improvements								
Station Blvd/Bunker Hill Road	$ 6,270,174	$ 1,419,000	$ 90,684	$ 4,760,490	41%	$ 1,951,801	59%	$ 2,808,689
Hudson Road [2,3]	756,887	193,500	8,865	554,522	41%	227,354	59%	327,168
Merritt Road [2,3]	271,062	-	6,910	264,152	41%	108,302	59%	155,850
Commons Parkway/Street A	603,230	-	44,494	558,736	41%	229,082	59%	329,654
Heritage Park Improvements	4,000,000	1,732,040	-	2,267,960	41%	929,864	59%	1,338,096
Regional Detention[3]	2,190,386	1,305,612	-	884,774	41%	362,758	59%	522,017
Master Water Line Extension	560,991	379,063	-	181,928	41%	74,590	59%	107,337
Master Sewer Main Extension - Line A	658,398	447,706	-	210,692	41%	86,384	59%	124,308
Master Sewer Main Extension - Line B	74,869	66,641	-	8,228	41%	3,374	59%	4,855
Master Entry Monumentation/Artwork (TBD)	295,325	-	-	295,325	41%	121,083	59%	174,242
Public Collector Road B/Street B	428,397	-	3,500	424,897	41%	174,208	59%	250,689
Soft Costs[4]	1,886,586	902,440	-	984,145	41%	403,500	59%	580,646
	$ 17,996,305	$ 6,446,001	$ 154,453	$ 11,395,851		$ 4,672,299		$ 6,723,552
Bond Issuance Costs								
Debt Service Reserve Fund	$ 1,065,188	$ -	$ -	$ 1,065,188		$ 436,650		$ 628,538
Capitalized Interest	502,838	-	-	502,838		-		502,838
Underwriter's Discount	312,400	-	-	312,400		137,500		174,900
Underwriter's Counsel	156,200	-	-	156,200		68,750		87,450
Cost of Issuance	1,015,300	-	-	1,015,300		446,875		568,425
	$ 3,051,925	$ -	$ -	$ 3,051,925		$ 1,089,775		$ 1,962,150
Other Costs								
Initial Administrative Fund Deposit	$ 90,000	$ -	$ -	$ 90,000		$ 30,000		$ 60,000
	$ 90,000	$ -	$ -	$ 90,000		$ 30,000		$ 60,000
Total	**$ 28,848,270**	**$ 6,446,001**	**$ 1,420,651**	**$ 20,981,618**		**$ 12,235,916**		**$ 8,745,702**

Notes:

[1] Allocation of Major Improvements based on the ratio of Estimated Buildout Value of Improvement Area #1 and the Major Improvement Area to the Estimated Buildout Value of the entire District.

[2] Includes screening walls and landscape

[3] Retaining walls are included in Authorized Improvements.

[4] City soft costs total is 14% of hard costs for a total of $902,440. Soft costs include District Formation Costs.

EXHIBIT C – SERVICE PLAN

Improvement Area #1						
Installments Due		1/31/2021	1/31/2022	1/31/2023	1/31/2024	1/31/2025
Improvement Area #1 Bonds						
Principal		$ 110,000	$ 115,000	$ 120,000	$ 125,000	$ 130,000
Interest		$ 326,563	$ 321,338	$ 315,875	$ 310,175	$ 304,238
	(1)	$ 436,563	$ 436,338	$ 435,875	$ 435,175	$ 434,238
Additional Interest	(2)	$ 34,375	$ 33,825	$ 33,250	$ 32,650	$ 32,025
Improvement Area #1 Reimbursement Obligation						
Principal		$ 75,000	$ 80,000	$ 85,000	$ 90,000	$ 95,000
Interest		$ 281,400	$ 277,463	$ 273,263	$ 268,800	$ 264,075
	(3)	$ 356,400	$ 357,463	$ 358,263	$ 358,800	$ 359,075
Annual Collection Costs	(4)	$ 30,000	$ 30,600	$ 31,212	$ 31,836	$ 32,473
Total Improvement Area #1 Annual Installment	**(5) = (1) + (2) + (3) + (4)**	**$ 857,338**	**$ 858,225**	**$ 858,600**	**$ 858,461**	**$ 857,810**

Major Improvement Area						
Installments Due		1/31/2021	1/31/2022	1/31/2023	1/31/2024	1/31/2025
Principal		$ -	$ 125,000	$ 130,000	$ 140,000	$ 145,000
Interest		$ 502,838	$ 502,838	$ 495,650	$ 488,175	$ 480,125
Capitalized Interest		$ (502,838)	$ -	$ -	$ -	$ -
	(1)	$ -	$ 627,838	$ 625,650	$ 628,175	$ 625,125
Additional Interest	(2)	$ 43,725	$ 43,725	$ 43,100	$ 42,450	$ 41,750
Annual Collection Costs	(3)	$ 60,000	$ 61,200	$ 62,424	$ 63,672	$ 64,946
Total Major Improvement Area Annual Installment	**(4) = (1) + (2) + (3)**	**$ 103,725**	**$ 732,763**	**$ 731,174**	**$ 734,297**	**$ 731,821**

EXHIBIT D – SOURCES AND USES OF FUNDS

		Improvement Area #1		Major Improvement Area
Sources of Funds				
Improvement Area #1 Bond Par Amount	$	6,875,000	$	-
Improvement Area #1 Reimbursement Obligation Amount		5,360,000		-
Major Improvement Area Bond Par Amount		-		8,745,000
Owner Contribution[1]		916		702
City Contribution[2]		-		6,446,001
Owner Contribution - Private Costs[1]		1,329,524		91,127
Total Sources	**$**	**13,565,440**	**$**	**15,282,830**
Uses of Funds				
Improvement Area #1 Improvements	$	6,443,843	$	-
Major Improvements		4,672,299		6,723,552
City Contribution		-		6,446,001
Private Costs		1,329,524		91,127
	$	12,445,665	$	13,260,680
Bond Issuance Costs				
Debt Service Reserve Fund	$	436,650	$	628,538
Capitalized Interest		-		502,838
Underwriter's Discount		137,500		174,900
Underwriter's Counsel		68,750		87,450
Cost of Issuance		446,875		568,425
	$	1,089,775	$	1,962,150
Other Costs				
Initial Administrative Fund Deposit	$	30,000	$	60,000
Total Uses	**$**	**13,565,440**	**$**	**15,282,830**

Notes:

[1] Not eligible for reimbursement through PID Bonds. To be privately financed by Owner.

[2] To be funded by the City. Reduction to Authorized Improvements due to City Contribution applied before allocation of the Major Improvements. Entire City Contribution amount attributed to Major Improvement Area.

EXHIBIT E-1 – IMPROVEMENT AREA #1 ASSESSMENT ROLL

Property ID	Block	Lot Type	Outstanding Assessment	TIRZ No. 2 Annual Credit Amount[1]	Annual Installment Due 1/31/2021
65022863010020000	A	Single Family and Townhome	$ 7,242,695.52	$ -	$ 507,514.06
65022863010020200	B	Multi-family	$ 4,716,395.35	$ -	$ 330,489.79
65100943010010000	K-1	Commercial 1	$ 275,909.13	$ -	$ 19,333.65
Total			**$ 12,235,000.00**	**$ -**	**$ 857,337.50**

[1] The TIRZ No. 2 Annual Credit Amount will be determined annually in an operations and maintenance Service and Assessment Plan.

EXHIBIT E-2 – IMPROVEMENT AREA #1 ANNUAL INSTALLMENTS

	Improvement Area #1 Bonds				Improvement Area #1 Reimbursement Obligation			
Installments Due January 31,	Principal	Interest[1]	Additional Interest	Reserve Fund Release	Principal	Interest[2]	Annual Collection Costs	Total Installment[3]
2021	$ 110,000.00	$ 326,562.50	$ 34,375.00	$ -	$ 75,000.00	$ 281,400.00	$ 30,000.00	$ 857,337.50
2022	$ 115,000.00	$ 321,337.50	$ 33,825.00	$ -	$ 80,000.00	$ 277,462.50	$ 30,600.00	$ 858,225.00
2023	$ 120,000.00	$ 315,875.00	$ 33,250.00	$ -	$ 85,000.00	$ 273,262.50	$ 31,212.00	$ 858,599.50
2024	$ 125,000.00	$ 310,175.00	$ 32,650.00	$ -	$ 90,000.00	$ 268,800.00	$ 31,836.24	$ 858,461.24
2025	$ 130,000.00	$ 304,237.50	$ 32,025.00	$ -	$ 95,000.00	$ 264,075.00	$ 32,472.96	$ 857,810.46
2026	$ 135,000.00	$ 298,062.50	$ 31,375.00	$ -	$ 100,000.00	$ 259,087.50	$ 33,122.42	$ 856,647.42
2027	$ 145,000.00	$ 291,650.00	$ 30,700.00	$ -	$ 105,000.00	$ 253,837.50	$ 33,784.87	$ 859,972.37
2028	$ 150,000.00	$ 284,762.50	$ 29,975.00	$ -	$ 110,000.00	$ 248,325.00	$ 34,460.57	$ 857,523.07
2029	$ 155,000.00	$ 277,637.50	$ 29,225.00	$ -	$ 115,000.00	$ 242,550.00	$ 35,149.78	$ 854,562.28
2030	$ 165,000.00	$ 270,275.00	$ 28,450.00	$ -	$ 120,000.00	$ 236,512.50	$ 35,852.78	$ 856,090.28
2031	$ 170,000.00	$ 262,437.50	$ 27,625.00	$ -	$ 130,000.00	$ 230,212.50	$ 36,569.83	$ 856,844.83
2032	$ 180,000.00	$ 254,362.50	$ 26,775.00	$ -	$ 135,000.00	$ 223,387.50	$ 37,301.23	$ 856,826.23
2033	$ 190,000.00	$ 245,812.50	$ 25,875.00	$ -	$ 145,000.00	$ 216,300.00	$ 38,047.25	$ 861,034.75
2034	$ 195,000.00	$ 236,787.50	$ 24,925.00	$ -	$ 150,000.00	$ 208,687.50	$ 38,808.20	$ 854,208.20
2035	$ 205,000.00	$ 227,525.00	$ 23,950.00	$ -	$ 160,000.00	$ 200,812.50	$ 39,584.36	$ 856,871.86
2036	$ 215,000.00	$ 217,787.50	$ 22,925.00	$ -	$ 165,000.00	$ 192,412.50	$ 40,376.05	$ 853,501.05
2037	$ 225,000.00	$ 207,575.00	$ 21,850.00	$ -	$ 175,000.00	$ 183,750.00	$ 41,183.57	$ 854,358.57
2038	$ 235,000.00	$ 196,887.50	$ 20,725.00	$ -	$ 185,000.00	$ 174,562.50	$ 42,007.24	$ 854,182.24
2039	$ 250,000.00	$ 185,725.00	$ 19,550.00	$ -	$ 195,000.00	$ 164,850.00	$ 42,847.39	$ 857,972.39
2040	$ 260,000.00	$ 173,850.00	$ 18,300.00	$ -	$ 205,000.00	$ 154,612.50	$ 43,704.34	$ 855,466.84
2041	$ 275,000.00	$ 161,500.00	$ 17,000.00	$ -	$ 215,000.00	$ 143,850.00	$ 44,578.42	$ 856,928.42
2042	$ 285,000.00	$ 148,437.50	$ 15,625.00	$ -	$ 225,000.00	$ 132,562.50	$ 45,469.99	$ 852,094.99
2043	$ 300,000.00	$ 134,900.00	$ 14,200.00	$ -	$ 240,000.00	$ 120,750.00	$ 46,379.39	$ 856,229.39
2044	$ 315,000.00	$ 120,650.00	$ 12,700.00	$ -	$ 250,000.00	$ 108,150.00	$ 47,306.98	$ 853,806.98
2045	$ 330,000.00	$ 105,687.50	$ 11,125.00	$ -	$ 265,000.00	$ 95,025.00	$ 48,253.12	$ 855,090.62
2046	$ 345,000.00	$ 90,012.50	$ 9,475.00	$ -	$ 280,000.00	$ 81,112.50	$ 49,218.18	$ 854,818.18
2047	$ 360,000.00	$ 73,625.00	$ 7,750.00	$ -	$ 290,000.00	$ 66,412.50	$ 50,202.54	$ 847,990.04
2048	$ 380,000.00	$ 56,525.00	$ 5,950.00	$ -	$ 310,000.00	$ 51,187.50	$ 51,206.59	$ 854,869.09
2049	$ 395,000.00	$ 38,475.00	$ 4,050.00	$ -	$ 325,000.00	$ 34,912.50	$ 52,230.73	$ 849,668.23
2050	$ 415,000.00	$ 19,712.50	$ 2,075.00	$ (436,650.00)	$ 340,000.00	$ 17,850.00	$ 53,275.34	$ 411,262.84
Total	**$ 6,875,000.00**	**$ 6,158,850.00**	**$ 648,300.00**	**$ (436,650.00)**	**$ 5,360,000.00**	**$ 5,406,712.50**	**$ 1,217,042.38**	**$ 25,229,254.88**

[1] Interest for the Improvement Area #1 Bonds is calculated at a 4.75% rate for illustrative purposes.

[2] Interest for the Improvement Area #1 Reimbursement Obligation is calculated at a 5.25% rate for illustrative purposes.

[3] Before application of the TIRZ No. 2 Annual Credit Amount.

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 F-1 – MAJOR IMPROVEMENT AREA ASSESSMENT ROLL

Lot Type	Outstanding Assessment	Annual Installment Due 1/31/2021
Major Improvement Area Initial Parcel	$ 8,745,000.00	$ 103,725.00
Total	**$ 8,745,000.00**	**$ 103,725.00**

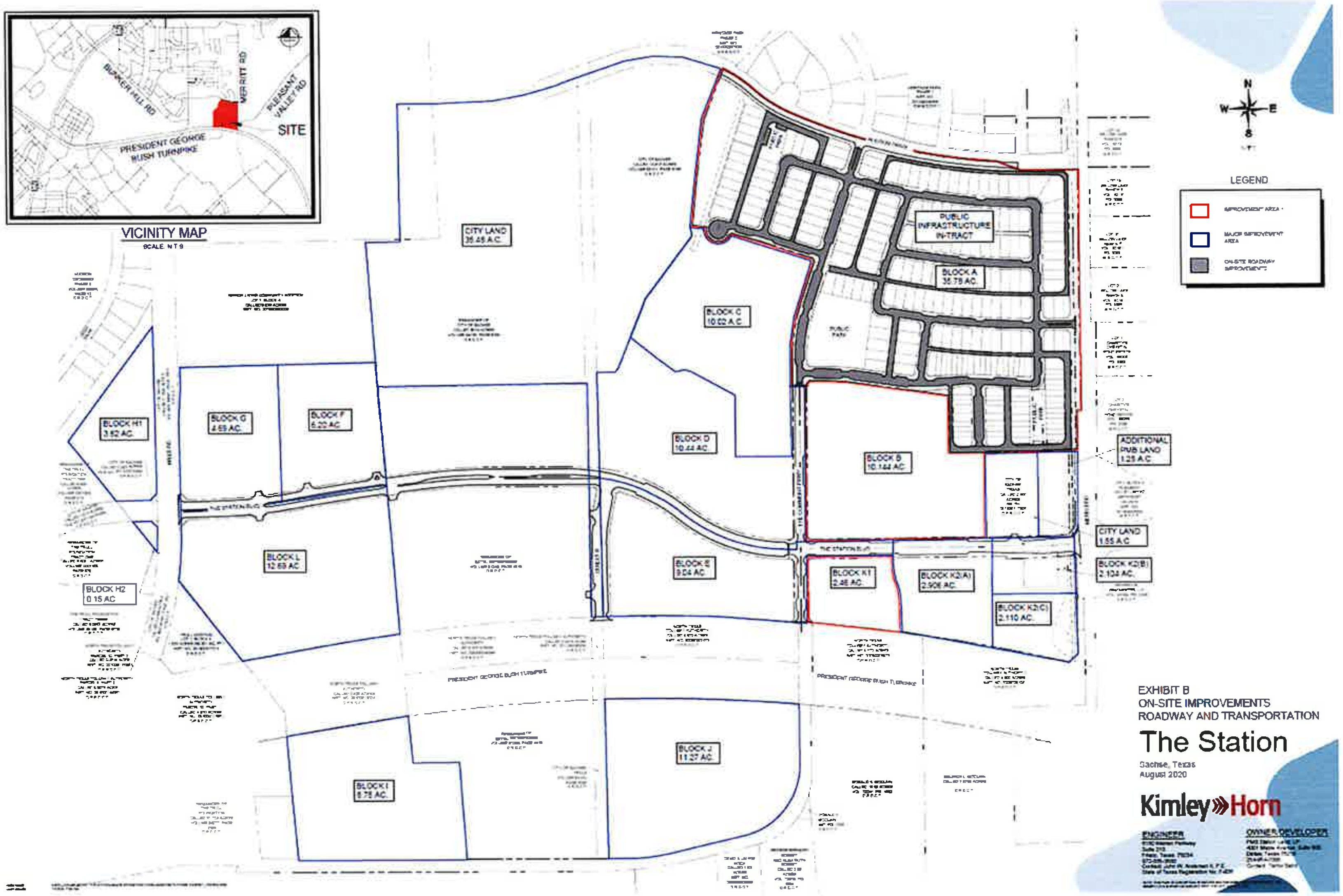
EXHIBIT F-2 – MAJOR IMPROVEMENT AREA ANNUAL INSTALLMENTS

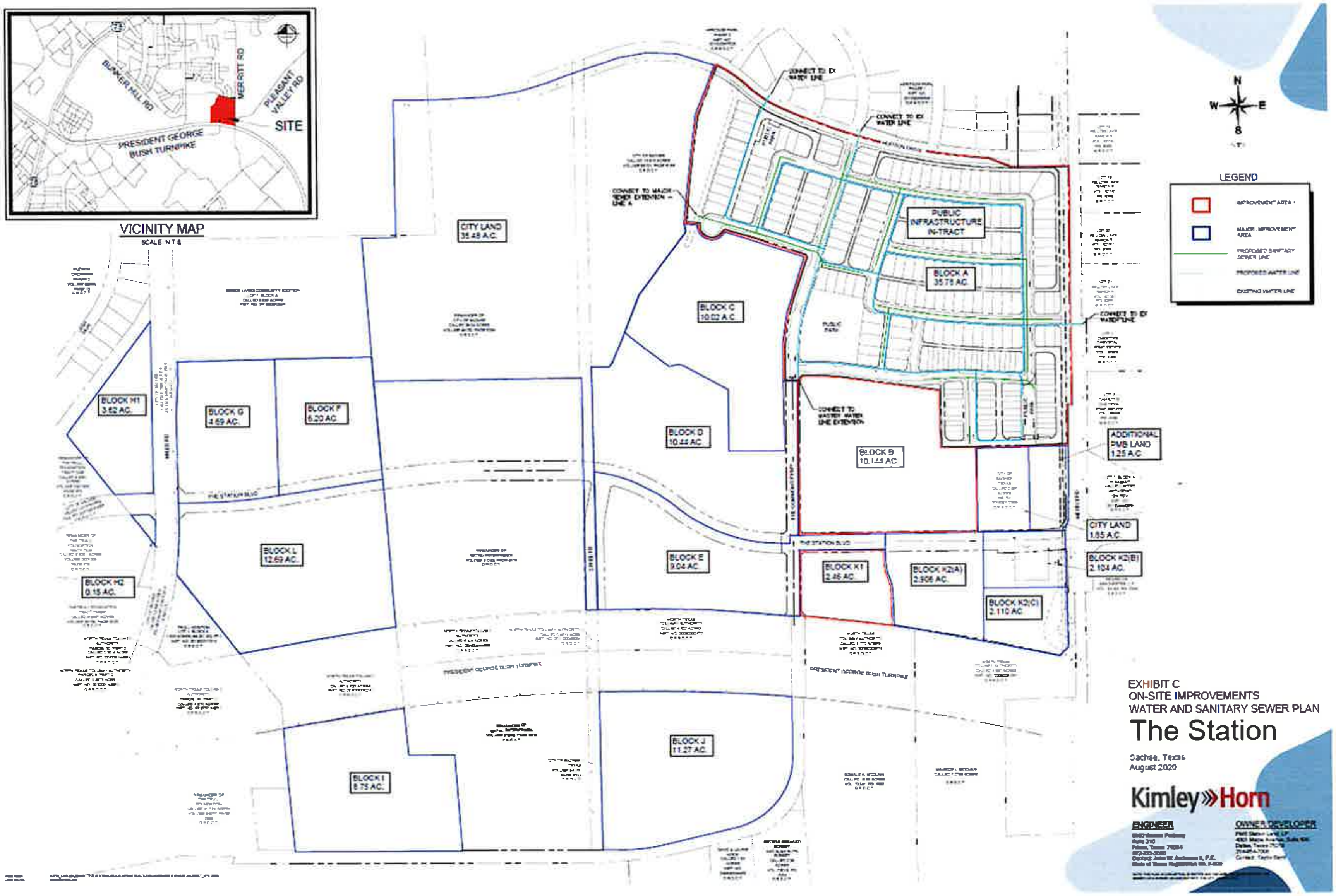
Installments Due January 31,	Principal	Interest[1]	Capitalized Interest	Additional Interest	Reserve Fund Release	Annual Collection Costs	Total Installment
2021	$ -	$ 502,837.50	$ (502,837.50)	$ 43,725.00	$ -	$ 60,000.00	$ 103,725.00
2022	$ 125,000.00	$ 502,837.50	$ -	$ 43,725.00	$ -	$ 61,200.00	$ 732,762.50
2023	$ 130,000.00	$ 495,650.00	$ -	$ 43,100.00	$ -	$ 62,424.00	$ 731,174.00
2024	$ 140,000.00	$ 488,175.00	$ -	$ 42,450.00	$ -	$ 63,672.48	$ 734,297.48
2025	$ 145,000.00	$ 480,125.00	$ -	$ 41,750.00	$ -	$ 64,945.93	$ 731,820.93
2026	$ 155,000.00	$ 471,787.50	$ -	$ 41,025.00	$ -	$ 66,244.85	$ 734,057.35
2027	$ 165,000.00	$ 462,875.00	$ -	$ 40,250.00	$ -	$ 67,569.75	$ 735,694.75
2028	$ 175,000.00	$ 453,387.50	$ -	$ 39,425.00	$ -	$ 68,921.14	$ 736,733.64
2029	$ 185,000.00	$ 443,325.00	$ -	$ 38,550.00	$ -	$ 70,299.56	$ 737,174.56
2030	$ 195,000.00	$ 432,687.50	$ -	$ 37,625.00	$ -	$ 71,705.55	$ 737,018.05
2031	$ 205,000.00	$ 421,475.00	$ -	$ 36,650.00	$ -	$ 73,139.67	$ 736,264.67
2032	$ 215,000.00	$ 409,687.50	$ -	$ 35,625.00	$ -	$ 74,602.46	$ 734,914.96
2033	$ 230,000.00	$ 397,325.00	$ -	$ 34,550.00	$ -	$ 76,094.51	$ 737,969.51
2034	$ 240,000.00	$ 384,100.00	$ -	$ 33,400.00	$ -	$ 77,616.40	$ 735,116.40
2035	$ 255,000.00	$ 370,300.00	$ -	$ 32,200.00	$ -	$ 79,168.73	$ 736,668.73
2036	$ 270,000.00	$ 355,637.50	$ -	$ 30,925.00	$ -	$ 80,752.10	$ 737,314.60
2037	$ 285,000.00	$ 340,112.50	$ -	$ 29,575.00	$ -	$ 82,367.14	$ 737,054.64
2038	$ 300,000.00	$ 323,725.00	$ -	$ 28,150.00	$ -	$ 84,014.49	$ 735,889.49
2039	$ 320,000.00	$ 306,475.00	$ -	$ 26,650.00	$ -	$ 85,694.77	$ 738,819.77
2040	$ 340,000.00	$ 288,075.00	$ -	$ 25,050.00	$ -	$ 87,408.67	$ 740,533.67
2041	$ 360,000.00	$ 268,525.00	$ -	$ 23,350.00	$ -	$ 89,156.84	$ 741,031.84
2042	$ 380,000.00	$ 247,825.00	$ -	$ 21,550.00	$ -	$ 90,939.98	$ 740,314.98
2043	$ 400,000.00	$ 225,975.00	$ -	$ 19,650.00	$ -	$ 92,758.78	$ 738,383.78
2044	$ 425,000.00	$ 202,975.00	$ -	$ 17,650.00	$ -	$ 94,613.96	$ 740,238.96
2045	$ 450,000.00	$ 178,537.50	$ -	$ 15,525.00	$ -	$ 96,506.23	$ 740,568.73
2046	$ 475,000.00	$ 152,662.50	$ -	$ 13,275.00	$ -	$ 98,436.36	$ 739,373.86
2047	$ 500,000.00	$ 125,350.00	$ -	$ 10,900.00	$ -	$ 100,405.09	$ 736,655.09
2048	$ 530,000.00	$ 96,600.00	$ -	$ 8,400.00	$ -	$ 102,413.19	$ 737,413.19
2049	$ 560,000.00	$ 66,125.00	$ -	$ 5,750.00	$ -	$ 104,461.45	$ 736,336.45
2050	$ 590,000.00	$ 33,925.00	$ -	$ 2,950.00	$ (628,537.50)	$ 106,550.68	$ 104,888.18
Total	**$ 8,745,000.00**	**$ 9,929,100.00**	**$ (502,837.50)**	**$ 863,400.00**	**$ (628,537.50)**	**$ 2,434,084.75**	**$ 20,840,209.75**

[1] Interest is calculated at a 5.75% rate for illustrative purposes.

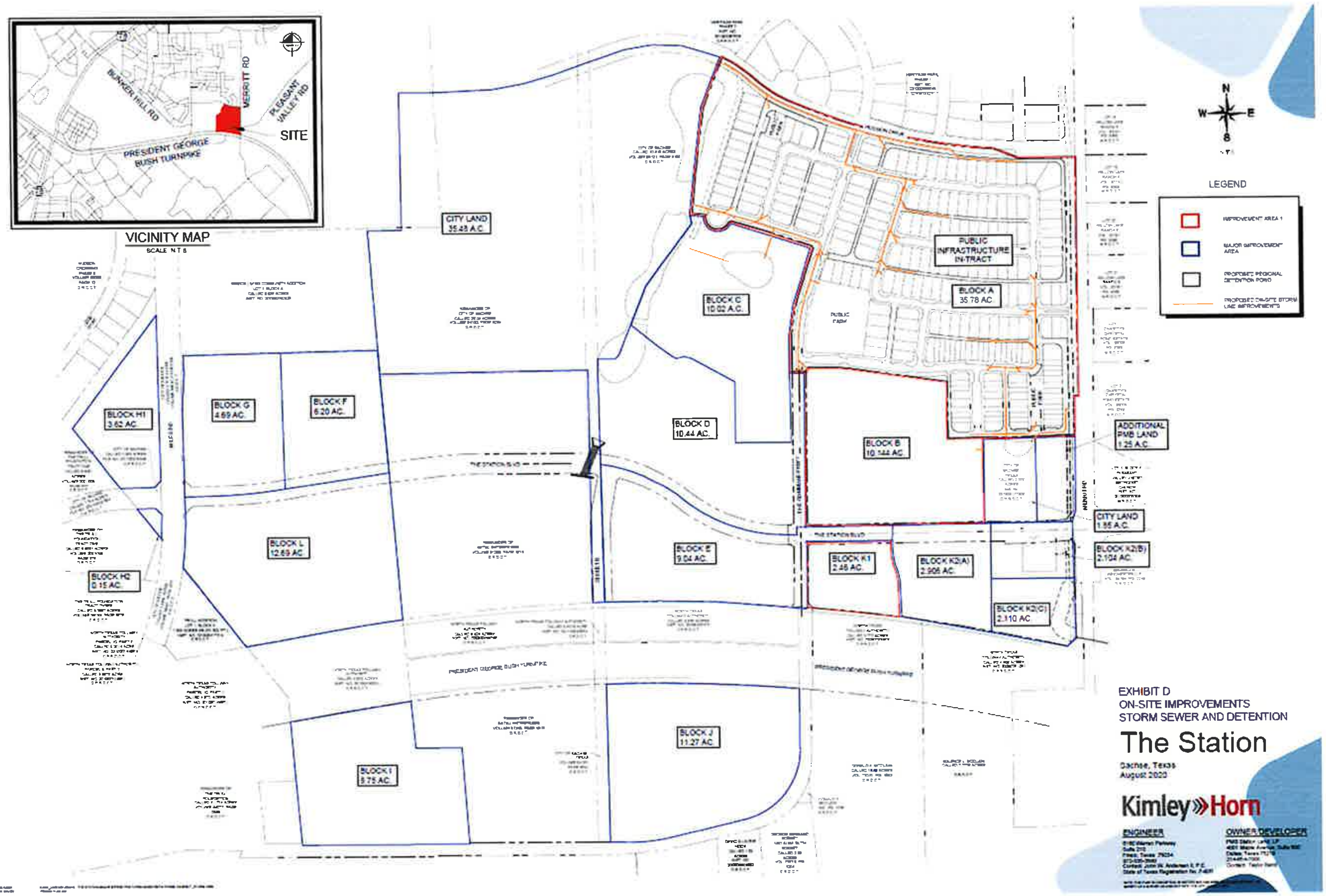
Note: The figures shown above are estimates only and subject to change in annual service plan updates. Changes in administrative expenses, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT G-1 – MAPS OF IMPROVEMENT AREA #1 IMPROVEMENTS





VICINITY MAP
SCALE N.T.S.
BUNKER HILL RD
MERRITT RD
PLEASANT VALLEY RD
PRESIDENT GEORGE BUSH TURNPIKE
SITE
CITY LAND 35.48 A.C.
BLOCK C 10.02 A.C.
PUBLIC INFRASTRUCTURE IN-TRACT
BLOCK A 35.78 A.C.
BLOCK H1 3.62 AC.
BLOCK G 4.69 AC.
BLOCK F 6.20 AC.
BLOCK D 10.44 AC.
BLOCK B 10.144 AC.
ADDITIONAL PMB LAND 1.25 A.C.
CITY LAND 1.85 A.C.
BLOCK L 12.69 AC.
BLOCK E 9.04 AC.
BLOCK K1 2.46 AC.
BLOCK K2(A) 2.906 AC.
BLOCK K2(B) 2.104 AC.
BLOCK K2(C) 2.110 AC.
BLOCK H2 0.15 AC.
BLOCK J 11.27 AC.
BLOCK I 8.75 AC.
LEGEND
N
W
E
S
EXHIBIT C
ON-SITE IMPROVEMENTS
WATER AND SANITARY SEWER PLAN
The Station
Sachse, Texas
August 2020
Kimley»Horn
ENGINEER
OWNER/DEVELOPER



VICINITY MAP
SCALE N.T.S.
BUNKER HILL RD
MERRITT RD
PLEASANT VALLEY RD
SITE
PRESIDENT GEORGE BUSH TURNPIKE
CITY LAND 35.48 AC.
BLOCK A 35.78 AC.
BLOCK B 10.144 AC.
BLOCK C 10.02 A.C.
BLOCK D 10.44 AC.
BLOCK E 9.04 AC.
BLOCK F 6.20 AC.
BLOCK G 4.69 AC.
BLOCK H1 3.62 AC.
BLOCK H2 0.15 AC.
BLOCK I 8.75 AC.
BLOCK J 11.27 AC.
BLOCK K1 2.46 AC.
BLOCK K2(A) 2.906 AC.
BLOCK K2(B) 2.104 AC.
BLOCK K2(C) 2.110 AC.
BLOCK L 12.69 AC.
PUBLIC INFRASTRUCTURE IN-TRACT
ADDITIONAL PMB LAND 1.25 AC.
CITY LAND 1.85 AC.
THE STATION BLVD
LEGEND
N
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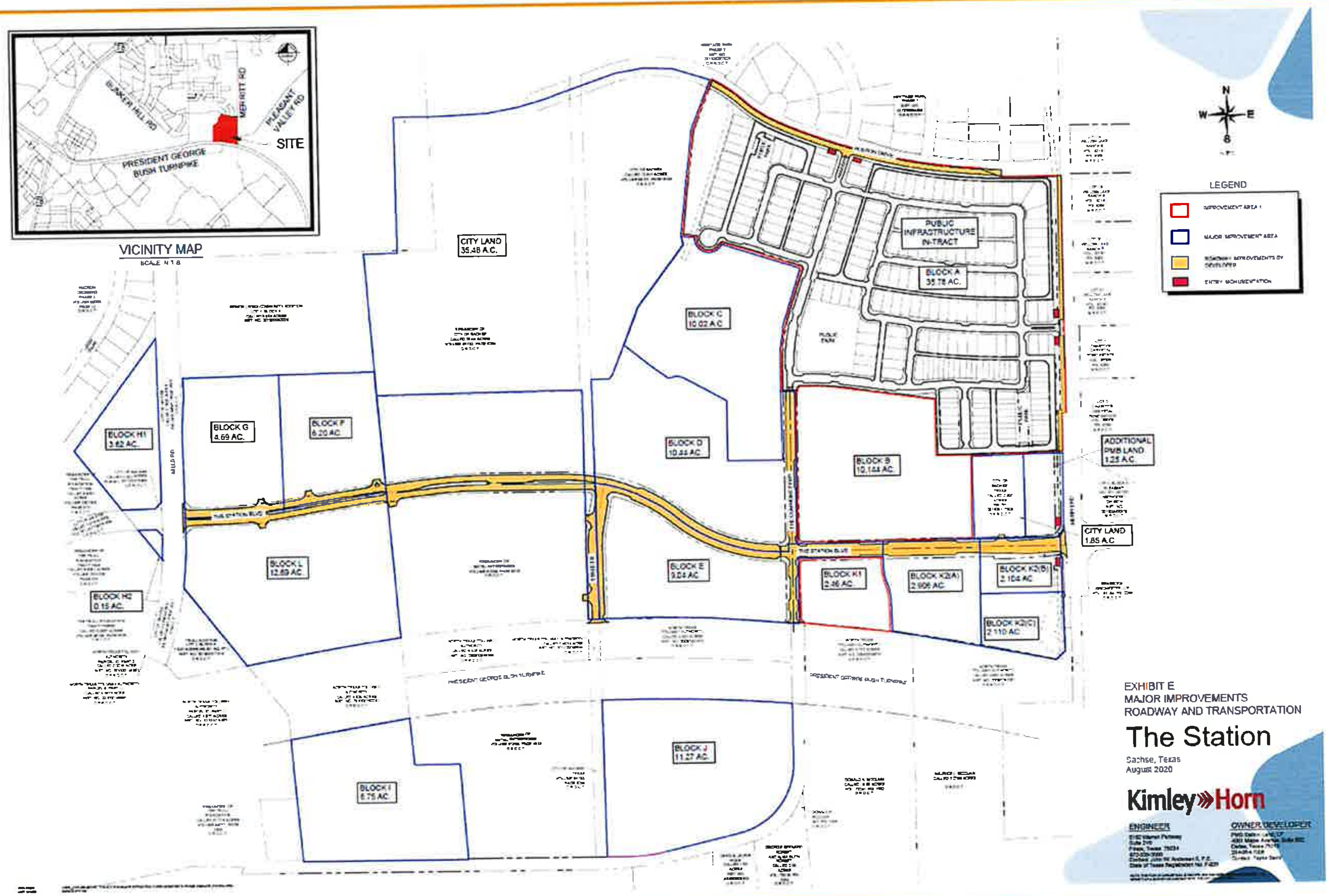
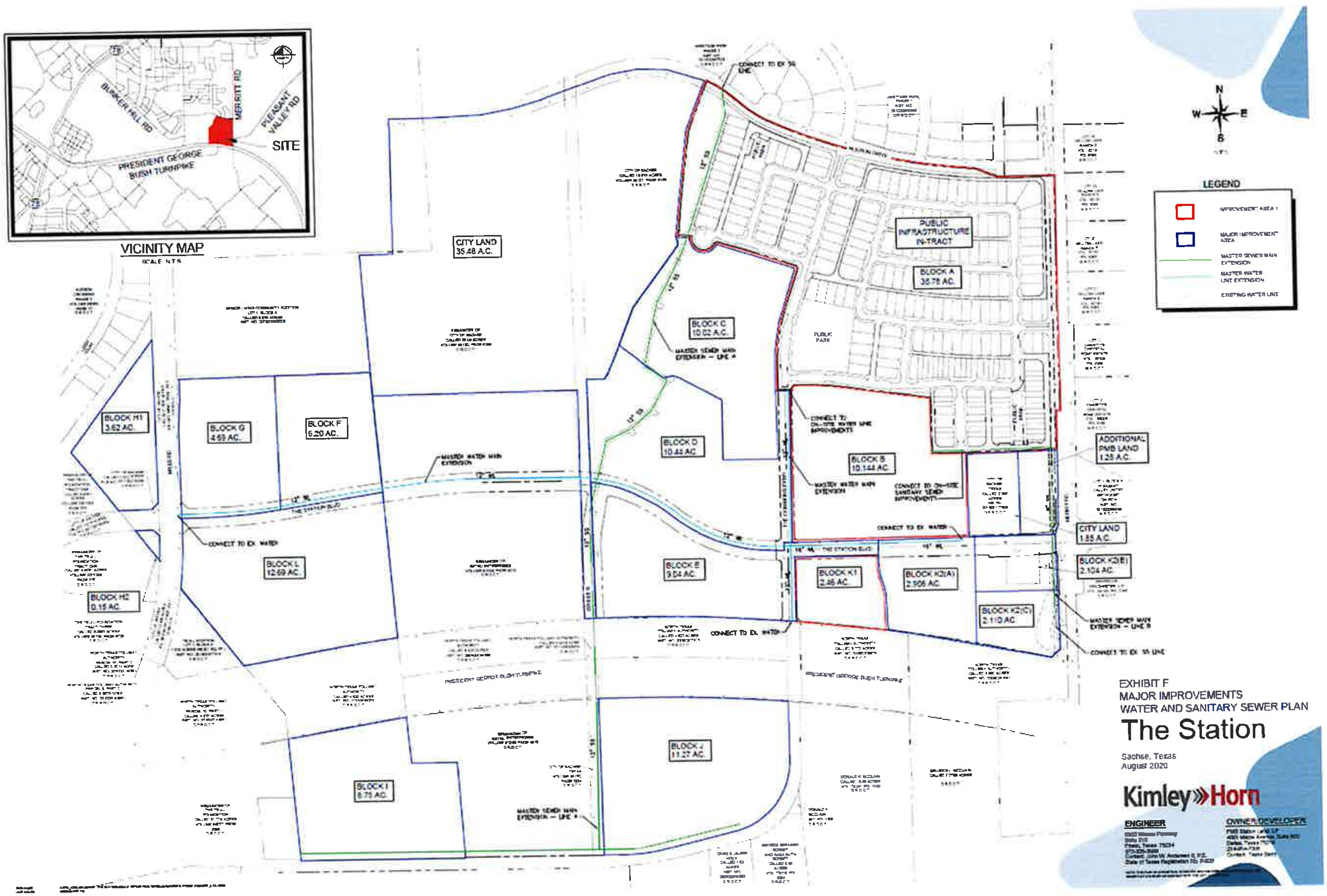
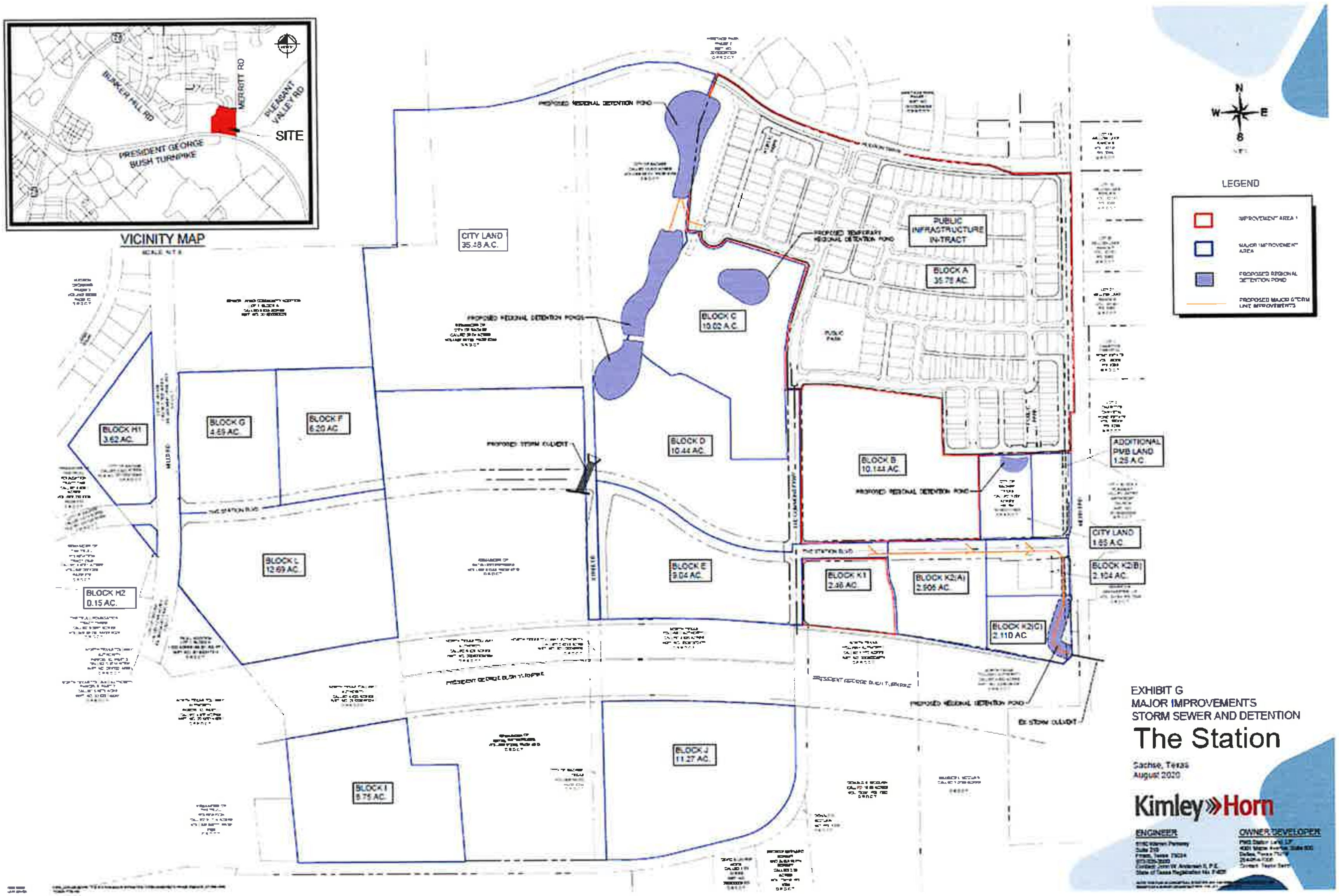
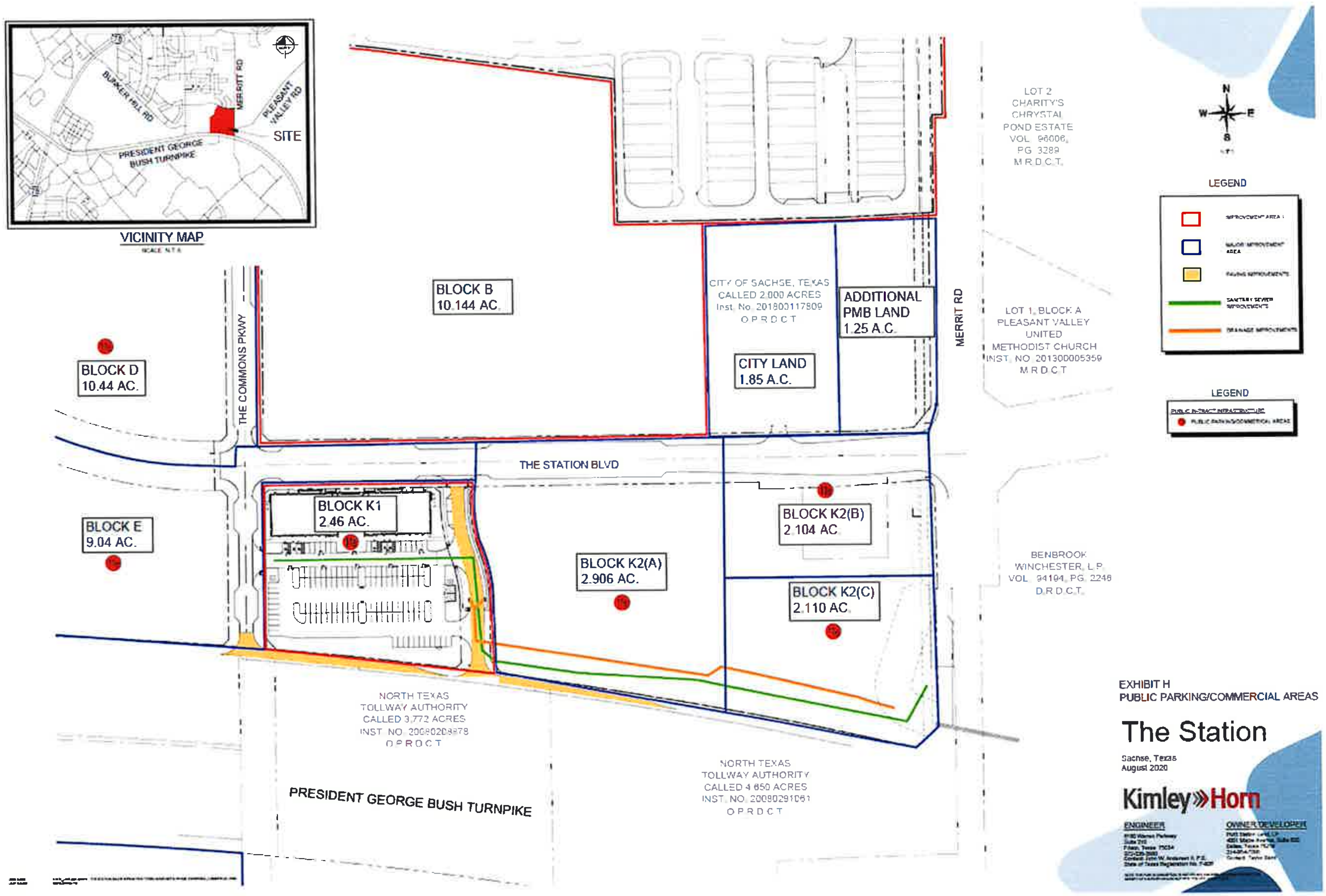
EXHIBIT D
ON-SITE IMPROVEMENTS
STORM SEWER AND DETENTION
The Station
Sachse, Texas
August 2020
Kimley»Horn
ENGINEER
OWNER/DEVELOPER

EXHIBIT G-2 – MAPS OF MAJOR IMPROVEMENTS




VICINITY MAP
SCALE N.T.S.
BUNKER HILL RD
MERRITT RD
PLEASANT VALLEY RD
SITE
PRESIDENT GEORGE BUSH TURNPIKE
LEGEND
CITY LAND 35.48 A.C.
PUBLIC INFRASTRUCTURE IN-TRACT
BLOCK A 35.78 AC.
BLOCK C 10.02 A.C.
BLOCK D 10.44 AC.
BLOCK B 10.144 AC.
BLOCK E 9.04 AC.
BLOCK F 6.20 AC.
BLOCK G 4.69 AC.
BLOCK H1 3.62 AC.
BLOCK H2 0.15 AC.
BLOCK L 12.69 AC.
BLOCK K1 2.46 AC.
BLOCK K2(A) 2.906 AC.
BLOCK K2(B) 2.104 AC.
BLOCK K2(C) 2.110 AC.
BLOCK I 8.75 AC.
BLOCK J 11.27 AC.
ADDITIONAL PMB LAND 1.23 A.C.
CITY LAND 1.85 A.C.
PUBLIC PARK
CONNECT TO EX. WATER
CONNECT TO EX. WATER
EXHIBIT F
MAJOR IMPROVEMENTS
WATER AND SANITARY SEWER PLAN
The Station
Sachse, Texas
August 2020
Kimley»Horn
ENGINEER
OWNER/DEVELOPER


VICINITY MAP
SITE
PRESIDENT GEORGE BUSH TURNPIKE
BUNKER HILL RD
MERRITT RD
PLEASANT VALLEY RD
LEGEND
CITY LAND 35.48 A.C.
PUBLIC INFRASTRUCTURE IN-TRACT
BLOCK A 35.78 AC.
BLOCK B 10.144 AC.
BLOCK C 10.02 A.C.
BLOCK D 10.44 AC.
BLOCK E 9.04 AC.
BLOCK F 6.20 AC.
BLOCK G 4.69 AC.
BLOCK H1 3.62 AC.
BLOCK H2 0.15 AC.
BLOCK I 5.75 AC.
BLOCK J 11.27 AC.
BLOCK K1 2.46 AC.
BLOCK K2(A) 2.905 AC.
BLOCK K2(B) 2.104 AC.
BLOCK K2(C) 2.110 AC.
BLOCK L 12.69 AC.
ADDITIONAL PMB LAND 1.25 AC.
CITY LAND 1.65 AC.
PROPOSED REGIONAL DETENTION POND
PROPOSED REGIONAL DETENTION PONDS
PROPOSED TEMPORARY REGIONAL DETENTION POND
PROPOSED STORM CULVERT
EX STORM CULVERT
THE STATION BLVD
PRESIDENT GEORGE BUSH TURNPIKE
EXHIBIT G
MAJOR IMPROVEMENTS
STORM SEWER AND DETENTION
The Station
Sachse, Texas
August 2020
Kimley»Horn
ENGINEER
OWNER/DEVELOPER


VICINITY MAP
BUNKER HILL RD
MERRITT RD
PLEASANT VALLEY RD
SITE
PRESIDENT GEORGE BUSH TURNPIKE
BLOCK B 10.144 AC.
CITY OF SACHSE, TEXAS CALLED 2.000 ACRES Inst. No. 201800117809 O.P.R.D.C.T.
ADDITIONAL PMB LAND 1.25 A.C.
CITY LAND 1.85 A.C.
MERRIT RD
LOT 2 CHARITY'S CHRYSTAL POND ESTATE VOL. 96006, PG. 3289 M.R.D.C.T.
LOT 1, BLOCK A PLEASANT VALLEY UNITED METHODIST CHURCH INST. NO. 201300005359 M.R.D.C.T.
BLOCK D 10.44 AC.
THE COMMONS PKWY
THE STATION BLVD
BLOCK K1 2.46 AC.
BLOCK E 9.04 AC.
BLOCK K2(A) 2.906 AC.
BLOCK K2(B) 2.104 AC.
BLOCK K2(C) 2.110 AC.
BENBROOK WINCHESTER, L.P. VOL. 94194, PG. 2248 D.R.D.C.T.
NORTH TEXAS TOLLWAY AUTHORITY CALLED 3.772 ACRES INST. NO. 20080208878 O.P.R.D.C.T.
PRESIDENT GEORGE BUSH TURNPIKE
NORTH TEXAS TOLLWAY AUTHORITY CALLED 4.650 ACRES INST. NO. 20080291061 O.P.R.D.C.T.
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W
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LEGEND
EXHIBIT H
PUBLIC PARKING/COMMERCIAL AREAS
The Station
Sachse, Texas
August 2020
Kimley»Horn
ENGINEER
OWNER/DEVELOPER

EXHIBIT G-3 – MAP OF PARK IMPROVEMENTS

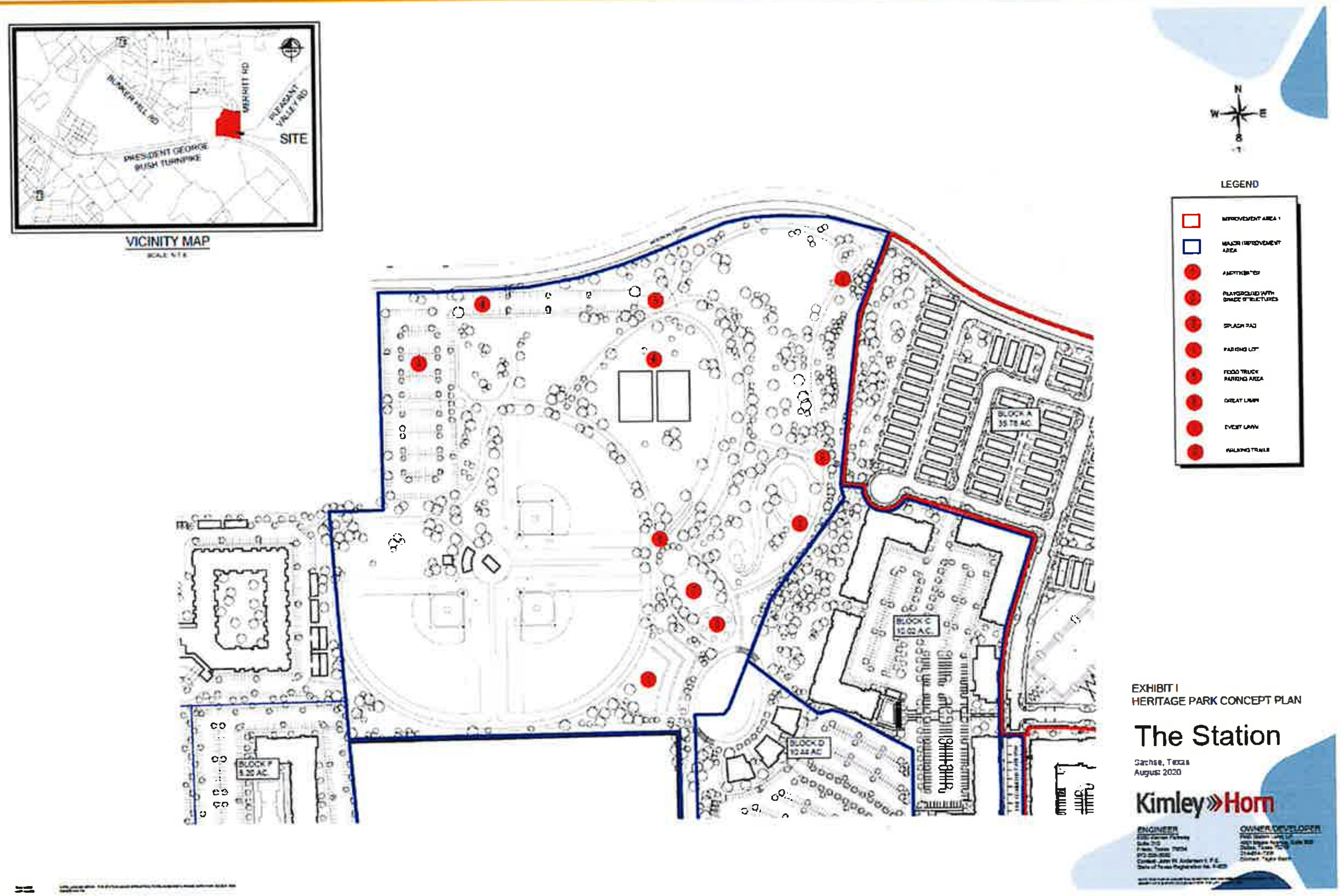

EXHIBIT H-1 - IMPROVEMENT AREA #1 MAXIMUM ASSESSMENT AND MAJOR IMPROVEMENT AREA MAXIMUM ASSESSMENT

Lot Type[1]	Units/Square Feet[1]	Estimated Buildout Value Per Unit/Square Foot[1]	Estimated Buildout Value	Assessment	Average Annual Installment	Maximum Assessment Per Unit/SqFt[2]	Average Annual Installment Per Unit/SqFt	PID TRE Before Application of TIRZ No. 2	TIRZ No. 2 Maximum Annual Credit Amount	Equivalent Tax Rate
Improvement Area #1										
Block A - Single Family										
Single Family	165	$ 383,126	$ 63,215,850	$ 5,846,097	$ 408,913	$ 35,430.89	$ 2,478.26	$ 0.6469	$ (0.2530)	$ 0.3939
Townhomes	59	255,964	15,101,900	1,396,599	97,687	23,671.16	1,655.71	0.6469	(0.2530)	0.3939
Block B - Multi-family										
Multi-family	300	$ 170,000	$ 51,000,000	$ 4,716,395	$ 329,894	$ 15,721.32	$ 1,099.65	$ 0.6469	$ (0.2530)	$ 0.3939
Block K-1 - Commercial										
Commercial 1	15,600	$ 191	$ 2,983,500	$ 275,909	$ 19,299	$ 17.69	$ 1.24	$ 0.6469	$ (0.2530)	$ 0.3939
Improvement Area #1 Total			**$ 132,301,250**	**$ 12,235,000**	**$ 855,793**					
Major Improvement Area										
Townhomes	25	$ 265,302	$ 6,632,549	$ 302,277	$ 25,469	$ 12,091.09	$ 1,018.78	$ 0.3840	$ -	$ 0.3840
Multi-family	489	170,000	83,130,000	3,788,634	319,226	7,747.72	652.81	0.3840	-	0.3840
Commercial 2	262,500	210.03	55,132,469	2,512,652	211,713	9.57	0.81	0.3840	-	0.3840
Commercial 3	340,000	138.20	46,987,298	2,141,437	180,435	6.30	0.53	0.3840	-	0.3840
Major Improvement Area Total[3]			**$ 191,882,316**	**$ 8,745,000**	**$ 736,843**					
Total			**$ 324,183,566**	**$ 20,980,000**	**1,592,636**					

Notes:

[1] Source: Owner, as shown in **Appendix A.** Commercial 1 Estimated Buildout Value equals a weighted average of inline retail, food retail within Improvement Area #1, as shown on Appendix A. Commercial 2 Estimated Buildout Value equals a weighted average of Inline Retail, Food Retail, Pad Retail, and Office within the Major Improvement Area, as shown on Appendix A. Commercial 3 Estimated Buildout Value equals a weighted average of Jr. Anchor Retail and Office Flex within the Major Improvement Improvement Area, as shown on Appendix A.

[2] The Improvement Area #1 Maximum Assessment and Major Improvement Area Maximum Assessment will be determined when Improvement Area #1 Bonds and Major Improvement Area Bonds are issued. The Maximum Assessment is required to be an amount that produces an equivalent tax rate not to exceed $3.15 including all overlapping taxing jurisdictions, as well as the TIRZ No. 2 Annual Credit Amount.

[3] The total Estimated Buildout Value for the Major Improvement Area of $191,882,316 will not change, and the Estimated Buildout Value per Unit/Square Foot also will not change for the purposes of the Major Improvement Area True-Up.

EXHIBIT H-2 – MAJOR IMPROVEMENT AREA NET ACRES

Major Improvement Area Net Acres	
Block	**Net Acres[1]**
C	10.020
D	10.440
E	9.040
F	6.200
G	4.690
H1	3.620
H2[2]	0.000
I	8.750
J	11.270
K2(A)	2.906
K2(B)	2.104
K2(C)	2.110
K3	1.250
L	12.690
Total	**85.090**

Major Improvement Area Maximum Assessment per Net Acre: **$ 102,773.53**

Notes:

[1] Per concept plan shown on **Exhibit A-1.** City Land acreage is excluded.

[2] Per appraisal, Block H2 has an appraised value of $0, and therefore will not be assessed. Block H2 contains 0.15 acres.

EXHIBIT I –TIRZ NO. 2 MAXIMUM ANNUAL CREDIT AMOUNT

		Pre-TIRZ				Post-TIRZ				
Lot Type[1]	Units/Square Feet[1]	Assessment	Average Annual Installment	Average Annual Installment Per Unit/SqFt	Equivalent Tax Rate	TIRZ No. 2 Maximum Annual Credit Amount Per Unit[2]	Total Annual TIRZ No. 2 Credit	Net Annual Installment Per Unit	Net Equivalent PID Tax Rate	Equivalent Total Tax Rate[3]
Improvement Area #1										
Block A - Single Family										
Single Family	165	$ 5,846,097	$ 408,913	$ 2,478.26	$ 0.6469	$ (969.28)	$ (159,930.83)	$ 1,508.98	0.3939	3.1500
Townhomes	59	1,396,599	97,687	1,655.71	$ 0.6469	$ (647.57)	$ (38,206.55)	$ 1,008.14	0.3939	3.1500
Block B - Multi-family										
Multi-family	300	$ 4,716,395	$ 329,894	$ 1,099.65	$ 0.6469	$ (430.09)	$ (129,025.75)	$ 669.56	0.3939	3.1500
Block K-1 - Commercial										
Commercial 1	15,600	275,909	19,299	1.24	$ 0.6469	$ (0.484)	$ (7,548.01)	$ 0.75	0.3939	3.1500
Improvement Area #1 Total		**$ 12,235,000**	**$ 855,793**		**$ 0.6469**		**$ (334,711.13)**			

Notes:

[1] Source: Owner

[2] Subject to change. The TIRZ No. 2 Maximum Annual Credit Amount for each Lot Type in Improvement Area #1 shall be caluclated upon the sale of Improvement Area #1 Bonds. Future improvement area TIRZ No. 2 Maximum Annual Credit Amount to be caluclated at the time future improvement area bonds are sold.

[3] Includes tax rates for all applicable taxing jurisdictions. (City of Sachse - $0.72000; Dallas County - $0.23974; Garland ISD - $1.34630; Dallas Community College - $0.12400; Parkland Hospital - $0.26610; O&M PID Assessment - $0.05000, and Dallas County Schools - $0.01000)

EXHIBIT J – FORM OF NOTICE OF ASSESSMENT TERMINATION

P3Works, LLC
9284 Huntington Square, Suite 100
North Richland Hills, TX 76182

[Date]
Dallas County Clerk's Office
Honorable [County Clerk]
Renaissance Tower
1201 Elm Street
21st Floor, Ste 2100
Dallas, TX 75270

Re: **City of Sachse Lien Release documents for filing**

Dear Ms./Mr. [County Clerk],

Enclosed is a lien release that the City of Sachse is requesting to be filed in your office. Lien release for [insert legal description]. Recording Numbers: [Plat]. Please forward copies of the filed documents to my attention:

City of Sachse
Attn: City Secretary
3815 Sachse Rd
Building B
Sachse, TX 75048

Please contact me if you have any questions or need additional information.

Sincerely,
[Signature]

P3Works, LLC
(817) 393-0353
Admin@P3-Works.com
www.P3-Works.com

AFTER RECORDING RETURN TO:

[City Secretary Name]
3815 Sachse Rd
Building B
Sachse, TX 75048

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 §
§ **NOW ALL MEN BY THESE PRESENTS:**
COUNTY OF DALLAS §

THIS FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN (this "Full Release") is executed and delivered as of the Effective Date by the City of Sachse, Texas, a Texas home rule municipality (the "City")

RECITALS

WHEREAS, the governing body (hereinafter referred to as the "City Council") of 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 of the City; and

WHEREAS, on January 22, 2019, the City Council of the City approved Resolution No. 3905, creating the Sachse Public Improvement District No. 1 (the "District") and on December 2, 2019, the City Council approved Resolution No. 3958, adding land to the District; and

WHEREAS, the District consists of approximately 170.686 contiguous acres within the corporate limits of the City; and

WHEREAS, on October 19, 2020, the City Council, approved Ordinance No. __________ (hereinafter referred to as the "Assessment Ordinance") approving a service and assessment plan and assessment roll for the real property located within the District, the Assessment Ordinance being recorded on ____________, 2020, as Instrument No. ______________, in the Official Public Records of Dallas County, Texas; and

WHEREAS, the Assessment Ordinance imposed an assessment in the amount of [amount] (hereinafter referred to as the "Lien Amount") and further imposed a lien to secure the payment of the Lien Amount (the "Lien") against the following property located within the District, to wit:

> [legal description], an addition to the City of Sachse, Dallas County, Texas, according to the map or plat thereof recorded as Instrument No. ________ in the Map Records of Dallas County, Texas (the "Property");

and

WHEREAS, the Lien Amount has been paid in full.

RELEASE

NOW THEREFORE, for and in consideration of the full payment of the Lien Amount, the City, hereby releases and discharges, and by these presents does hereby release and discharge, the Lien to the extent that is affects and encumbers the Property.

EXECUTED to be **EFFECTIVE** this the _____ day of _________, 20__.

CITY OF SACHSE, TEXAS,
A Texas home rule municipality,

By: ________________________________
[Name], City Manager

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the ____ day of ________, 20__, by [Name], City Manager and [Name], City Secretary for the City of Sachse, Texas, a Texas home rule municipality, on behalf of said municipality.

____
Notary Public, State of Texas

EXHIBIT K-1 – DEBT SERVICE SCHEDULES FOR THE IMPROVEMENT AREA #1 BONDS

EXHIBIT K-2 – INSTALLMENT SCHEDULE FOR THE IMPROVEMENT AREA #1 REIMBURSEMENT OBLIGATION

Installments Due January 31,	Improvement Area #1 Reimbursement Obligation		Annual Collection Costs	Total Installment[2]
	Principal	Interest[1]		
2021	$ 75,000.00	$ 281,400.00	$ 30,000.00	$ 386,400.00
2022	$ 80,000.00	$ 277,462.50	$ 30,600.00	$ 388,062.50
2023	$ 85,000.00	$ 273,262.50	$ 31,212.00	$ 389,474.50
2024	$ 90,000.00	$ 268,800.00	$ 31,836.24	$ 390,636.24
2025	$ 95,000.00	$ 264,075.00	$ 32,472.96	$ 391,547.96
2026	$ 100,000.00	$ 259,087.50	$ 33,122.42	$ 392,209.92
2027	$ 105,000.00	$ 253,837.50	$ 33,784.87	$ 392,622.37
2028	$ 110,000.00	$ 248,325.00	$ 34,460.57	$ 392,785.57
2029	$ 115,000.00	$ 242,550.00	$ 35,149.78	$ 392,699.78
2030	$ 120,000.00	$ 236,512.50	$ 35,852.78	$ 392,365.28
2031	$ 130,000.00	$ 230,212.50	$ 36,569.83	$ 396,782.33
2032	$ 135,000.00	$ 223,387.50	$ 37,301.23	$ 395,688.73
2033	$ 145,000.00	$ 216,300.00	$ 38,047.25	$ 399,347.25
2034	$ 150,000.00	$ 208,687.50	$ 38,808.20	$ 397,495.70
2035	$ 160,000.00	$ 200,812.50	$ 39,584.36	$ 400,396.86
2036	$ 165,000.00	$ 192,412.50	$ 40,376.05	$ 397,788.55
2037	$ 175,000.00	$ 183,750.00	$ 41,183.57	$ 399,933.57
2038	$ 185,000.00	$ 174,562.50	$ 42,007.24	$ 401,569.74
2039	$ 195,000.00	$ 164,850.00	$ 42,847.39	$ 402,697.39
2040	$ 205,000.00	$ 154,612.50	$ 43,704.34	$ 403,316.84
2041	$ 215,000.00	$ 143,850.00	$ 44,578.42	$ 403,428.42
2042	$ 225,000.00	$ 132,562.50	$ 45,469.99	$ 403,032.49
2043	$ 240,000.00	$ 120,750.00	$ 46,379.39	$ 407,129.39
2044	$ 250,000.00	$ 108,150.00	$ 47,306.98	$ 405,456.98
2045	$ 265,000.00	$ 95,025.00	$ 48,253.12	$ 408,278.12
2046	$ 280,000.00	$ 81,112.50	$ 49,218.18	$ 410,330.68
2047	$ 290,000.00	$ 66,412.50	$ 50,202.54	$ 406,615.04
2048	$ 310,000.00	$ 51,187.50	$ 51,206.59	$ 412,394.09
2049	$ 325,000.00	$ 34,912.50	$ 52,230.73	$ 412,143.23
2050	$ 340,000.00	$ 17,850.00	$ 53,275.34	$ 411,125.34
Total	**$ 5,360,000.00**	**$ 5,406,712.50**	**$ 1,217,042.38**	**$ 11,983,754.88**

[1] Interest for the Improvement Area #1 Reimbursement Obligation is calculated at a 5.25% rate for illustrative purposes.

[2] Before application of the TIRZ No. 2 Annual Credit Amount.

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

EXHIBIT K-3 – DEBT SERVICE SCHEDULES FOR THE MAJOR IMPROVEMENT AREA BONDS

EXHIBIT L-1 – HOMEBUYER DISCLOSURES – SINGLE FAMILY LOT TYPE

NOTICE OF OBLIGATION TO PAY
PUBLIC IMPROVEMENT DISTRICT ASSESSMENTS
TO THE CITY OF SACHSE, TEXAS

CONCERNING THE PROPERTY AT:

____

STREET ADDRESS

OUTSTANDING PRINCIPAL OF THE AUTHORIZED IMPROVEMENT ASSESSMENT: $35,430.89

As the purchaser of the real property located at the street address set forth above, you are obligated to pay assessments to the City of Sachse, Texas, (the ***"City"***) for the costs of a portion of public improvements (the "***Authorized Improvements***"), undertaken for the benefit of the property within "***Sachse Public Improvement District No. 1***" (the "***District***") created pursuant to Subchapter A, Chapter 372, Texas Local Government Code, as amended. You are also obligated to pay for the operation and maintenance of the Authorized Improvements (the ***"Operations and Maintenance Assessment***") which is calculated and levied annually based on the actual costs of the operation and maintenance of the Authorized Improvements. The City will mail notice to each property owner, as required by said Chapter 372, with information regarding the annual public hearing for the levy of the Operation and Maintenance Assessment. The 2020 Operation and Maintenance Assessment Total Annual Installment per Lot is $0 because no Parcel has met the Operations and Maintenance Assessment Trigger Date.

THE PRINCIPAL AMOUNT OF THE ASSESSMENT AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS IS $35,430.89, WHICH MAY BE PAID IN FULL AT ANY TIME; HOWEVER, IF NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS WHICH WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS. THE OPERATION AND MAINTENANCE ASSESSMENT TOTAL ANNUAL INSTALLMENT IS CALCULATED AND LEIVED ANNUALLY AND CANNOT BE PREPAID.

An estimate of the annual installments is attached; **however, it is only an estimate and is subject to change**. The exact amount of the annual installments will be approved each year by the City Council of the City of Sachse in the Annual Service Plan Update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City Secretary of the City of Sachse.

Your failure to pay any assessment, or any annual installment thereof, may result in penalties and interest being added to what you owe and could result in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of the foregoing notice prior to the effective date of a binding contract for the purchase of the real property at the street address set forth above.

IN WITNESS WHEREOF, I have signed this certificate this ____________, 20__.

PURCHASER:

By: ______________________________ By: ______________________________

Name: ______________________________ Name: ______________________________

Title: ______________________________ Title: ______________________________

STATE OF TEXAS §
§
COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me by ______________________, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this __________________, 20__.

____

Notary Public, State of Texas

STATE OF TEXAS §
§
COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me by ______________________, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this __________________, 20__.

____

Notary Public, State of Texas

Installments Due January 31,	Improvement Area #1 Bonds				Improvement Area #1 Reimbursement Obligation			
	Principal	Interest[1]	Additional Interest	Reserve Fund Release	Principal	Interest[2]	Annual Collection Costs	Total Installment[3]
2021	$ 318.54	$ 945.68	$ 99.55	$ -	$ 217.19	$ 814.90	$ 86.88	$ 2,482.73
2022	$ 333.02	$ 930.55	$ 97.95	$ -	$ 231.67	$ 803.49	$ 88.61	$ 2,485.30
2023	$ 347.50	$ 914.73	$ 96.29	$ -	$ 246.15	$ 791.33	$ 90.39	$ 2,486.39
2024	$ 361.98	$ 898.22	$ 94.55	$ -	$ 260.63	$ 778.41	$ 92.19	$ 2,485.99
2025	$ 376.46	$ 881.03	$ 92.74	$ -	$ 275.11	$ 764.73	$ 94.04	$ 2,484.10
2026	$ 390.94	$ 863.15	$ 90.86	$ -	$ 289.59	$ 750.28	$ 95.92	$ 2,480.73
2027	$ 419.90	$ 844.58	$ 88.90	$ -	$ 304.07	$ 735.08	$ 97.84	$ 2,490.36
2028	$ 434.38	$ 824.63	$ 86.80	$ -	$ 318.54	$ 719.12	$ 99.79	$ 2,483.27
2029	$ 448.86	$ 804.00	$ 84.63	$ -	$ 333.02	$ 702.39	$ 101.79	$ 2,474.70
2030	$ 477.82	$ 782.68	$ 82.39	$ -	$ 347.50	$ 684.91	$ 103.82	$ 2,479.12
2031	$ 492.30	$ 759.98	$ 80.00	$ -	$ 376.46	$ 666.66	$ 105.90	$ 2,481.31
2032	$ 521.26	$ 736.60	$ 77.54	$ -	$ 390.94	$ 646.90	$ 108.02	$ 2,481.25
2033	$ 550.21	$ 711.84	$ 74.93	$ -	$ 419.90	$ 626.38	$ 110.18	$ 2,493.44
2034	$ 564.69	$ 685.70	$ 72.18	$ -	$ 434.38	$ 604.33	$ 112.38	$ 2,473.67
2035	$ 593.65	$ 658.88	$ 69.36	$ -	$ 463.34	$ 581.53	$ 114.63	$ 2,481.38
2036	$ 622.61	$ 630.68	$ 66.39	$ -	$ 477.82	$ 557.20	$ 116.92	$ 2,471.62
2037	$ 651.57	$ 601.11	$ 63.27	$ -	$ 506.78	$ 532.11	$ 119.26	$ 2,474.11
2038	$ 680.53	$ 570.16	$ 60.02	$ -	$ 535.73	$ 505.51	$ 121.65	$ 2,473.60
2039	$ 723.97	$ 537.83	$ 56.61	$ -	$ 564.69	$ 477.38	$ 124.08	$ 2,484.57
2040	$ 752.92	$ 503.45	$ 52.99	$ -	$ 593.65	$ 447.74	$ 126.56	$ 2,477.32
2041	$ 796.36	$ 467.68	$ 49.23	$ -	$ 622.61	$ 416.57	$ 129.09	$ 2,481.55
2042	$ 825.32	$ 429.85	$ 45.25	$ -	$ 651.57	$ 383.88	$ 131.67	$ 2,467.55
2043	$ 868.76	$ 390.65	$ 41.12	$ -	$ 695.01	$ 349.68	$ 134.31	$ 2,479.52
2044	$ 912.20	$ 349.39	$ 36.78	$ -	$ 723.97	$ 313.19	$ 136.99	$ 2,472.51
2045	$ 955.63	$ 306.06	$ 32.22	$ -	$ 767.40	$ 275.18	$ 139.73	$ 2,476.23
2046	$ 999.07	$ 260.66	$ 27.44	$ -	$ 810.84	$ 234.89	$ 142.53	$ 2,475.44
2047	$ 1,042.51	$ 213.21	$ 22.44	$ -	$ 839.80	$ 192.32	$ 145.38	$ 2,455.66
2048	$ 1,100.43	$ 163.69	$ 17.23	$ -	$ 897.72	$ 148.23	$ 148.29	$ 2,475.58
2049	$ 1,143.87	$ 111.42	$ 11.73	$ -	$ 941.16	$ 101.10	$ 151.25	$ 2,460.52
2050	$ 1,201.78	$ 57.08	$ 6.01	$ (1,264.48)	$ 984.59	$ 51.69	$ 154.28	$ 1,190.96
Total	**$ 19,909.06**	**$ 17,835.19**	**$ 1,877.39**	**$ (1,264.48)**	**$ 15,521.83**	**$ 15,657.10**	**$ 3,524.39**	**$ 73,060.48**

[1] Interest for the Improvement Area #1 Bonds is calculated at a 4.75% rate for illustrative purposes.

[2] Interest for the Improvement Area #1 Reimbursement Obligation is calculated at a 5.25% rate for illustrative purposes.

[3] Before application of the TIRZ No. 2 Annual Credit Amount.

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 L-2 – HOMEBUYER DISCLOSURES – TOWNHOME LOT TYPE

NOTICE OF OBLIGATION TO PAY
PUBLIC IMPROVEMENT DISTRICT ASSESSMENTS
TO THE CITY OF SACHSE, TEXAS

CONCERNING THE PROPERTY AT:

____

STREET ADDRESS

OUTSTANDING PRINCIPAL OF THE AUTHORIZED IMPROVEMENT ASSESSMENT: $23,671.16

As the purchaser of the real property located at the street address set forth above, you are obligated to pay assessments to the City of Sachse, Texas (the ***"City"***), for the costs of a portion of public improvements (the "***Authorized Improvements***"), undertaken for the benefit of the property within "***Sachse Public Improvement District No. 1***" (the "***District***") created pursuant to Subchapter A, Chapter 372, Texas Local Government Code, as amended. You are also obligated to pay for - the operation and maintenance of the Authorized Improvements (the ***"Operations and Maintenance Assessment***") which is calculated and levied annually based on the actual costs of the operation and maintenance of the Authorized Improvements. The City will mail notice to each property owner, as required by said Chapter 372, with information regarding the annual public hearing for the levy of the Operation and Maintenance Assessment. The 2020 Operation and Maintenance Assessment Total Annual Installment per Lot is $0 because no Parcel has met the Operations and Maintenance Assessment Trigger Date.

THE PRINCIPAL AMOUNT OF THE ASSESSMENT AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS IS $23,671.16, WHICH MAY BE PAID IN FULL AT ANY TIME; HOWEVER, IF NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS WHICH WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS. THE OPERATION AND MAINTENANCE ASSESSMENT TOTAL ANNUAL INSTALLMENT IS CALCULATED AND LEIVED ANNUALLY AND CANNOT BE PREPAID.

An estimate of the annual installments is attached; **however, it is only an estimate and is subject to change**. The exact amount of the annual installments will be approved each year by the City Council of the City of Sachse, Texas in the Annual Service Plan Update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City Secretary of the City of Sachse.

Your failure to pay any assessment, or any annual installment thereof, may result in penalties and interest being added to what you owe and could result in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of the foregoing notice prior to the effective date of a binding contract for the purchase of the real property at the street address set forth above.

IN WITNESS WHEREOF, I have signed this certificate this ____________, 20__.

PURCHASER:

By: ____________________________ By: ____________________________

Name: ____________________________ Name: ____________________________

Title: ____________________________ Title: ____________________________

STATE OF TEXAS §
§
COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me by ______________________, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this __________________, 20__.

____

Notary Public, State of Texas

STATE OF TEXAS §
§
COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me by ______________________, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this __________________, 20__.

____

Notary Public, State of Texas

	Improvement Area #1 Bonds				Improvement Area #1 Reimbursement Obligation			
Installments Due January 31,	Principal	Interest[1]	Additional Interest	Reserve Fund Release	Principal	Interest[2]	Annual Collection Costs	Total Installment[3]
2021	$ 212.82	$ 631.80	$ 66.51	$ -	$ 145.10	$ 544.43	$ 58.04	$ 1,658.70
2022	$ 222.49	$ 621.69	$ 65.44	$ -	$ 154.78	$ 536.81	$ 59.20	$ 1,660.42
2023	$ 232.17	$ 611.13	$ 64.33	$ -	$ 164.45	$ 528.68	$ 60.39	$ 1,661.14
2024	$ 241.84	$ 600.10	$ 63.17	$ -	$ 174.12	$ 520.05	$ 61.59	$ 1,660.87
2025	$ 251.51	$ 588.61	$ 61.96	$ -	$ 183.80	$ 510.91	$ 62.83	$ 1,659.61
2026	$ 261.19	$ 576.66	$ 60.70	$ -	$ 193.47	$ 501.26	$ 64.08	$ 1,657.36
2027	$ 280.53	$ 564.26	$ 59.40	$ -	$ 203.14	$ 491.10	$ 65.36	$ 1,663.80
2028	$ 290.21	$ 550.93	$ 57.99	$ -	$ 212.82	$ 480.44	$ 66.67	$ 1,659.06
2029	$ 299.88	$ 537.15	$ 56.54	$ -	$ 222.49	$ 469.26	$ 68.00	$ 1,653.33
2030	$ 319.23	$ 522.90	$ 55.04	$ -	$ 232.17	$ 457.58	$ 69.36	$ 1,656.29
2031	$ 328.90	$ 507.74	$ 53.45	$ -	$ 251.51	$ 445.39	$ 70.75	$ 1,657.75
2032	$ 348.25	$ 492.12	$ 51.80	$ -	$ 261.19	$ 432.19	$ 72.17	$ 1,657.71
2033	$ 367.59	$ 475.58	$ 50.06	$ -	$ 280.53	$ 418.48	$ 73.61	$ 1,665.85
2034	$ 377.27	$ 458.11	$ 48.22	$ -	$ 290.21	$ 403.75	$ 75.08	$ 1,652.64
2035	$ 396.62	$ 440.19	$ 46.34	$ -	$ 309.55	$ 388.51	$ 76.58	$ 1,657.80
2036	$ 415.96	$ 421.36	$ 44.35	$ -	$ 319.23	$ 372.26	$ 78.12	$ 1,651.28
2037	$ 435.31	$ 401.60	$ 42.27	$ -	$ 338.57	$ 355.50	$ 79.68	$ 1,652.94
2038	$ 454.66	$ 380.92	$ 40.10	$ -	$ 357.92	$ 337.73	$ 81.27	$ 1,652.59
2039	$ 483.68	$ 359.32	$ 37.82	$ -	$ 377.27	$ 318.94	$ 82.90	$ 1,659.93
2040	$ 503.02	$ 336.35	$ 35.41	$ -	$ 396.62	$ 299.13	$ 84.56	$ 1,655.08
2041	$ 532.04	$ 312.46	$ 32.89	$ -	$ 415.96	$ 278.31	$ 86.25	$ 1,657.91
2042	$ 551.39	$ 287.18	$ 30.23	$ -	$ 435.31	$ 256.47	$ 87.97	$ 1,648.56
2043	$ 580.41	$ 260.99	$ 27.47	$ -	$ 464.33	$ 233.62	$ 89.73	$ 1,656.55
2044	$ 609.43	$ 233.42	$ 24.57	$ -	$ 483.68	$ 209.24	$ 91.53	$ 1,651.87
2045	$ 638.45	$ 204.47	$ 21.52	$ -	$ 512.70	$ 183.85	$ 93.36	$ 1,654.35
2046	$ 667.47	$ 174.15	$ 18.33	$ -	$ 541.72	$ 156.93	$ 95.22	$ 1,653.82
2047	$ 696.50	$ 142.44	$ 14.99	$ -	$ 561.07	$ 128.49	$ 97.13	$ 1,640.61
2048	$ 735.19	$ 109.36	$ 11.51	$ -	$ 599.76	$ 99.03	$ 99.07	$ 1,653.92
2049	$ 764.21	$ 74.44	$ 7.84	$ -	$ 628.78	$ 67.55	$ 101.05	$ 1,643.86
2050	$ 802.90	$ 38.14	$ 4.01	$ (844.79)	$ 657.80	$ 34.53	$ 103.07	$ 795.67
Total	**$ 13,301.12**	**$ 11,915.58**	**$ 1,254.27**	**$ (844.79)**	**$ 10,370.04**	**$ 10,460.41**	**$ 2,354.62**	**$ 48,811.26**

[1] Interest for the Improvement Area #1 Bonds is calculated at a 4.75% rate for illustrative purposes.

[2] Interest for the Improvement Area #1 Reimbursement Obligation is calculated at a 5.25% rate for illustrative purposes.

[3] Before application of the TIRZ No. 2 Annual Credit Amount.

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 L-3 – SAMPLE COMMERCIAL SELLER'S DISCLOSURES

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SACHSE PUBLIC IMPROVEMENT DISTRICT NO. 1: SELLER'S DISCLOSURE

[BLOCK/LAND USE] [SQ. FT.]

NOTICE OF OBLIGATION TO PAY
PUBLIC IMPROVEMENT DISTRICT ASSESSMENTS
TO THE CITY OF SACHSE, TEXAS

CONCERNING THE PROPERTY AT:

____
BLOCK AND LOT

OUTSTANDING PRINCIPAL OF THE AUTHORIZED IMPROVEMENT ASSESSMENT: $__________

As the purchaser of the real property located at the block and lot set forth above, you are obligated to pay assessments to the City of Sachse, Texas, for the costs of a portion of public improvements (the "***Authorized Improvements***") undertaken for the benefit of the property within the "***Sachse Public Improvement District No. 1***" (the "***District***") created pursuant to Subchapter A, Chapter 372, Local Government Code, as amended. You are also obligated to pay for the operation and maintenance of the Authorized Improvements (the "***Operations and Maintenance Assessment***") which is calculated and levied annually based on the actual costs of the operation and maintenance of the Authorized Improvements. The City will mail notice to each property owner, as required by Chapter 372, with information regarding the annual public hearing for the levy of the Maintenance Assessment.

THE PRINCIPAL AMOUNT OF THE ASSESSMENT AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS IS $__________, WHICH MAY BE PAID IN FULL AT ANY TIME; HOWEVER, IF NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS WHICH WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS. THE OPERATION AND MAINTENANCE ASSESSMENT TOTAL ANNUAL INSTALLMENT IS CALCULATED AND LEIVED ANNUALLY AND CANNOT BE PREPAID.

An estimate of the annual installments is attached; **however, it is only an estimate and is subject to change**. The exact amount of the annual installments will be approved each year by the City Council of the City of Sachse in the Annual Service Plan Update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City Secretary of the City of Sachse.

Your failure to pay any assessment, or any annual installment thereof, may result in penalties and interest being added to what you owe and could result in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of the foregoing notice prior to the effective date of a binding contract for the purchase of the real property at the block and lot set forth above.

IN WITNESS WHEREOF, I have signed this certificate this ____________, 20__.

PURCHASER:

By: ____________________________ By: ____________________________

Name: ____________________________ Name: ____________________________

Title: ____________________________ Title: ____________________________

STATE OF TEXAS §
§
COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me by ______________________, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this _________________, 20__.

____
Notary Public, State of Texas

STATE OF TEXAS §
§
COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me by ______________________, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this _________________, 20__.

____
Notary Public, State of Texas

PROJECTED ANNUAL INSTALLMENTS

[To be determined]

EXHIBIT M-1 – DISTRICT BOUNDARY DESCRIPTION

METES AND BOUNDS DESCRIPTION OF THE PROPERTY
170.686 ACRES

LEGAL DESCRIPTION - Tract 1: 131.965 ACRES

BEING a tract of land situated in the Richard Copeland Survey, Abstract No. 228, the McKinney and Williams Survey, Abstract No. 1000, and the Zach Motley survey, abstract No. 1009 also being a portion of a 78.13-acre tract of land and a 33.63 acre tract described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, all of a tract of land described by deed to Maurice McClain recorded in Volume 172, Page 96 of the Deed Records of Dallas County, Texas, all of a tract of land to the City of Sachse as recorded in Instrument Number 201700347810 of the Official Public Records of Dallas County, Texas, a portion of a tract of land described by deed to Maurice L. McClain recorded in Volume 8006, Page 1624 of the Deed Records of Dallas County, Texas, a portion of a tract of land described by deed to Donald K. McClain as recorded in Volume 73241, Page 1588 of the Deed Records of Dallas County, Texas, and a portion of a tract of land described by deed to the City of Sachse as recorded in Volume 94150, Page 6284 and Volume 98121, Page 6186 of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found for the northeast corner of said 78.13-acre tract to Children's Medical Center Foundation, also lying on the west line of Merritt Road, a variable width right-of-way;

THENCE South 00 degrees 14 minutes 29 seconds West, a distance of 265.43 feet to a 1/2-inch iron rod with cap stamped "HALFF" found for corner;

THENCE South 00 degrees 17 minutes 44 seconds East, a distance of 749.92 feet to a point for corner;

THENCE South 89 degrees 49 minutes 07 seconds West, a distance of 19.40 feet to a point for corner;

THENCE South 00 degrees 58 minutes 54 seconds East, a distance of 166.49 feet to a point for corner;

THENCE South 87 degrees 23 minutes 36 seconds West, a distance of 8.33 feet to a point for corner;

THENCE South 00 degrees 30 minutes 05 seconds East, a distance of 325.91 feet to a point for corner;

THENCE South 01 degrees 26 minutes 08 seconds East, a distance of 310.38 feet to a point for corner;

THENCE South 84 degrees 19 minutes 28 seconds West, a distance of 5.28 feet to a point for corner;

THENCE South 00 degrees 38 minutes 08 seconds East, a distance of 233.16 feet to a point for corner;

THENCE South 46 degrees 54 minutes 32 seconds West, a distance of 52.21 feet to a point for corner at the beginning of a curve to the left;

THENCE with said curve to the left having a radius of 7815.00 feet, a central angle of08 degrees 03 minutes 10 seconds, an arc length of 1098.38 feet, a chord bearing of North 80 degrees 56 minutes 08 seconds West, a distance of 1097.48 feet point for corner;

THENCE North 85 degrees 45 minutes 34 seconds West, a distance of 59.41 feet to a point for corner at the beginning of a curve to the left;

THENCE with said curve to the left having a radius of 7813.20 feet, a central angle of06 degrees 03 minutes 12 seconds, an arc length of 825.47 feet, a chord bearing of North 88 degrees 24 minutes 26 seconds West, a distance of 825.09 feet point for corner;

THENCE North 01 degrees 00 minutes 01 seconds West, a distance of 991.09 feet to a point for corner;

THENCE South 88 degrees 53 minutes 13 seconds West, a distance of 919.49 feet to a point for corner;

THENCE South 04 degrees 12 minutes 40 seconds East, a distance of 59.32 feet to a point for corner at the beginning of a curve to the left;

THENCE with said curve to the left having a radius of 555.00 feet, a central angle of17 degrees 05 minutes 04 seconds, an arc length of 165.49 feet, a chord bearing of South 51 degrees 33 minutes 33 seconds West, a distance of 164.88 feet point for corner;

THENCE South 43 degrees 01 minutes 02 seconds West, a distance of 87.64 feet to a point for corner at the beginning of a curve to the right;

THENCE with said curve to the right having a radius of 755.00 feet, a central angle of45 degrees 57 minutes 01 seconds, an arc length of 605.50 feet, a chord bearing of South 65 degrees 59 minutes 32 seconds West, a distance of 589.40 feet point for corner;

THENCE South 88 degrees 58 minutes 01 seconds West, a distance of 100.58 feet to a point for corner;

THENCE North 46 degrees 16 minutes 56 seconds West, a distance of 32.97 feet to a point for corner;

THENCE North 01 degrees 04 minutes 22 seconds West, a distance of 309.36 feet to a point for corner;

THENCE North 03 degrees 17 minutes 48 seconds East, a distance of 144.44 feet to a point for corner;

THENCE North 01 degrees 04 minutes 34 seconds West, a distance of 83.55 feet to a point for corner;

THENCE North 88 degrees 43 minutes 23 seconds East, a distance of 836.14 feet to a point for corner;

THENCE North 05 degrees 17 minutes 52 seconds West, a distance of 524.29 feet to a point for corner;

THENCE North 89 degrees 41 minutes 29 seconds East, a distance of 315.73 feet to a point for corner;

THENCE North 02 degrees 40 minutes 19 seconds West, a distance of 556.10 feet to a point for corner;

THENCE North 88 degrees 29 minutes 17 seconds East, a distance of 307.90 feet to a point for corner at the beginning of a curve to the left;

THENCE with said curve to the left having a radius of 530.00 feet, a central angle of17 degrees 56 minutes 09 seconds, an arc length of 165.91 feet, a chord bearing of North 79 degrees 31 minutes 12 seconds East, a distance of 165.23 feet point for corner;

THENCE North 70 degrees 32 minutes 53 seconds East, a distance of 347.25 feet to a point for corner at the beginning of a curve to the right;

THENCE with said curve to the right having a radius of 538.50 feet, a central angle of46 degrees 15 minutes 42 seconds, an arc length of 434.79 feet, a chord bearing of South 86 degrees 19 minutes 45 seconds East, a distance of 423.08 feet point for corner;

THENCE North 21 degrees 19 minutes 27 seconds East, a distance of 34.92 feet to a point for corner at the beginning of a curve to the right;

THENCE with said curve to the right having a radius of 573.50 feet, a central angle of15 degrees 36 minutes 23 seconds, an arc length of 156.21 feet, a chord bearing of South 55 degrees 44 minutes 24 seconds East, a distance of 155.73 feet point for corner at the beginning of a reverse curve to the left;

THENCE with said reverse curve to the left having a radius of 575.00 feet, a central angle of18 degrees 05 minutes 20 seconds, an arc length of 181.53 feet, a chord bearing of South 56 degrees 58 minutes 52 seconds East, a distance of 180.78 feet point for corner for the beginning of a compound curve to the left;

THENCE with said compound curve continuing to the left having a radius of 2500.00 feet, a central angle of20 degrees 36 minutes 16 seconds, an arc length of 899.04 feet, a chord bearing of South 76 degrees 19 minutes 40 seconds East, a distance of 894.20 feet point for corner;

THENCE South 69 degrees 16 minutes 05 seconds East, a distance of 110.00 feet to a point for corner;

THENCE South 89 degrees 45 minutes 48 seconds East, a distance of 67.22 feet to a point for corner;

THENCE North 89 degrees 28 minutes 37 seconds East, a distance of 173.94 feet to the **POINT OF BEGINNING**, containing 5,748,388 square Feet, or 131.965 acres of land.

LEGAL DESCRIPTION - Tract 2: 3.622 ACRES

BEING a tract of land situated in the Robert McCullough Survey, Abstract No. 928, also being a portion of a called 4.07-acre tract of land described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod with cap stamped "W.A.I." found for the northwest corner of a right-of-way dedication to the City of Sachse as recorded in Instrument Number 201100215349 of the Official Public Records of Dallas County, Texas, also lying on the southwest line of said 4.07-acre tract and the northeast line of a tract of land described by deed to The Trull Foundation as recorded in Volume 2001009, Page 575 of the Deed Records of Dallas County, Texas;

THENCE North 38 degrees 21 minutes 45 seconds West, along the common line of said 4.07-acre tract and said Trull Foundation tract, a distance of 326.23 feet to a 5/8 inch iron rod with cap stamped "TNP" set for most westerly corner of said 4.07-acre tract, also lying on the southeast line of Old Miles Road a variable width right-of-way;

THENCE North 36 degrees 49 minutes 36 seconds East, along the southeast line of said Old Miles Road and the northwest line of said 4.07-acre tract, a distance of 564.86 feet to a 1/2 inch iron rod with cap stamped "HALFF" found for the beginning of a curve to the left;

THENCE continuing along the southeast line of said Old Miles Road and the northwest line of said 4.07-acre tract with said curve to the left having a radius of 585.85 feet, a central angle of 03 degrees 53 minutes 34 seconds, an arc length of 39.80 feet, a chord bearing of North 34 degrees 51 minutes 58 seconds East, a distance of 39.80 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the north corner of said 4.07-acre tract, also lying on the west line of Miles Road a variable width right-of-way;

THENCE South 01 degrees 01 minutes 20 seconds East, along the west line of Miles Road, a distance of 708.15 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the northeast corner of a right-of-way dedication to the City of Sachse as recorded in Instrument Number 201100215349 of the Official Public Records of Dallas County, Texas;

THENCE leaving the west line of said Miles Road along the northerly line of said right-of-way dedication the following courses and distances:

South 43 degrees 28 minutes 06 seconds West, a distance of 39.07 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

South 88 degrees 28 minutes 07 seconds West, a distance of 120.98 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the beginning of a curve to the left;

with said curve to the left having a radius of 845.00 feet, a central angle of 01 degrees 36 minutes 24 seconds, an arc length of 23.69 feet, a chord bearing of South 87 degrees 39 minutes 54 seconds West, a distance of 23.69 feet to the **POINT OF BEGINNING** containing 157,785 Square Feet, or 3.622 Acres of land.

LEGAL DESCRIPTION - Tract 3: 0.153 ACRES

BEING a tract of land situated in the Robert McCullough Survey, Abstract No. 928, also being a portion of a called 4.07-acre tract of land described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with cap stamped "HALFF" found for the southeast corner of said 4.07-acre tract, same being the northeast corner of a tract of land described by deed to The Trull Foundation as recorded in Volume 2001009, Page 575 of the Deed Records of Dallas County, Texas, also lying on the west line of Miles Road a variable width right-of-way;

THENCE North 38 degrees 21 minutes 45 seconds West, along the common line of said 4.07-acre tract and said Trull Foundation tract, a distance of 165.28 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the southwest corner of a right-of-way dedication to the City of Sachse as recorded in Instrument Number 201100215349 of the Official Public Records of Dallas County, Texas;

THENCE North 88 degrees 28 minutes 07 seconds East, along the south line of said right-of-way dedication, a distance of 77.52 feet to a 5/8 inch iron rod with cap stamped "TNP" set for a corner clip of same;

THENCE South 46 degrees 31 minutes 54 seconds East, continuing along said right-of-way dedication, a distance of 37.26 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner lying on the west line of the aforementioned Miles Road;

THENCE South 01 degrees 01 minutes 20 seconds East, along the west line of said Miles Road, a distance of 2.71 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the beginning of a curve to the right;

THENCE continuing along the east line of said Miles Road with said curve to the right having a radius of 1450.00 feet, a central angle of 04 degrees 05 minutes 05 seconds, an arc length of 103.38 feet, a chord bearing of South 01 degrees 06 minutes 22 seconds West, a distance of 103.35 feet to the **POINT OF BEGINNING**, containing 6,655 Square Feet, or 0.153 Acre.

LEGAL DESCRIPTION - Tract 4: 8.747 ACRES

BEING a tract of land situated in the Richard Copeland Survey, abstract No. 228, also being all of an 8.68-acre tract of land described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with cap stamped "WAI" found for the northwest corner of said 8.68-acre tract also lying on the south line of President George Bush Turnpike, a called 350.00 feet wide right-of-way;

THENCE North 79 degrees 45 minutes 22 seconds East, along the south line of said President George Bush Turnpike, a distance of 218.91 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the beginning of a non-tangent curve to the right;

THENCE continuing along the south line of said President George Bush Turnpike with said curve to the right having a radius of 7465.00 feet, a central angle of 02 degrees 19 minutes 19 seconds, an arc length of 302.51 feet, a chord bearing of North 80 degrees 55 minutes 01 seconds East, a distance of 302.49 feet to a 5/8 inch iron rod found for the northeast corner of said 8.68 acre tract, also lying on the westerly line of a tract of land described by deed to Batsu Enterprises recorded in Volume 91249, Page 4515 of the Deed Records of Dallas County, Texas;

THENCE along the common line of said 8.68-acre tract and said Batsu Enterprises tract the following courses and distances:

South 05 degrees 29 minutes 08 seconds East, a distance of 202.09 feet to a 1/2 inch iron rod found for corner;

North 89 degrees 33 minutes 14 seconds East, a distance of 196.48 feet to 5/8 inch iron rod with cap stamped "JBI" found for corner;

South 04 degrees 09 minutes 28 seconds East, a distance of 416.53 feet to a 5/8 inch iron rod with cap stamped "JBI" found for the southeast corner of said 8.68 acre tract and the southwest corner of said Batsu Enterprises tract, also lying on the north line of Pleasant Valley road, a variable width right-of-way;

THENCE South 89 degrees 50 minutes 57 seconds West, along the north line of said Pleasant Valley Road, a distance of 712.69 feet to a 5/8-inch iron rod with cap stamped "JBI" found for the southwest corner of said 8.68-acre tract;

THENCE North 05 degrees 17 minutes 07 seconds West, along the west line of said 8.68-acre tract, a distance of 277.26 feet to a 1/2-inch iron rod found for an angle point in same for corner;

THENCE North 04 degrees 55 minutes 13 seconds West, continuing along the west line of said 8.68-acre tract, a distance of 255.12 feet to the **POINT OF BEGINNING**, containing 381,007 Square Feet, or 8.747 Acres of land.

LEGAL DESCRIPTION - Tract 5: 11.266 ACRES

BEING a tract of land situated in the Richard Copeland Survey, abstract No. 228, also being all of a 11.27-acre tract of land described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a T.X.D.O.T. aluminum cap stamped "2655" found for the northeast corner of said 11.27-acre tract also lying at the intersection of the west line of Pleasant Valley Road, a variable width right-of-way with the south line of President George Bush Turnpike, a called 350.00 feet wide right-of-way;

THENCE along the common line of said 11.27-acre tract and said Pleasant Valley Road the following courses and distances:

South 00 degrees 23 minutes 36 seconds East, a distance of 255.19 feet to a 5/8-inch iron rod with cap stamped "TNP" set for the beginning of a curve to the right;

with said curve to the right having a radius of 311.06 feet, a central angle of 76 degrees 44 minutes 04 seconds, an arc length of 416.59 feet, a chord bearing of South 37 degrees 58 minutes 24 seconds West, a distance of 386.15 feet to a 1/2-inch iron rod with cap stamped "HALFF" found for corner;

South 76 degrees 28 minutes 32 seconds West, a distance of 320.80 feet to 1/2-inch iron rod with cap stamped "HALFF" found for the beginning of a curve to the right;

with said curve to the right having a radius of 707.53 feet, a central angle of 13 degrees 35 minutes 53 seconds, an arc length of 167.92 feet, a chord bearing of South 83 degrees 01 minutes 55 seconds West, a distance of 167.53 feet 1/2-inch iron rod with cap stamped "HALFF" found for corner;

North 89 degrees 46 minutes 07 seconds West, a distance of 96.34 feet to 1/2-inch iron rod with cap stamped "JBI" found for the southwest corner of said 11.27-acre tract, also lying on the east line of a tract of land described by deed to the City of Sachse recorded in Volume 94150, Page 6284 of the Deed Records of Dallas County, Texas;

THENCE North 00 degrees 55 minutes 31 seconds West, along the common line of said 11.27-acre tract and said City of Sachse tract, a distance of 678.28 feet to 1/2-inch iron rod with cap stamped "WAI" found for the northwest corner of said 11.27-acre tract, also lying on the south line of the aforementioned President George Bush Turnpike, also for the beginning of a non-tangent curve to the right;

THENCE along the south line of said President George Bush Turnpike with said curve to the right having a radius of 7465.00 feet, a central angle of 06 degrees 18 minutes 35 seconds, an arc length of 822.09 feet, a chord bearing of South 88 degrees 21 minutes 02 seconds East, a distance of 821.67 feet to the **POINT OF BEGINNING**, containing 490,729 Square Feet, or 11.266 Acres of land.

LEGAL DESCRIPTION - Tract 6: 14.933 ACRES

BEING a tract of land situated in the Richard Copeland Survey, Abstract No. 228, City of Sachse, Dallas County, Texas and being all of a called 14.933 acres, described in a Special Warranty Deed to Sachse Medical Center, LLC, recorded in Instrument No. 201400065513 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod with red plastic cap stamped "KHA" set for the southeast corner of said 14.933 acre tract, said corner being in the west line of that tract of land described in a Special Warranty Deed to Batsu Enterprises, recorded in Volume 91249, Page 4515 of the Deed Records of Dallas County, Texas, and in the north right-of-way line of President George Bush Turnpike, a 350 foot wide right-of-way, said corner also being at the beginning of a non-tangent curve to the left;

THENCE, along the south line of said 14.933 acre tract and the north right-of-way line of said President George Bush Turnpike, the following courses and distances:

Southwesterly, along said non-tangent curve to the left through a central angle of 02°26'08", having a radius of 7815.00 feet, a chord bearing of South 80°58'58" West, a chord distance of 332.18 feet and an arc length of 332.20 feet to a concrete monument with brass disk found for corner at the end of said curve;

South 79°45'54" West, a distance of 343.41 feet to the most southerly southwest corner of said 14.933 acre tract, said corner being in the northeast line of a called 51.724 acre tract of land described in a Warranty Deed to The Trull Foundation, recorded in Volume 94077, Page 2599 of the Deed Records of Dallas County, Texas, from which, a 5/8 inch iron rod with plastic cap stamped "WAI" found for witness bears North 73°54' East, 0.6 feet;

THENCE North 38°00'53" West, departing the north right-of-way line of said President George Bush Turnpike, and along the southwest line of said 14.933 acre tract and the northeast line of said 51.724 acre tract and the northeast line of Tract Two, called 0.5384 acre, as described in a General Warranty Deed to The Trull Foundation, recorded in Volume 96158, Page 6025 of the Deed Records of Dallas County, Texas, a distance of 435.20 feet to a 5/8 inch iron rod with red plastic cap stamped "KHA" set for the most westerly southwest corner of said 14.933 acre tract, said corner being in the east right-of-way line of Miles Road, a 100 foot wide right-of-way at this point, and also being at the beginning of a non-tangent curve to the left;

THENCE, along the west line of said 14.933 acre tract and the east right-of-way line of said Miles Road, the following courses and distances:

Northeasterly, along said non-tangent curve to the left through a central angle of 08°21'44", having a radius of 1550.00 feet, a chord bearing of North 03°08'21" East, a chord distance of 226.02 feet and an arc length of 226.22 feet to a 5/8 inch iron rod with red plastic cap stamped "KHA" set for corner at the end of said curve;

North 01°02'31" West, a distance of 142.90 feet to the northwest corner of said 14.933 acre tract, common to the southwest corner of a called 8.709 acres, as described in a Special Warranty Deed, recorded in Instrument No. 201800267365 of the Official Public Records of Dallas County, Texas, from which, a 5/8 inch iron rod with plastic cap stamped "TNP" found for witness bears North 41°40' East, 0.3 feet;

THENCE departing the east right-of-way line of said Miles Road, along the common line of said 14.933 acre tract and said 8.709 acre tract, the following courses and distances:

South 46°17'27" East, a distance of 32.97 feet to a 5/8 inch iron rod with red plastic stamped "TNP" found for corner;

North 88°57'30" East, a distance of 100.58 feet to the beginning of a tangent curve to the left, from which, a 5/8 inch iron rod with plastic cap stamped "TNP" found for witness bears North 45°49' East, 0.2 feet;

Northeasterly, along said tangent curve to the left through a central angle of 45°57'00", having a radius of 755.00 feet, a chord bearing of North 65°59'01" East, a chord distance of 589.40 feet and an arc length of 605.49 feet to the end of said curve, from which, a 5/8 inch iron rod with plastic cap stamped "TNP" found for witness bears North 69°15' East, 0.3 feet;

North 43°00'31" East, a distance of 87.64 feet to a 5/8 inch iron rod with red plastic cap stamped "KHA" set for corner at the beginning of a tangent curve to the right, from which, a 5/8 inch iron rod with plastic cap stamped "TNP" found for witness bears North 68°18' East, 0.3 feet;

Northeasterly, along said tangent curve to the right through a central angle of 16°00'32", having a radius of 555.00 feet, a chord bearing of North 51°00'47" East, a chord distance of 154.57 feet and an arc length of 155.07 feet to a 5/8 inch iron rod with red plastic stamped "KHA" set for the northeast corner of said 14.933 acre tract at the end of said curve, said point being in the west line of aforesaid Batsu Enterprises tract, from which a 1/2 inch iron rod found for the most northerly northwest corner of said Batsu Enterprises tract and the most westerly southwest corner of a called 26.04 acre tract of land described in a Special Warranty Deed to the City of Sachse, recorded in Volume 94150, Page 6284 of the Deed Records of Dallas County, Texas, bears North 05°00'48" West a distance of 63.83 feet;

THENCE, along the east line of said 14.933 acre tract and the west line of said Batsu Enterprises tract, the following courses and distances:

South 05°00'48" East, a distance of 550.69 feet to a point for corner, from which, a 1/2 inch iron rod found for witness bears South 58°28' East, 0.5 feet;

South 04°26'52" East, a distance of 431.33 feet to the POINT OF BEGINNING and containing 14.933 acres (650,474 square feet) of land, more or less.

EXHIBIT M-2 – IMPROVEMENT AREA #1 BOUNDARY DESCRIPTION

METES AND BOUNDS DISCRIPTION OF IMPROVEMENT AREA #1
48.387 ACRES

IMPROVEMENT AREA #1 TRACT (1)

BEING a tract a 35.780 acre tract of land situated in the Richard Copeland Survey, abstract No. 228, also being a portion of a 78.13-acre tract of land called Tract (A) described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod with cap stamped "R.P.L.S. 5430" found for the northwest corner of a tract of land described by deed to the City of Sachse as recorded in Instrument Number 201700347810 of the Official Public Records of Dallas County, Texas;

THENCE through the interior of said Tract (A) the following courses and distances:

> South 89 degrees 22 minutes 53 seconds West, a distance of 146.33 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;
>
> North 00 degrees 37 minutes 07 seconds West, a distance of 243.38 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;
>
> North 82 degrees 21 minutes 44 seconds West, a distance of 69.96 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;
>
> North 82 degrees 04 minutes 22 seconds West, a distance of 326.14 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner at the beginning of a curve to the left;

With said curve to the left having a radius of 974.00 feet, a central angle of 07 degrees 30 minutes 44 seconds, an arc length of 127.70 feet, a chord bearing of North 85 degrees 49 minutes 43 seconds West, a distance of 127.61 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

> North 89 degrees 35 minutes 05 seconds West, a distance of 136.11 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;
>
> North 00 degrees 03 minutes 11 seconds East, a distance of 70.82 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner at the beginning of a curve to the right;

With said curve to the right having a radius of 776.00 feet, a central angle of 18 degrees 20 minutes 42 seconds, an arc length of 248.46 feet, a chord bearing of North 09 degrees 13 minutes 32 seconds East, a distance of 247.40 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

> North 18 degrees 23 minutes 53 seconds East, a distance of 237.22 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;
>
> North 71 degrees 36 minutes 07 seconds West, a distance of 392.19 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner at the beginning of a curve to the right;

With said curve to the right having a radius of 52.00 feet, a central angle of 203 degrees 25 minutes 03 seconds, an arc length of 184.62 feet, a chord bearing of North 59 degrees 53 minutes 35 seconds West, a distance of 101.84 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

North 65 degrees 53 minutes 58 seconds West, a distance of 73.07 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner lying on the west line of said Tract (A) and the east line of a tract of land described by deed to the City of Sachse recorded in Volume 98121, Page 6186 of the Deed Records of Dallas County, Texas;

THENCE along the common line of said Tract (A) and said City of Sachse tract the following courses and distances;

North 05 degrees 13 minutes 42 seconds East, a distance of 108.21 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

North 07 degrees 29 minutes 41 seconds East, a distance of 257.79 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

North 21 degrees 10 minutes 21 seconds East, a distance of 228.89 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner for the northwest corner of said Tract (A) also lying on the southerly line of Hudson Drive a variable width right-of-way, also for the beginning of a curve to the right;

THENCE along the north line of said Tract (A) and the southerly line of said Hudson Drive, with said curve to the right having a radius of 573.50 feet, a central angle of 15 degrees 36 minutes 23 seconds, an arc length of 156.21 feet, a chord bearing of South 55 degrees 44 minutes 24 seconds East, a distance of 155.73 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner at the beginning of a reverse curve to the left;

THENCE with said reverse curve to the left having a radius of 575.00 feet, a central angle of 18 degrees 05 minutes 20 seconds, an arc length of 181.53 feet, a chord bearing of South 56 degrees 58 minutes 52 seconds East, a distance of 180.78 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner at the beginning of a compound curve to the left;

THENCE with said compound curve continuing to the left having a radius of 2500.00 feet, a central angle of 20 degrees 36 minutes 16 seconds, an arc length of 899.04 feet, a chord bearing of South 76 degrees 19 minutes 40 seconds East, a distance of 894.20 feet to a PK Nail found for corner;

THENCE South 69 degrees 16 minutes 05 seconds East, continuing along the north line of said Tract (A) and the southerly line of said Hudson Drive, a distance of 110.00 feet to a 1/2 inch iron rod found for corner;

THENCE South 89 degrees 45 minutes 48 seconds East, continuing along the north line of said Tract (A) and the southerly line of said Hudson Drive, a distance of 67.22 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

THENCE North 89 degrees 28 minutes 37 seconds East, continuing along the north line of said Tract (A) and the southerly line of said Hudson Drive, a distance of 173.94 feet to a 1/2 inch iron rod found for the northeast corner of said Tract (A), also lying on the west line of Merritt Road a variable width right-of-way;

THENCE South 00 degrees 14 minutes 29 seconds West along the west line of said Merritt Road, a distance of 265.43 feet to a 1/2-inch iron rod with cap stamped "HALFF" found for an angle point in same;
THENCE South 00 degrees 17 minutes 44 seconds East, continuing along the west line of said Merritt Road, a distance of 914.60 feet to a 5/8-inch iron rod with cap stamped "WAI" found for corner;

THENCE South 87 degrees 03 minutes 13 seconds West, leaving the west line of said Merritt Road, a distance of 177.54 feet to a 1/2-inch iron rod found for the northeast corner of said City of Sachse tract recorded in Instrument Number 201700347810 of the Official Public Records of Dallas County, Texas;

THENCE South 89 degrees 05 minutes 27 seconds West, along the north line of last mentioned City of Sachse tract. a distance of 228.63 feet to the POINT OF BEGINNING containing 1,558,598 square feet, or 35.780 acres of land.

IMPROVEMENT AREA #1 TRACT (2)

BEING a tract of land situated in the Richard Copeland Survey, Abstract No. 228, City of Sachse, Dallas County, Texas and being a portion of a called 76.043-acre tract of land described as Tract 1 in Special Warranty Deed to PMB Station Land, LP, recorded in Instrument No. 201800267365, Official Public Records, Dallas County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8-inch iron rod with a plastic cap, stamped "RPLS 5430", found for the northwest corner of a tract of land described in Special Warranty Deed to the City of Sachse, Texas, recorded in Instrument No. 201700347810, Official Public Records, Dallas County, Texas, same being an inner ell corner of said 76.043-acre tract of land described as Tract 1;

THENCE South 0°15'35" East, along the westerly line of said City of Sachse tract and an easterly line of said 76.043-acre tract of land described as Tract 1, a distance of 360.71 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner, from said corner, a 5/8-inch iron rod with a plastic cap, stamped "RPLS 5430" found for the southwest corner of said City of Frisco tract bears South 00°15'35" East, 20.45 feet;

THENCE South 89°25'20" West, departing the westerly line of said City of Sachse tract, the easterly line of said 76.043-acre tract of land described as Tract 1, crossing said Tract 1, a distance of 740.96 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE North 45°15'50" West, continuing across said Tract 1, a distance of 14.06 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE North 0°02'59" East, continuing across said Tract 1, a distance of 654.21 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE North 45°13'57" East, continuing across said Tract 1, a distance of 14.10 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE South 89°35'05" East, continuing across said Tract 1, a distance of 70.12 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner at the beginning of a tangent curve to the right having a central angle of 7°30'44", a radius of 974.00 feet, a chord bearing and distance of South 85°49'43" East, 127.61 feet;

THENCE in a southeasterly direction, continuing across said Tract 1, with said curve to the right, an arc distance of 127.70 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE South 82°04'22" East, continuing across said Tract 1, a distance of 326.14 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE South 82°21'44" East, continuing across said Tract 1, a distance of 69.96 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE South 0°37'07" East, continuing across said Tract 1, a distance of 243.39 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE North 89°22'53" East, continuing across said Tract 1, a distance of 146.33 feet to the POINT OF BEGINNING and containing 10.144 acres (441,887 square feet) of land, more or less.

IMPROVEMENT AREA #1 TRACT (3)

BEGINNING at a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for the southeast corner of Street "A" as dedicated in Pleasant Valley Road and Street A, an addition to the City of Sachse, Texas, according to the Final Plat, recorded in Instrument No. ______________ Official Public Records, Dallas County, Texas, same also being on the southerly line of said 3.022-acre tract and the northerly right of way line of President George Bush Turnpike, a 350' wide right of way;

THENCE North 42°29'16" West, departing the southerly line of said 3.022-acre tract, the northerly right of way line of said President George Bush Turnpike, and along the easterly line of said Street "A", a distance of 29.47 feet to a point for corner;

THENCE North 0°02'59" East, continuing along the easterly line of said Street "A", a distance of 238.88 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for corner;

THENCE North 44°44'10" East, along the easterly line of said Street "A", a distance of 14.22 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for corner the intersection of the easterly right of way line of said Street "A" with the southerly right of way line of Pleasant Valley Road, an 84' wide right of way, as dedicated in said Pleasant Valley Road and Street A;

THENCE North 89°25'20" East, along the southerly right of way line of said Pleasant Valley Road, a distance of 349.63 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for corner;

THENCE South 44°25'20" West, departing the southerly right of way line of said Pleasant Valley Road and crossing said 3.022-acre tract, a distance of 14.14 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for corner;

THENCE South 0°34'40" East, continuing across said 3.022-acre tract, a distance of 18.44 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set at the beginning of a tangent curve to the left having a central angle of 19°50'56", a radius of 229.00 feet, a chord bearing and distance of South 10°30'08" East, 78.94 feet;

THENCE in a southeasterly direction, continuing across said 3.022-acre tract, with said curve to the left, an arc distance of 79.33 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set at the beginning of a reverse curve to the right having a central angle of 19°50'56", a radius of 271.00 feet, a chord bearing and distance of South 10°30'08" East, 93.41 feet;

THENCE in a southeasterly direction, continuing across said 3.022-acre tract, with said curve to the right, an arc distance of 93.88 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for corner;

THENCE South 0°34'40" East, continuing across said 3.022-acre tract, a distance of 96.85 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for corner;

THENCE South 41°23'23" East, continuing across said 3.022-acre tract, a distance of 30.27 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner on the southerly line of said 3.022-acre tract and the northerly right of way line of aforesaid President George Bush Turnpike, and being at the beginning of a non-tangent curve to the left having a central angle of 2°49'24", a radius of 7815.00 feet, a chord bearing and distance of North 83°32'24" West, 385.06 feet;

THENCE in a northwesterly direction, along the southerly line of said 3.022-acre tract and the northerly right of way line of said President George Bush Turnpike, and with said curve to the left, an arc distance of 385.09 feet to the POINT OF BEGINNING and containing 2.463 acres (107,308 square feet) of land, more or less.

EXHIBIT M-3 – MAJOR IMPROVEMENT AREA BOUNDARY DESCRIPTION

METES AND BOUNDS DESCRIPTION OF MAJOR IMPROVEMENT AREA
122.299 ACRES

Being approximately 170.686 acres of land within the District as more particularly described in **Exhibit M-1**; SAVE AND EXCEPT the approximately 48.387-acre tract of land comprising Improvement Area #1 as more particularly described in **Exhibit M-2.**

APPENDIX A – ESTIMATED BUILDOUT VALUES AND UNIT COUNTS

Land Use and Estimated Values			
		Estimated Buildout Value	
Description	Units / Sq.Ft.	Per Unit	Total
A. Improvement Area 1			
TH	59	$ 255,964	$ 15,101,900
SF	165	$ 383,126	$ 63,215,850
Urban Rental	300	$ 170,000	$ 51,000,000
Inline Retail	7,800	$ 179	$ 1,392,300
Food Retail	7,800	$ 204	$ 1,591,200
Total / Wtd Avg - IA 1			**$ 132,301,250**
B. Major Improvement Area [a]			
TH	25	$ 265,302	$ 6,632,550
Urban Rental	489	$ 170,000	$ 83,130,000
Inline Retail	77,500	$ 188	$ 14,553,531
Food Retail	22,000	$ 215	$ 4,720,253
Pad Retail	40,000	$ 214	$ 8,574,900
Jr. Anchor Retail	80,000	$ 138	$ 11,042,973
Office	123,000	$ 222	$ 27,283,785
Office Flex	260,000	$ 138	$ 35,944,325
Total / Wtd Avg. - Major IA			**$ 191,882,317**
Total / Weighted Average			**$ 324,183,567**

Footnotes:

[a] Major Improvement Area unit values will not change.

EXHIBIT M-4 – CITY LAND BOUNDARY DESCRIPTION

Please Provide

APPENDIX B – ENGINEER'S REPORT

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The City of SACHSE

Agenda Item Details

Meeting	Oct 05, 2020 - City Council Regular Meeting
Category	E. Regular Agenda Items
Subject	4. Consider a resolution accepting and approving a preliminary service and assessment plan and preliminary assessment rolls for the operation and maintenance of the Sachse Public Improvement District No. 1 at the Station and calling for a public hearing to be held during the Regular City Council Meeting on October 26, 2020, regarding the levy of operation and maintenance assessments against property in such Public Improvement District. (This item was tabled at the September 21, 2020 City Council meeting.)
Access	Public
Type	Action, Discussion, Information
Recommended Action	Approve a resolution accepting and approving a preliminary service and assessment plan and preliminary assessment rolls for the operation and maintenance of the Sachse Public Improvement District No. 1 at the Station and calling for a public hearing to be held during the Regular City Council Meeting on October 26, 2020, regarding the levy of operation and maintenance assessments against property in such Public Improvement District.

Public Content

BACKGROUND
This item is associated with the Preliminary Service and Assessment Plan item.

POLICY CONSIDERATIONS
There are no policy considerations affiliated with this item.

RECOMMENDATION
Consider a resolution accepting and approving a preliminary service and assessment plan and preliminary assessment rolls for the operation and maintenance of the Sachse Public Improvement District No. 1 at the Station and calling for a public hearing to be held during the Regular City Council Meeting on October 26, 2020, regarding the levy of operation and maintenance assessments against property in such Public Improvement District.

Sachse PID No. 1- Resolution Calling OM Assessment Hearing.pdf (89 KB)

Sachse PID No. 1 OM SAP V2.2.pdf (1,295 KB)

RESOLUTION NO. ________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, ORDERING A PUBLIC HEARING FOR MONDAY, OCTOBER 26, 2020, TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS AGAINST THAT PROPERTY WITHIN THE SACHSE PUBLIC IMPROVEMENT DISTRICT NO. 1 WHICH LIES WITHIN THE JURISDICTION OF THE CITY AND THAT IS SPECIALLY BENEFITED BY SUPPLEMENTAL SERVICES BEING FINANCED; APPROVING THE PRELIMINARY OPERATIONS AND MAINTENANCE SERVICE AND ASSESSMENT PLAN; AUTHORIZING AND DIRECTING THE PUBLICATION AND MAILING OF NOTICES FOR SAID PUBLIC HEARING; DIRECTING THAT THE PROPOSED ASSESSMENT ROLL BE MADE AVAILABLE FOR PUBLIC INSPECTION; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 372, Texas Local Government Code, as amended (the "Act"), authorizes the City of Sachse, Texas (the "City"), to create public improvement districts within the corporate limits and extraterritorial jurisdiction of the City; and

WHEREAS, on January 22, 2019 the City Council of the City (the "City Council") approved Resolution No. 3905, authorizing the establishment of the Sachse Public Improvement District (the "District") in accordance with the PID Act, which consists of approximately 170.686 contiguous acres within the corporate limits of the City pursuant to the Act; and

WHEREAS, the City Staff has prepared the *City of Sachse, Texas, Sachse Public Improvement District No.1 Preliminary Operations and Maintenance Service and Assessment Plan* (the "Preliminary O&M SAP"), attached hereto as **Exhibit A**; and

WHEREAS, the City Council has made available for public inspection the Preliminary O&M SAP, prior to the publication date in accordance with the Act; and

WHEREAS, the City Council proposes a public hearing for Monday, October 26, 2020, to consider an ordinance levying assessments against property within the City to pay for the operation and maintenance of the public improvements identified in the Preliminary O&M SAP (the "Supplemental Services") that will confer a special benefit on the District and authorizes and directs the City Secretary to (1) publish and mail notices of said public hearing in accordance with the Act, and (2) make available for public inspection the preliminary Assessment Roll for the District to pay for the Supplemental Services in accordance with the Act.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, THAT:

SECTION 1. The findings set forth above, together with the exhibits attached hereto, are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2. A public hearing (the "Public Hearing") shall be conducted during the regular meeting of the Council to be held on October 26, 2020 at 7:00 p.m., which meeting will be conducted by video conference in accordance with applicable provisions of the Texas Open Meetings Act as waived and/or modified by the Governor of the State of Texas pursuant to Texas Government Code §418.016 and during which the Council shall, among other actions, hear and pass on any objections to the proposed assessments. Upon the adjournment of the Assessment Hearing, the Council may consider an ordinance approving the final update to the Service and Assessment Plan. Citizens may access at http://www.cityofsachse.com/councilmeetings.

SECTION 3. At the Public Hearing, the City Council will hear testimony regarding the adoption of an ordinance levying assessments against the District in accordance with section 372.017 of the Act.

SECTION 4. The City Staff is hereby authorized and directed to make available for public inspection the Preliminary O&M SAP prior to the publication date, in accordance with the Act.

SECTION 5. The City Secretary is hereby authorized and directed to cause notice of the public hearing (in substantially the form attached hereto as **Exhibit B**) to be published in a newspaper of general circulation in the City in accordance with Section 372.016(b) of the Act and to be mailed to owners of property within the District in accordance with Section 372.016(c) of the Act (however, the failure of a property owner to receive notice does not invalidate the proceeding).

SECTION 6. The City Secretary is hereby authorized and directed to make available for public inspection the preliminary Assessment Roll for the District to pay for the Supplemental Services in accordance with the Act.

SECTION 7. If any section, article, paragraph, sentence, clause, phrase or word of this Resolution, or application thereto any persons or circumstances, is held invalid by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Resolution; and the City Council hereby declares it would have passed such remaining portions of this Resolution despite such invalid portions, which remaining portions shall remain in full force and effect.

SECTION 8. This Resolution shall become effective from and after its date of passage and approval by the City Council.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas on this 5th day of October, 2020.

CITY OF SACHSE, TEXAS

____

Mike J. Felix, Mayor

ATTEST:

____

Michelle Lewis Sirianni, City Secretary

Exhibit A

Sachse Public Improvement District No.1
Preliminary Operations and Maintenance Service and Assessment Plan

<u>Exhibit B</u>

Form of Published and Mailed Notice of Public Hearing

NOTICE OF PUBLIC HEARING ON THE PROPOSED LEVY OF ASSESSMENTS, CITY OF SACHSE, TEXAS, SACHSE PUBLIC IMPROVEMENT DISTRICT NO. 1

DATE, TIME, AND PLACE OF THE PUBLIC HEARING. Notice is hereby given that the City Council of the City of Sachse, Texas (the "<u>City Council</u>" and the "<u>City</u>") will conduct a public hearing on Monday, October 26, 2020, at 7:00 p.m. at City Hall located at 3815 Sachse Road, Sachse, Texas, to consider an ordinance (1) approving the *City of Sachse, Texas, Sachse Public Improvement District No. 1 Operations and Maintenance Service and Assessment Plan* (the "<u>O&M SAP</u>") and (2) levying assessments against certain property located within the Sachse Public Improvement District No. 1 (the "<u>District</u>").

GENERAL NATURE OF THE IMPROVEMENTS. The general nature of the public improvements proposed to be undertaken and financed by the District for the special benefit consists of the cost for maintenance of various improvements including but not limited to: roadways, retaining walls, screening walls, park improvements, monument signs, administrative fees, and any other authorized improvements from the District, and the annual collection costs for the District.

COST OF THE IMPROVEMENTS. The estimated cost of operation and maintenance of the public improvements that is proposed to be assessed is $.05 per $100 of assessed value.

BOUNDARIES OF THE ASSESSMENT DISTRICT. The boundaries of the District include approximately 170.686 contiguous acres located within the corporate limits of the City, which property is generally located north of President George Bush Turnpike. The District is more fully described in the Preliminary O&M SAP. A metes and bounds description and a map of the District, and the proposed Assessment Roll for the District are available for public inspection at the office of the City Secretary.

WRITTEN OR ORAL OBJECTIONS. All written or oral objections on the proposed assessments within the District will be considered at the public hearing. Information for persons who wish to attend the meeting by telephone, videoconference or other electronic means will be posted on the City's website at <u>http://www.cityofsachse.com/councilmeetings</u>.

Sachse Public Improvement District No. 1

OPERATION AND MAINTENANCE PRELIMINARY SERVICE AND ASSESSMENT PLAN

VERSION 2.1 09/09/2020

P3 WORKS

AUSTIN, TX | NORTH RICHLAND HILLS, TX

TABLE OF CONTENTS

INTRODUCTION

Capitalized terms used in this O&M Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this O&M 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 O&M Service and Assessment Plan or an Exhibit attached to and made a part of this O&M Service and Assessment Plan for all purposes.

On January 22, 2019, the City Council passed and approved Resolution No. 3905 authorizing the establishment 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 costs of Operations and Maintenance Costs that confer a special benefit on approximately 170.686 acres located within the corporate limits of the City as shown on **Exhibit A.**

The PID Act requires a Service Plan covering a period of at least five years and defining the annual indebtedness and projected Operation and Maintenance Costs. The Service Plan is contained in **Section IV**.

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Operation and Maintenance Costs against the District based on the special benefits conferred on the District by the operation and maintenance 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 Council. The Assessment against each Parcel must be sufficient to pay the share of the Operations and Maintenance Costs apportioned to the Parcel and cannot exceed the special benefit conferred on the Parcel by such Operations and Maintenance Costs. The Assessment Roll is included as **Exhibit C.**

SECTION I: DEFINITIONS

"Administrator" means the City or independent firm designated by the City who shall have the responsibilities provided in this O&M Service and Assessment Plan. The initial Administrator is P3Works, LLC.

"Annual Collection Costs" mean the actual or budgeted costs and expenses related to (1) preparation of updates to this O&M Service and Assessment Plan; (2) the performance of any duties or obligations imposed by this O&M Service and Assessment Plan related to (i) the collection and application of Operation and Maintenance Assessments, or (ii) the use of the foregoing to pay the Annual Installments; and (3) the maintenance of books and records.

"Annual Installment" means the annual installment payment of the Operations and Maintenance Assessment as calculated by the Administrator and approved by the City Council, plus Annual Collection Costs.

"Assessed Property" means any Parcel within the District other than Non-Benefitted Property against which an Operations and Maintenance Assessment is levied.

"Assessment Ordinance" means an ordinance adopted by the City Council in accordance with the PID Act that levies the Operation and Maintenance Assessments.

"Assessment Plan" means the methodology employed to assess the Operations and Maintenance Costs against the Assessed Property within the District based on the special benefits conferred on such property by the operation and maintenance of the Authorized Improvements, more specifically described in **Section V**.

"Assessment Roll" means any assessment roll for the Assessed Property within the District, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any O&M Annual Service Plan Update.

"Authorized Improvements" means improvements authorized by Section 372.003 of the PID Act, as listed in **Section III.**

"City" means the City of Sachse, Texas.

"City Council" means the governing body of the City.

"County" means Dallas County, Texas.

"Delinquent Collection Costs" mean costs related to the collection of delinquent Operation and Maintenance Assessments, delinquent Annual Installments, or any other delinquent amounts due under this O&M Service and Assessment Plan including penalties and reasonable attorney's fees actually paid, but excluding amounts representing interest and penalty interest.

"District" means The Sachse Public Improvement District No. 1 containing approximately 170.686 acres located within the corporate limits of the City, and more specifically described in **Exhibit D-1** and depicted on **Exhibit A**.

"Improvement Area #1" means approximately 48.387 acres located within the District, more specifically described in **Exhibit D-2** and depicted on **Exhibit A.**

"Improvement Area #1 Assessment Roll" means the Assessment Roll for the Improvement Area #1 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 O&M Annual Service Plan Updates. The Improvement Area #1 Assessment Roll is included in this O&M Service and Assessment Plan as **Exhibit C-1.**

"Improvement Area #1 Initial Parcel" means all of the Improvement Area #1 Assessed Property against which the entire Improvement Area #1 Operation and Maintenance Assessment is levied, as shown on the Improvement Area #1 Assessment Roll.

"Improvement Area #1 Operation and Maintenance Assessment" means an Operation and Maintenance Assessment levied against a Parcel within Improvement Area #1 and imposed pursuant to an O&M Assessment Ordinance and the provisions herein, as shown on the Improvement Area #1 Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

"Lot" means for any portion of the District for which a final subdivision plat has been recorded in the official public records of the County, a tract of land described by "lot" in such final and recorded subdivision plat.

"Major Improvement Area" means approximately 122.299 acres located within the District described in **Exhibit M-3** and depicted on **Exhibit A**. The Major Improvement Area includes all of the District save and except Improvement Area #1.

"Major Improvement Area Assessment Roll" means the Assessment Roll for the Major Improvement Area 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 O&M Annual Service Plan Updates. The Major Improvement Area Assessment Roll is included in this O&M Service and Assessment Plan as **Exhibit C-2**.

"Major Improvement Area Initial Parcel" means all of the Major Improvement Area Assessed Property against which the entire Major Improvement Area Operation and Maintenance Assessment is levied as shown on Major Improvement Area Assessment Roll.

"Major Improvement Area Operation and Maintenance Assessment" means an Operation and Maintenance Assessment levied against a Parcel within the Major Improvement Area and imposed pursuant to an O&M 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.

"Non-Benefitted Property" means Parcels within the boundaries of the District that accrue no special benefit from the operations and maintenance of the Authorized Improvements as determined by the City Council.

"O&M Annual Service Update" means an update to this O&M Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

"O&M Service and Assessment Plan" means this Sachse Public Improvement District No. 1 Operation and Maintenance Service and Assessment Plan as updated and amended from time to time.

"Operations and Maintenance Assessment" means an assessment levied annually against a Parcel within the District and imposed pursuant to an Assessment Ordinance to fund the Operation and Maintenance Costs.

"Operations and Maintenance Costs" means the costs to operate and maintain the Authorized Improvements that benefit the District based on a budget prepared annually by the City and provided to the Administrator.

"Parcel" or **"Parcels"** means a specific property within the District identified by either a tax map identification number assigned by the Dallas 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.

"PID Act" means Chapter 372, Texas Local Government Code, as amended.

"Service Plan" covers a period of at least five years and defines the annual indebtedness and projected Operations and Maintenance Costs more specifically described in **Section IV**.

SECTION II: THE DISTRICT

The District includes approximately 170.686 contiguous acres located within the corporate limits of the City, as more particularly described by the legal description on **Exhibit D-1** and depicted on **Exhibit A**. Development of the District is anticipated to include approximately 249 single-family homes, 789 multifamily units, and 618,100 square feet of commercial space.

Improvement Area #1 includes approximately 48.387 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit D-2** and depicted on **Exhibit A.** Development of Improvement Area #1 is anticipated to include approximately 165 40' single-family homes, 59 townhomes, 300 multi-family units, 15,600 square feet of commercial space.

The Major Improvement Area includes approximately 122.299 contiguous acres (except for certain public roadways), located within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit D-3** and depicted on **Exhibit A**. Development of the Major Improvement Area is anticipated to include approximately 25 single-family homes, 489 multifamily units, and 602,500 square feet of commercial space.

SECTION III: AUTHORIZED IMPROVEMENTS

The Operations and Maintenance Assessment will be levied annually on all Parcels of Assessed Property to pay for Operations and Maintenance Costs. For all Parcels of Assessed Property, the Operations and Maintenance Assessment will initially be equal to $0.05 per $100 of assessed value. In no event will the Operations and Maintenance Assessment exceed the City's actual costs for operating and maintaining the Authorized Improvements.

The Authorized Improvements of the District include:

A. Major Improvements

- *Station Blvd/Bunker Hill Road*

  Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, ADA ramps, and sidewalks. All related earthwork, excavation, erosion control, retaining walls, signage, dry utility infrastructure, drainage infrastructure, screen walls, landscaping, irrigation, and re-vegetation of all disturbed areas within the right-of-way.

- *Hudson Road*

  Improvements including subgrade stabilization (including lime treatment and

compaction), concrete and reinforcing steel for roadways, testing, ADA ramps, and sidewalks. All related earthwork, excavation, erosion control, retaining walls, signage, drainage infrastructure, screen walls, landscaping, irrigation, and re-vegetation of all disturbed areas within the right-of-way.

- *Merritt Road*

  Improvements include landscaping enhancements, screen walls, and retaining walls for the right-of-way of Merritt Road.

- *Commons Parkway/Street A*

  Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, ADA ramps, and sidewalks. All related earthwork, excavation, erosion control, retaining walls, signage, dry utility infrastructure, drainage infrastructure, landscaping, irrigation, and re-vegetation of all disturbed areas within the right-of-way. The street improvements will provide a benefit to all property within the District.

- *Heritage Park Improvements*

  Improvements include earthwork, excavation, erosion control, retaining wall, signage, playground equipment, shade structures, park furniture fixtures, fountains, splash pad, parking, sidewalks, trails, drainage infrastructure, landscaping, water and sewer utility improvements, concrete paving, irrigation, and re-vegetation of all disturbed areas.

- *Regional Detention*

  Improvements include clearing, pond excavation, soil testing, retaining walls, erosion control, piping of inbound and outbound drainage lines, and construction of outlet structures. Hardscape and landscape improvements including a boardwalk, pedestrian bridge, trails, re-vegetation, and fountains are also included.

- *Master Water Line Extension*

  Improvements including trench excavation and embedment, trench safety, piping, fire hydrant assemblies, manholes, service connections, irrigation services, testing, related earthwork, excavation, and erosion control and all necessary appurtenances constructed to City standards required to provide water service to the District.

- *Master Sewer Main Extension – Line A*

  Improvements including trench excavation and embedment, trench safety, piping, manholes, service connections, testing, related earthwork, excavation, and erosion control and all necessary appurtenances constructed to City standards required to provide wastewater service to the District.

- *Master Sewer Main Extension – Line B*

  Improvements including trench excavation and embedment, trench safety, piping, boring, manholes, service connections, testing, related earthwork, excavation, and erosion control and all necessary appurtenances constructed to City standards required to provide wastewater service to the District.

- *Master Entry Monumentation/Artwork*

  Improvements include public entry signage components such as monument signs, lighting, brick wall footings, and landscaping. Public art features such as statues and monuments are also included.

- *Public Collector Road B/Street B*

  Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, ADA ramps and sidewalks located within the right of way. All related earthwork, excavation, erosion control, retaining walls, intersections, signage, drainage infrastructure, landscaping, irrigation, and re-vegetation of all disturbed areas within the right-of-way are included. The street improvements will provide benefit to each Lot within the District.

- *Soft Costs*

  Costs related to designing, constructing, installing, and financing the Major Improvements, including land planning and design, City fees, engineering, soil testing, survey, construction management, legal fees, consultant fees, contingency, District Formation Costs, and other PID costs incurred and paid by the Developer.

B. Improvement Area #1 Improvements

- *Public Parking Access and In-Tract Improvements/Public Parking Area*

  - *Street*

    Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel, testing, ADA ramps, striping, drainage infrastructure, TxDOT Improvements, and curb cut driveways. All related earthwork, excavation, erosion control, retaining walls, street signs and traffic safety signs, landscaping, and irrigation and re-vegetation of all disturbed areas within the right of way are also included.

  - *Water*

Improvements including trench excavation and embedment, trench safety, piping, manholes, service connections, irrigation services, testing, related earthwork, excavation, and erosion control all necessary appurtenances required to provide water service to all Lots within Improvement Area #1.

- *Sewer*

  Improvements including trench excavation and embedment, trench safety, piping, ductile iron encasement, boring, manholes, service connections, testing, related earthwork, excavation, erosion control and all necessary appurtenances required to provide wastewater service to all Lots within Improvement Area #1.

- *Storm Drainage*

  Improvements including earthen channels, swales, curb and drop inlets, piping and boxes, headwalls, concrete flumes, rip rap, outfalls, and testing as well as all related earthwork, excavation, erosion control, drainage ponds, retaining walls, and necessary appurtenances to provide storm drainage for all Lots within Improvement Area #1.

- *Phase 1 SF/East Tract*

  - *Public Open Space*

    Improvements include earthwork, excavation, erosion control, retaining walls, signage, playground equipment, shade structures, park furniture fixtures, lighting, fountains, parking, sidewalks, trails, drainage infrastructure, landscaping, screen wall, water and sewer utility improvements, concrete paving, irrigation, and re-vegetation of all disturbed areas within public open space,

  - *Street*

    Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, ADA ramps, and sidewalks. All related earthwork, excavation, erosion control, retaining walls, intersections, signage, drainage infrastructure, landscaping, irrigation, and re-vegetation of all disturbed areas within the right-of-way are included. The street improvements will provide benefit to each Lot within Improvement Area #1.

  - *Water*

    Improvements including trench excavation and embedment, trench safety, piping, manholes, service connections, irrigation services, testing, related earthwork, excavation, and erosion control and all necessary appurtenances required to provide water service to all Lots within Improvement Area #1.

- *Sewer*

  Improvements including trench excavation and embedment, trench safety, piping, ductile iron encasement, boring, manholes, service connections, testing, related earthwork, excavation, erosion control and all necessary appurtenances required to provide wastewater service to all Lots within Improvement Area #1.

- *Storm Drainage*

  Improvements including earthen channels, swales, curb and drop inlets, piping and boxes, headwalls, concrete flumes, rip rap, outfalls, and testing as well as all related earthwork, excavation, erosion control, drainage ponds, retaining walls, and all necessary appurtenances to provide storm drainage for all Lots within Improvement Area #1.

- *Soft Costs*

  Costs related to designing, constructing, and installing, and financing the Improvement Area #1 Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, legal fees, consultant fees, contingency, and other PID costs incurred and paid by the Developer.

C. Future Improvement Area Improvements

The Authorized Improvements that specifically benefit the Future Improvement Area specifically will be determined and described in a future Annual Service Plan Update.

D. Bond Issuance Costs

- *Debt Service Reserve Fund*

  Equals the amount required under an applicable Indenture in connection with the issuance of PID Bonds.

- *Capitalized Interest*

  Equals the capitalized interest payments 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 related to the costs of underwriting such PID Bonds.

- *Underwriter's Counsel*

Equals a percentage of the par amount of a particular series of PID Bonds reserved for the underwriter's attorney fees.

- *Cost of Issuance*

  Includes costs of issuing a particular series of PID Bonds, including, but not limited to, issuer fees, attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, fees charged by the Texas Attorney General, and any other cost or expense incurred by the City directly associated with the issuance of PID Bonds.

E. Other Costs

- *Initial Administrative Fund Deposit*

  Equals the amount necessary to fund the first year's Annual Collection Costs for a particular series of PID Bonds.

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 indebtedness and Operations and Maintenance Costs of the District during the five-year period. The Service Plan must be reviewed and updated in each O&M Annual Service Plan Update. **Exhibit B** summarizes the Service Plan for the District.

SECTION V: ASSESSMENT PLAN

The PID Act allows the City Council to apportion the costs of the operation and maintenance of the Authorized Improvements of the District to the Assessed Property based on the special benefit received from the provision of the operation and maintenance. The PID Act provides that such costs may be apportioned in any manner approved by the City Council that results in imposing equal shares of such costs on property similarly benefitted.

A. Assessment Methodology

1. The City will prepare and provide to the Administrator a budget for the Operations and Maintenance Costs.
2. The Operations and Maintenance Assessment will initially be equal to $0.05 per $100 of assessed value for each Parcel but in no event will the aggregate annual Operations and Maintenance Assessment be greater than the annual budgeted Operations and Maintenance Costs.
3. The District will receive special benefit equal to or greater than the Operations and

Maintenance Assessment as a result of the City performing the operations and maintenance of the Authorized Improvements

SECTION VI: TERMS OF THE ASSESSMENTS

A. Operations and Maintenance Assessments and Annual Installments.

Operations and Maintenance Assessments and the Annual Installments thereof shall be calculated and collected each year in an amount sufficient to pay the Operations and Maintenance Costs.

B. Payment of Operations and Maintenance Assessments in Annual Installments

1. Annual Installments are subject to adjustment in each O&M Annual Service Plan Update based on the Operations and Maintenance Costs and Annual Collection costs as directed by the City Council.

2. The Administrator shall prepare and submit to the City Council for its review and approval a preliminary O&M Annual Service Plan Update, including a preliminary Assessment Roll based on the budgeted Operations and Maintenance Costs and Annual Collection Costs.

3. The preliminary O&M Annual Service Plan Update will be placed in the City Secretary's office for inspection, and the City Council will consider a Resolution to call a public hearing and will cause notices to be mailed to all property owners within the District and published in the newspaper of record in accordance with the PID Act.

4. The Administrator shall prepare and submit to the City Council for its review and approval a final O&M Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each O&M Annual Service Plan Update shall include an updated Assessment Roll, and updated calculations of Annual Installments. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties and procedures 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. Operations and Maintenance Assessments shall have the lien priority specified in the PID Act but shall be subordinate to any bonds secured by other assessments levied against any property in the District.

5. Each Operations and Maintenance Assessment and the Annual Installments thereof shall be delinquent if not paid prior to February 1 of the year following the O&M Annual Service Plan update levying the Operation and Maintenance Assessment.

SECTION VII: ASSESSMENT ROLL

The Assessment Roll is attached as **Exhibit C**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Assessment Roll and Annual Installments for each Parcel as part of each O&M 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 O&M Service and Assessment Plan, including, but not limited to, any calculation made as part of any O&M 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 receipt. The City Council shall consider the owner' notice of error and the Administrator's response at a public meeting, and within 30 days after closing such meeting, the City Council shall make a final determination as to whether 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 O&M Service and Assessment Plan, the applicable Assessment Ordinance, the applicable Indenture, or as 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 O&M 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 O&M 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 Operations and Maintenance Assessments, Annual Installments, and other charges imposed by this O&M Service and Assessment Plan.

C. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this O&M 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 O&M Service and Assessment Plan. Interpretations of this O&M Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners adversely affected by the interpretation. Appeals shall be decided by the City Council after holding a public meeting at which all interested parties have an opportunity to be heard. Decisions by the City Council shall be final and binding on the owners and their successors and assigns.

D. Severability

If any provision of this O&M 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.

EXHIBITS

The following Exhibits are attached to and made a part of this O&M Service and Assessment Plan for all purposes:

Exhibit A	Map of the District
Exhibit B	Service Plan
Exhibit C-1	Improvement Area #1 Assessment Roll
Exhibit C-2	Major Improvement Area Assessment Roll
Exhibit D-1	District Legal Description
Exhibit D-2	Improvement Area #1 Legal Description
Exhibit D-3	Major Improvement Area Legal Description
Exhibit E	DCAD Taxable Values

EXHIBIT A – MAP OF THE DISTRICT

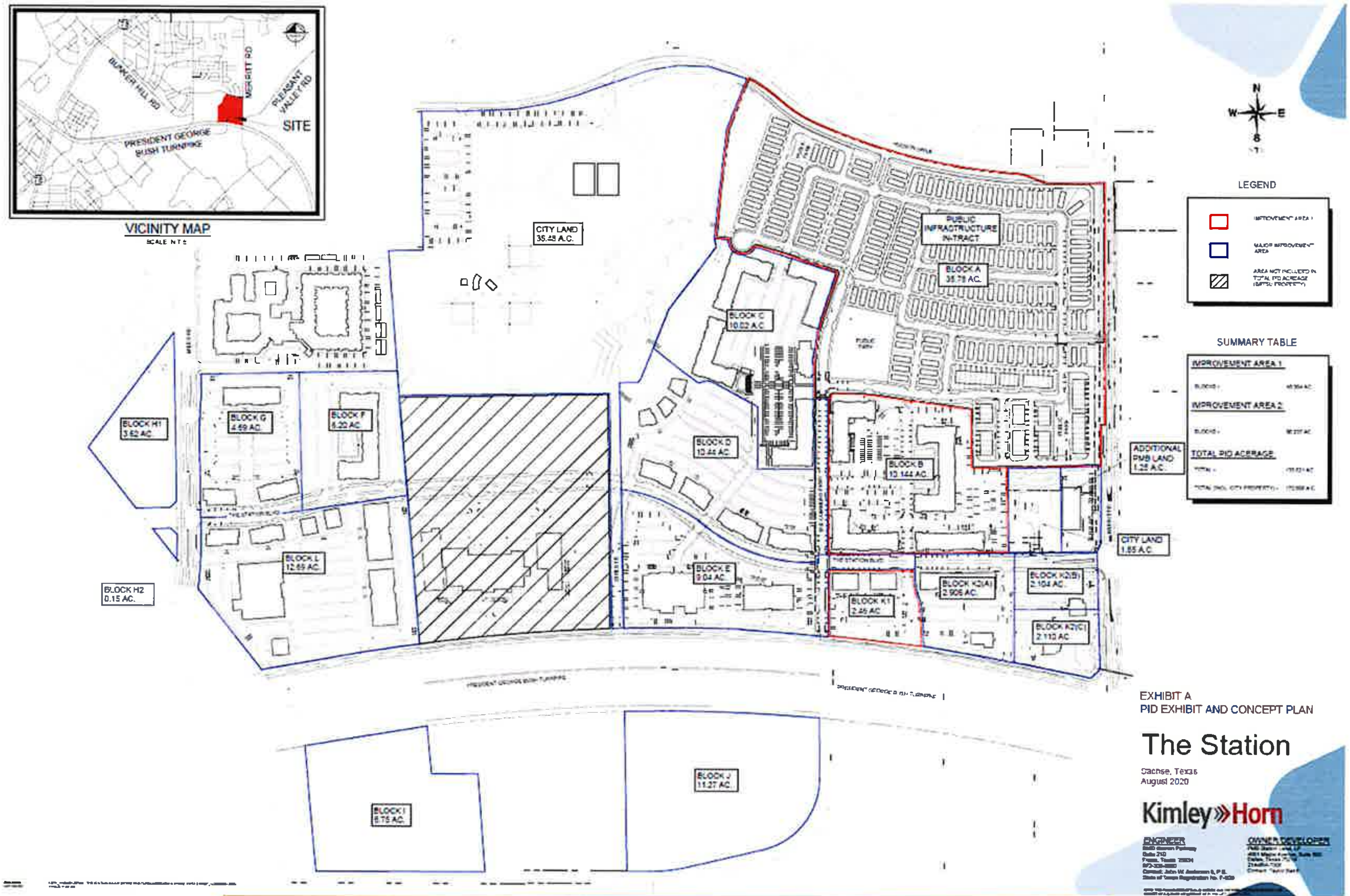

EXHIBIT B – SERVICE PLAN

Improvement Area #1

Year		1	2	3	4	5
Annual Installment Due		1/31/2021	1/31/2022	1/31/2023	1/31/2024	1/31/2025
Appraised Taxable Value[1]	A	$ 8,671,180.00	$ 121,167,116.00	$ 140,972,346.00	$ 140,972,346.00	$ 140,972,346.00
Operation and Maintenance Assessment[2]	B	$ 0.05	$ 0.05	$ 0.05	$ 0.05	$ 0.05
Annual Collection Costs	C	$ 0.05	$ 0.05	$ 0.05	$ 0.05	$ 0.05
Total Annual Installment	**D = (A ÷ 100) × (B + C)**	**$ 8,671.18**	**$ 121,167.12**	**$ 140,972.35**	**$ 140,972.35**	**$ 140,972.35**

Major Improvement Area

Year		1	2	3	4	5
Annual Installment Due		1/31/2021	1/31/2022	1/31/2023	1/31/2024	1/31/2025
Appraised Taxable Value[1]	A	$ 1,305,313.00	$ 1,305,313.00	$ 41,416,394.10	$ 57,371,788.58	$ 148,125,848.78
Operation and Maintenance Assessment[2]	B	$ 0.05	$ 0.05	$ 0.05	$ 0.05	$ 0.05
Annual Collection Costs	C	$ 0.05	$ 0.05	$ 0.05	$ 0.05	$ 0.05
Total Annual Installment	**D = (A ÷ 100) × (B + C)**	**$ 1,305.31**	**$ 1,305.31**	**$ 41,416.39**	**$ 57,371.79**	**$ 148,125.85**

Notes:

[1] Appraised Value for the current year per the Dallas Central Appraisal District. Each following year is an estimate only, based on absorption schedule provided by the Developer. Collection of the Operation and Maintenance Assessment will not begin until the Operation and Maintenance Assessment Trigger Date has been met. The Operation and Maintenance Assessment Trigger Date has been met for Improvement Area #1, but not for the Major Improvement Area.

[2] Per the O&M Service and Assessment Plan, the Operations and Maintenance Assessment (per $100 of Appraised Value).

EXHIBIT C-1 – IMPROVEMENT AREA #1 ASSESSMENT ROLL

	A	B	C	D = (A ÷ 100) × (B + C)
Property ID	Appraised Taxable Value[2]	O&M Assessment	Annual Collection Costs	Annual Installment Due 1/31/2021
Improvement Area #1 Initial Parcel[1]	$ 8,671,180.00	$ 0.05	$ 0.05	$ 8,671.18
Total	**$ 8,671,180.00**			**$ 8,671.18**

[1] The Improvement Area #1 Initial Parcel contains 2019 tax parcel IDs 65022863010020000 and 65100943010010000.

[2] Per Dallas Central Appraisal District. See Exhibit E.

EXHIBIT C-2 – MAJOR IMPROVEMENT AREA ASSESSMENT ROLL

	A	B	C	D = (A ÷ 100) × (B + C)
Property ID	Appraised Taxable Value	O&M Assessment	Annual Collection Costs	Annual Installment Due 1/31/2021
Major Improvement Area Initial Parcel[1]	$ 1,304,176.00	$ 0.05	$ 0.05	$ 1,304.18
Total	**$ 1,304,176.00**			**$ 1,304.18**

[1] The Major Improvement Area Initial Parcel contains tax parcel IDs 65022863010010200...

[2] Per Dallas Central Appraisal District. See Exhibit E.

EXHIBIT D-1 – DISTRICT LEGAL DESCRIPTION

METES AND BOUNDS DESCRIPTION OF PROPERTY
170.686 ACRES

LEGAL DESCRIPTION - Tract 1: 131.965 ACRES

BEING a tract of land situated in the Richard Copeland Survey, Abstract No. 228, the McKinney and Williams Survey, Abstract No. 1000, and the Zach Motley survey, abstract No. 1009 also being a portion of a 78.13-acre tract of land and a 33.63 acre tract described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, all of a tract of land described by deed to Maurice McClain recorded in Volume 172, Page 96 of the Deed Records of Dallas County, Texas, all of a tract of land to the City of Sachse as recorded in Instrument Number 201700347810 of the Official Public Records of Dallas County, Texas, a portion of a tract of land described by deed to Maurice L. McClain recorded in Volume 8006, Page 1624 of the Deed Records of Dallas County, Texas, a portion of a tract of land described by deed to Donald K. McClain as recorded in Volume 73241, Page 1588 of the Deed Records of Dallas County, Texas, and a portion of a tract of land described by deed to the City of Sachse as recorded in Volume 94150, Page 6284 and Volume 98121, Page 6186 of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found for the northeast corner of said 78.13-acre tract to Children's Medical Center Foundation, also lying on the west line of Merritt Road, a variable width right-of-way;

THENCE South 00 degrees 14 minutes 29 seconds West, a distance of 265.43 feet to a 1/2-inch iron rod with cap stamped "HALFF" found for corner;

THENCE South 00 degrees 17 minutes 44 seconds East, a distance of 749.92 feet to a point for corner;

THENCE South 89 degrees 49 minutes 07 seconds West, a distance of 19.40 feet to a point for corner;

THENCE South 00 degrees 58 minutes 54 seconds East, a distance of 166.49 feet to a point for corner;

THENCE South 87 degrees 23 minutes 36 seconds West, a distance of 8.33 feet to a point for corner;

THENCE South 00 degrees 30 minutes 05 seconds East, a distance of 325.91 feet to a point for corner;

THENCE South 01 degrees 26 minutes 08 seconds East, a distance of 310.38 feet to a point for corner;

THENCE South 84 degrees 19 minutes 28 seconds West, a distance of 5.28 feet to a point for corner;

THENCE South 00 degrees 38 minutes 08 seconds East, a distance of 233.16 feet to a point for corner;

THENCE South 46 degrees 54 minutes 32 seconds West, a distance of 52.21 feet to a point for corner at the beginning of a curve to the left;

THENCE with said curve to the left having a radius of 7815.00 feet, a central angle of08 degrees 03 minutes 10 seconds, an arc length of 1098.38 feet, a chord bearing of North 80 degrees 56 minutes 08 seconds West, a distance of 1097.48 feet point for corner;

THENCE North 85 degrees 45 minutes 34 seconds West, a distance of 59.41 feet to a point for corner at the beginning of a curve to the left;

THENCE with said curve to the left having a radius of 7813.20 feet, a central angle of06 degrees 03 minutes 12 seconds, an arc length of 825.47 feet, a chord bearing of North 88 degrees 24 minutes 26 seconds West, a distance of 825.09 feet point for corner;

THENCE North 01 degrees 00 minutes 01 seconds West, a distance of 991.09 feet to a point for corner;

THENCE South 88 degrees 53 minutes 13 seconds West, a distance of 919.49 feet to a point for corner;

THENCE South 04 degrees 12 minutes 40 seconds East, a distance of 59.32 feet to a point for corner at the beginning of a curve to the left;

THENCE with said curve to the left having a radius of 555.00 feet, a central angle of17 degrees 05 minutes 04 seconds, an arc length of 165.49 feet, a chord bearing of South 51 degrees 33 minutes 33 seconds West, a distance of 164.88 feet point for corner;

THENCE South 43 degrees 01 minutes 02 seconds West, a distance of 87.64 feet to a point for corner at the beginning of a curve to the right;

THENCE with said curve to the right having a radius of 755.00 feet, a central angle of45 degrees 57 minutes 01 seconds, an arc length of 605.50 feet, a chord bearing of South 65 degrees 59 minutes 32 seconds West, a distance of 589.40 feet point for corner;

THENCE South 88 degrees 58 minutes 01 seconds West, a distance of 100.58 feet to a point for corner;

THENCE North 46 degrees 16 minutes 56 seconds West, a distance of 32.97 feet to a point for corner;

THENCE North 01 degrees 04 minutes 22 seconds West, a distance of 309.36 feet to a point for corner;

THENCE North 03 degrees 17 minutes 48 seconds East, a distance of 144.44 feet to a point for corner;

THENCE North 01 degrees 04 minutes 34 seconds West, a distance of 83.55 feet to a point for corner;

THENCE North 88 degrees 43 minutes 23 seconds East, a distance of 836.14 feet to a point for corner;

THENCE North 05 degrees 17 minutes 52 seconds West, a distance of 524.29 feet to a point for corner;

THENCE North 89 degrees 41 minutes 29 seconds East, a distance of 315.73 feet to a point for corner;

THENCE North 02 degrees 40 minutes 19 seconds West, a distance of 556.10 feet to a point for corner;

THENCE North 88 degrees 29 minutes 17 seconds East, a distance of 307.90 feet to a point for corner at the beginning of a curve to the left;

THENCE with said curve to the left having a radius of 530.00 feet, a central angle of17 degrees 56 minutes 09 seconds, an arc length of 165.91 feet, a chord bearing of North 79 degrees 31 minutes 12 seconds East, a distance of 165.23 feet point for corner;

THENCE North 70 degrees 32 minutes 53 seconds East, a distance of 347.25 feet to a point for corner at the beginning of a curve to the right;

THENCE with said curve to the right having a radius of 538.50 feet, a central angle of46 degrees 15 minutes 42 seconds, an arc length of 434.79 feet, a chord bearing of South 86 degrees 19 minutes 45 seconds East, a distance of 423.08 feet point for corner;

THENCE North 21 degrees 19 minutes 27 seconds East, a distance of 34.92 feet to a point for corner at the beginning of a curve to the right;

THENCE with said curve to the right having a radius of 573.50 feet, a central angle of15 degrees 36 minutes 23 seconds, an arc length of 156.21 feet, a chord bearing of South 55 degrees 44 minutes 24 seconds East, a distance of 155.73 feet point for corner at the beginning of a reverse curve to the left;

THENCE with said reverse curve to the left having a radius of 575.00 feet, a central angle of18 degrees 05 minutes 20 seconds, an arc length of 181.53 feet, a chord bearing of South 56 degrees 58 minutes 52 seconds East, a distance of 180.78 feet point for corner for the beginning of a compound curve to the left;

THENCE with said compound curve continuing to the left having a radius of 2500.00 feet, a central angle of20 degrees 36 minutes 16 seconds, an arc length of 899.04 feet, a chord bearing of South 76 degrees 19 minutes 40 seconds East, a distance of 894.20 feet point for corner;

THENCE South 69 degrees 16 minutes 05 seconds East, a distance of 110.00 feet to a point for corner;

THENCE South 89 degrees 45 minutes 48 seconds East, a distance of 67.22 feet to a point for corner;

THENCE North 89 degrees 28 minutes 37 seconds East, a distance of 173.94 feet to a to the **POINT OF BEGINNING**, containing 5,748,388 square Feet, or 131.965 acres of land.

LEGAL DESCRIPTION - Tract 2: 3.622 ACRES

BEING a tract of land situated in the Robert McCullough Survey, Abstract No. 928, also being a portion of a called 4.07-acre tract of land described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod with cap stamped "W.A.I." found for the northwest corner of a right-of-way dedication to the City of Sachse as recorded in Instrument Number 201100215349 of the Official Public Records of Dallas County, Texas, also lying on the southwest line of said 4.07-acre tract and the northeast line of a tract of land described by deed to The Trull Foundation as recorded in Volume 2001009, Page 575 of the Deed Records of Dallas County, Texas;

THENCE North 38 degrees 21 minutes 45 seconds West, along the common line of said 4.07-acre tract and said Trull Foundation tract, a distance of 326.23 feet to a 5/8 inch iron rod with cap stamped "TNP" set for most westerly corner of said 4.07-acre tract, also lying on the southeast line of Old Miles Road a variable width right-of-way;

THENCE North 36 degrees 49 minutes 36 seconds East, along the southeast line of said Old Miles Road and the northwest line of said 4.07-acre tract, a distance of 564.86 feet to a 1/2 inch iron rod with cap stamped "HALFF" found for the beginning of a curve to the left;

THENCE continuing along the southeast line of said Old Miles Road and the northwest line of said 4.07-acre tract with said curve to the left having a radius of 585.85 feet, a central angle of 03 degrees 53 minutes 34 seconds, an arc length of 39.80 feet, a chord bearing of North 34 degrees 51 minutes 58 seconds East, a distance of 39.80 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the north corner of said 4.07-acre tract, also lying on the west line of Miles Road a variable width right-of-way;

THENCE South 01 degrees 01 minutes 20 seconds East, along the west line of Miles Road, a distance of 708.15 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the northeast corner of a right-of-way dedication to the City of Sachse as recorded in Instrument Number 201100215349 of the Official Public Records of Dallas County, Texas;

THENCE leaving the west line of said Miles Road along the northerly line of said right-of-way dedication the following courses and distances:

South 43 degrees 28 minutes 06 seconds West, a distance of 39.07 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

South 88 degrees 28 minutes 07 seconds West, a distance of 120.98 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the beginning of a curve to the left;

with said curve to the left having a radius of 845.00 feet, a central angle of 01 degrees 36 minutes 24 seconds, an arc length of 23.69 feet, a chord bearing of South 87 degrees 39 minutes 54 seconds West, a distance of 23.69 feet to the **POINT OF BEGINNING** containing 157,785 Square Feet, or 3.622 Acres of land.

LEGAL DESCRIPTION - Tract 3: 0.153 ACRES

BEING a tract of land situated in the Robert McCullough Survey, Abstract No. 928, also being a portion of a called 4.07-acre tract of land described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with cap stamped "HALFF" found for the southeast corner of said 4.07-acre tract, same being the northeast corner of a tract of land described by deed to The Trull Foundation as recorded in Volume 2001009, Page 575 of the Deed Records of Dallas County, Texas, also lying on the west line of Miles Road a variable width right-of-way;

THENCE North 38 degrees 21 minutes 45 seconds West, along the common line of said 4.07-acre tract and said Trull Foundation tract, a distance of 165.28 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the southwest corner of a right-of-way dedication to the City of Sachse as recorded in Instrument Number 201100215349 of the Official Public Records of Dallas County, Texas;

THENCE North 88 degrees 28 minutes 07 seconds East, along the south line of said right-of-way dedication, a distance of 77.52 feet to a 5/8 inch iron rod with cap stamped "TNP" set for a corner clip of same;

THENCE South 46 degrees 31 minutes 54 seconds East, continuing along said right-of-way dedication, a distance of 37.26 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner lying on the west line of the aforementioned Miles Road;

THENCE South 01 degrees 01 minutes 20 seconds East, along the west line of said Miles Road, a distance of 2.71 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the beginning of a curve to the right;

THENCE continuing along the east line of said Miles Road with said curve to the right having a radius of 1450.00 feet, a central angle of 04 degrees 05 minutes 05 seconds, an arc length of 103.38 feet, a chord bearing of South 01 degrees 06 minutes 22 seconds West, a distance of 103.35 feet to the **POINT OF BEGINNING**, containing 6,655 Square Feet, or 0.153 Acre.

LEGAL DESCRIPTION - Tract 4: 8.747 ACRES

BEING a tract of land situated in the Richard Copeland Survey, abstract No. 228, also being all of an 8.68-acre tract of land described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with cap stamped "WAI" found for the northwest corner of said 8.68-acre tract also lying on the south line of President George Bush Turnpike, a called 350.00 feet wide right-of-way;

THENCE North 79 degrees 45 minutes 22 seconds East, along the south line of said President George Bush Turnpike, a distance of 218.91 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the beginning of a non-tangent curve to the right;

THENCE continuing along the south line of said President George Bush Turnpike with said curve to the right having a radius of 7465.00 feet, a central angle of 02 degrees 19 minutes 19 seconds, an arc length of 302.51 feet, a chord bearing of North 80 degrees 55 minutes 01 seconds East, a distance of 302.49 feet to a 5/8 inch iron rod found for the northeast corner of said 8.68 acre tract, also lying on the westerly line of a tract of land described by deed to Batsu Enterprises recorded in Volume 91249, Page 4515 of the Deed Records of Dallas County, Texas;

THENCE along the common line of said 8.68-acre tract and said Batsu Enterprises tract the following courses and distances:

South 05 degrees 29 minutes 08 seconds East, a distance of 202.09 feet to a 1/2 inch iron rod found for corner;

North 89 degrees 33 minutes 14 seconds East, a distance of 196.48 feet to 5/8 inch iron rod with cap stamped "JBI" found for corner;

South 04 degrees 09 minutes 28 seconds East, a distance of 416.53 feet to a 5/8 inch iron rod with cap stamped "JBI" found for the southeast corner of said 8.68 acre tract and the southwest corner of said Batsu Enterprises tract, also lying on the north line of Pleasant Valley road, a variable width right-of-way;

THENCE South 89 degrees 50 minutes 57 seconds West, along the north line of said Pleasant Valley Road, a distance of 712.69 feet to a 5/8-inch iron rod with cap stamped "JBI" found for the southwest corner of said 8.68-acre tract;

THENCE North 05 degrees 17 minutes 07 seconds West, along the west line of said 8.68-acre tract, a distance of 277.26 feet to a 1/2-inch iron rod found for an angle point in same for corner;

THENCE North 04 degrees 55 minutes 13 seconds West, continuing along the west line of said 8.68-acre tract, a distance of 255.12 feet to the **POINT OF BEGINNING**, containing 381,007 Square Feet, or 8.747 Acres of land.

LEGAL DESCRIPTION - Tract 5: 11.266 ACRES

BEING a tract of land situated in the Richard Copeland Survey, abstract No. 228, also being all of a 11.27-acre tract of land described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a T.X.D.O.T. aluminum cap stamped "2655" found for the northeast corner of said 11.27-acre tract also lying at the intersection of the west line of Pleasant Valley Road, a variable width right-of-way with the south line of President George Bush Turnpike, a called 350.00 feet wide right-of-way;

THENCE along the common line of said 11.27-acre tract and said Pleasant Valley Road the following courses and distances:

South 00 degrees 23 minutes 36 seconds East, a distance of 255.19 feet to a 5/8-inch iron rod with cap stamped "TNP" set for the beginning of a curve to the right;

with said curve to the right having a radius of 311.06 feet, a central angle of 76 degrees 44 minutes 04 seconds, an arc length of 416.59 feet, a chord bearing of South 37 degrees 58 minutes 24 seconds West, a distance of 386.15 feet to a 1/2-inch iron rod with cap stamped "HALFF" found for corner;

South 76 degrees 28 minutes 32 seconds West, a distance of 320.80 feet to 1/2-inch iron rod with cap stamped "HALFF" found for the beginning of a curve to the right;

with said curve to the right having a radius of 707.53 feet, a central angle of 13 degrees 35 minutes 53 seconds, an arc length of 167.92 feet, a chord bearing of South 83 degrees 01 minutes 55 seconds West, a distance of 167.53 feet 1/2-inch iron rod with cap stamped "HALFF" found for corner;

North 89 degrees 46 minutes 07 seconds West, a distance of 96.34 feet to 1/2-inch iron rod with cap stamped "JBI" found for the southwest corner of said 11.27-acre tract, also lying on the east line of a tract of land described by deed to the City of Sachse recorded in Volume 94150, Page 6284 of the Deed Records of Dallas County, Texas;

THENCE North 00 degrees 55 minutes 31 seconds West, along the common line of said 11.27-acre tract and said City of Sachse tract, a distance of 678.28 feet to 1/2-inch iron rod with cap stamped "WAI" found for the northwest corner of said 11.27-acre tract, also lying on the south line of the aforementioned President George Bush Turnpike, also for the beginning of a non-tangent curve to the right;

THENCE along the south line of said President George Bush Turnpike with said curve to the right having a radius of 7465.00 feet, a central angle of 06 degrees 18 minutes 35 seconds, an arc length of 822.09 feet, a chord bearing of South 88 degrees 21 minutes 02 seconds East, a distance of 821.67 feet to the **POINT OF BEGINNING**, containing 490,729 Square Feet, or 11.266 Acres of land.

LEGAL DESCRIPTION - Tract 6: 14.933 ACRES

BEING a tract of land situated in the Richard Copeland Survey, Abstract No. 228, City of Sachse, Dallas County, Texas and being all of a called 14.933 acres, described in a Special Warranty Deed to Sachse Medical Center, LLC, recorded in Instrument No. 201400065513 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod with red plastic cap stamped "KHA" set for the southeast corner of said 14.933 acre tract, said corner being in the west line of that tract of land described in a Special Warranty Deed to Batsu Enterprises, recorded in Volume 91249, Page 4515 of the Deed Records of Dallas County, Texas, and in the north right-of-way line of President George Bush Turnpike, a 350 foot wide right-of-way, said corner also being at the beginning of a non-tangent curve to the left;

THENCE, along the south line of said 14.933 acre tract and the north right-of-way line of said President George Bush Turnpike, the following courses and distances:

Southwesterly, along said non-tangent curve to the left through a central angle of 02°26'08", having a radius of 7815.00 feet, a chord bearing of South 80°58'58" West, a chord distance of 332.18 feet and an arc length of 332.20 feet to a concrete monument with brass disk found for corner at the end of said curve;

South 79°45'54" West, a distance of 343.41 feet to the most southerly southwest corner of said 14.933 acre tract, said corner being in the northeast line of a called 51.724 acre tract of land described in a Warranty Deed to The Trull Foundation, recorded in Volume 94077, Page 2599 of the Deed Records of Dallas County, Texas, from which, a 5/8 inch iron rod with plastic cap stamped "WAI" found for witness bears North 73°54' East, 0.6 feet;

THENCE North 38°00'53" West, departing the north right-of-way line of said President George Bush Turnpike, and along the southwest line of said 14.933 acre tract and the northeast line of said 51.724 acre tract and the northeast line of Tract Two, called 0.5384 acre, as described in a General Warranty Deed to The Trull Foundation, recorded in Volume 96158, Page 6025 of the Deed Records of Dallas County, Texas, a distance of 435.20 feet to a 5/8 inch iron rod with red plastic cap stamped "KHA" set for the most westerly southwest corner of said 14.933 acre tract, said corner being in the east right-of-way line of Miles Road, a 100 foot wide right-of-way at this point, and also being at the beginning of a non-tangent curve to the left;

THENCE, along the west line of said 14.933 acre tract and the east right-of-way line of said Miles Road, the following courses and distances:

Northeasterly, along said non-tangent curve to the left through a central angle of 08°21'44", having a radius of 1550.00 feet, a chord bearing of North 03°08'21" East, a chord distance of 226.02 feet and an arc length of 226.22 feet to a 5/8 inch iron rod with red plastic cap stamped "KHA" set for corner at the end of said curve;

North 01°02'31" West, a distance of 142.90 feet to the northwest corner of said 14.933 acre tract, common to the southwest corner of a called 8.709 acres, as described in a Special Warranty Deed, recorded in Instrument No. 201800267365 of the Official Public Records of Dallas County, Texas, from which, a 5/8 inch iron rod with plastic cap stamped "TNP" found for witness bears North 41°40' East, 0.3 feet;

THENCE departing the east right-of-way line of said Miles Road, along the common line of said 14.933 acre tract and said 8.709 acre tract, the following courses and distances:

South 46°17'27" East, a distance of 32.97 feet to a 5/8 inch iron rod with red plastic stamped "TNP" found for corner;

North 88°57'30" East, a distance of 100.58 feet to the beginning of a tangent curve to the left, from which, a 5/8 inch iron rod with plastic cap stamped "TNP" found for witness bears North 45°49' East, 0.2 feet;

Northeasterly, along said tangent curve to the left through a central angle of 45°57'00", having a radius of 755.00 feet, a chord bearing of North 65°59'01" East, a chord distance of 589.40 feet and an arc length of 605.49 feet to the end of said curve, from which, a 5/8 inch iron rod with plastic cap stamped "TNP" found for witness bears North 69°15' East, 0.3 feet;

North 43°00'31" East, a distance of 87.64 feet to a 5/8 inch iron rod with red plastic cap stamped "KHA" set for corner at the beginning of a tangent curve to the right, from which, a 5/8 inch iron rod with plastic cap stamped "TNP" found for witness bears North 68°18' East, 0.3 feet;

Northeasterly, along said tangent curve to the right through a central angle of 16°00'32", having a radius of 555.00 feet, a chord bearing of North 51°00'47" East, a chord distance of 154.57 feet and an arc length of 155.07 feet to a 5/8 inch iron rod with red plastic stamped "KHA" set for the northeast corner of said 14.933 acre tract at the end of said curve, said point being in the west line of aforesaid Batsu Enterprises tract, from which a 1/2 inch iron rod found for the most northerly northwest corner of said Batsu Enterprises tract and the most westerly southwest corner of a called 26.04 acre tract of land described in a Special Warranty Deed to the City of Sachse, recorded in Volume 94150, Page 6284 of the Deed Records of Dallas County, Texas, bears North 05°00'48" West a distance of 63.83 feet;

THENCE, along the east line of said 14.933 acre tract and the west line of said Batsu Enterprises tract, the following courses and distances:

South 05°00'48" East, a distance of 550.69 feet to a point for corner, from which, a 1/2 inch iron rod found for witness bears South 58°28' East, 0.5 feet;

South 04°26'52" East, a distance of 431.33 feet to the POINT OF BEGINNING and containing 14.933 acres (650,474 square feet) of land, more or less.

EXHIBIT D-2 – IMPROVEMENT AREA #1 LEGAL DESCRIPTION

METES AND BOUNDS DISCRIPTION OF IMPROVEMENT AREA #1
48.387 ACRES

IMPROVEMENT AREA #1 TRACT (1)

BEING a tract a 35.780 acre tract of land situated in the Richard Copeland Survey, abstract No. 228, also being a portion of a 78.13-acre tract of land called Tract (A) described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod with cap stamped "R.P.L.S. 5430" found for the northwest corner of a tract of land described by deed to the City of Sachse as recorded in Instrument Number 201700347810 of the Official Public Records of Dallas County, Texas;

THENCE through the interior of said Tract (A) the following courses and distances:

> South 89 degrees 22 minutes 53 seconds West, a distance of 146.33 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;
>
> North 00 degrees 37 minutes 07 seconds West, a distance of 243.38 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;
>
> North 82 degrees 21 minutes 44 seconds West, a distance of 69.96 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;
>
> North 82 degrees 04 minutes 22 seconds West, a distance of 326.14 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner at the beginning of a curve to the left;

With said curve to the left having a radius of 974.00 feet, a central angle of 07 degrees 30 minutes 44 seconds, an arc length of 127.70 feet, a chord bearing of North 85 degrees 49 minutes 43 seconds West, a distance of 127.61 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

> North 89 degrees 35 minutes 05 seconds West, a distance of 136.11 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;
>
> North 00 degrees 03 minutes 11 seconds East, a distance of 70.82 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner at the beginning of a curve to the right;

With said curve to the right having a radius of 776.00 feet, a central angle of 18 degrees 20 minutes 42 seconds, an arc length of 248.46 feet, a chord bearing of North 09 degrees 13 minutes 32 seconds East, a distance of 247.40 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

> North 18 degrees 23 minutes 53 seconds East, a distance of 237.22 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;
>
> North 71 degrees 36 minutes 07 seconds West, a distance of 392.19 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner at the beginning of a curve to the right;

With said curve to the right having a radius of 52.00 feet, a central angle of 203 degrees 25 minutes 03 seconds, an arc length of 184.62 feet, a chord bearing of North 59 degrees 53 minutes 35 seconds West, a distance of 101.84 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

North 65 degrees 53 minutes 58 seconds West, a distance of 73.07 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner lying on the west line of said Tract (A) and the east line of a tract of land described by deed to the City of Sachse recorded in Volume 98121, Page 6186 of the Deed Records of Dallas County, Texas;

THENCE along the common line of said Tract (A) and said City of Sachse tract the following courses and distances;

North 05 degrees 13 minutes 42 seconds East, a distance of 108.21 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

North 07 degrees 29 minutes 41 seconds East, a distance of 257.79 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

North 21 degrees 10 minutes 21 seconds East, a distance of 228.89 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner for the northwest corner of said Tract (A) also lying on the southerly line of Hudson Drive a variable width right-of-way, also for the beginning of a curve to the right;

THENCE along the north line of said Tract (A) and the southerly line of said Hudson Drive, with said curve to the right having a radius of 573.50 feet, a central angle of 15 degrees 36 minutes 23 seconds, an arc length of 156.21 feet, a chord bearing of South 55 degrees 44 minutes 24 seconds East, a distance of 155.73 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner at the beginning of a reverse curve to the left;

THENCE with said reverse curve to the left having a radius of 575.00 feet, a central angle of 18 degrees 05 minutes 20 seconds, an arc length of 181.53 feet, a chord bearing of South 56 degrees 58 minutes 52 seconds East, a distance of 180.78 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner at the beginning of a compound curve to the left;

THENCE with said compound curve continuing to the left having a radius of 2500.00 feet, a central angle of 20 degrees 36 minutes 16 seconds, an arc length of 899.04 feet, a chord bearing of South 76 degrees 19 minutes 40 seconds East, a distance of 894.20 feet to a PK Nail found for corner;

THENCE South 69 degrees 16 minutes 05 seconds East, continuing along the north line of said Tract (A) and the southerly line of said Hudson Drive, a distance of 110.00 feet to a 1/2 inch iron rod found for corner;

THENCE South 89 degrees 45 minutes 48 seconds East, continuing along the north line of said Tract (A) and the southerly line of said Hudson Drive, a distance of 67.22 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

THENCE North 89 degrees 28 minutes 37 seconds East, continuing along the north line of said Tract (A) and the southerly line of said Hudson Drive, a distance of 173.94 feet to a 1/2 inch iron rod found for the northeast corner of said Tract (A), also lying on the west line of Merritt Road a variable width right-of-way;

THENCE South 00 degrees 14 minutes 29 seconds West along the west line of said Merritt Road, a distance of 265.43 feet to a 1/2-inch iron rod with cap stamped “HALFF” found for an angle point in same;
THENCE South 00 degrees 17 minutes 44 seconds East, continuing along the west line of said Merritt Road, a distance of 914.60 feet to a 5/8-inch iron rod with cap stamped “WAI” found for corner;

THENCE South 87 degrees 03 minutes 13 seconds West, leaving the west line of said Merritt Road, a distance of 177.54 feet to a 1/2-inch iron rod found for the northeast corner of said City of Sachse tract recorded in Instrument Number 201700347810 of the Official Public Records of Dallas County, Texas;

THENCE South 89 degrees 05 minutes 27 seconds West, along the north line of last mentioned City of Sachse tract. a distance of 228.63 feet to the POINT OF BEGINNING containing 1,558,598 square feet, or 35.780 acres of land.

IMPROVEMENT AREA #1 TRACT (2)

BEING a tract of land situated in the Richard Copeland Survey, Abstract No. 228, City of Sachse, Dallas County, Texas and being a portion of a called 76.043-acre tract of land described as Tract 1 in Special Warranty Deed to PMB Station Land, LP, recorded in Instrument No. 201800267365, Official Public Records, Dallas County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8-inch iron rod with a plastic cap, stamped "RPLS 5430", found for the northwest corner of a tract of land described in Special Warranty Deed to the City of Sachse, Texas, recorded in Instrument No. 201700347810, Official Public Records, Dallas County, Texas, same being an inner ell corner of said 76.043-acre tract of land described as Tract 1;

THENCE South 0°15'35" East, along the westerly line of said City of Sachse tract and an easterly line of said 76.043-acre tract of land described as Tract 1, a distance of 360.71 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner, from said corner, a 5/8-inch iron rod with a plastic cap, stamped "RPLS 5430" found for the southwest corner of said City of Frisco tract bears South 00°15'35" East, 20.45 feet;

THENCE South 89°25'20" West, departing the westerly line of said City of Sachse tract, the easterly line of said 76.043-acre tract of land described as Tract 1, crossing said Tract 1, a distance of 740.96 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE North 45°15'50" West, continuing across said Tract 1, a distance of 14.06 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE North 0°02'59" East, continuing across said Tract 1, a distance of 654.21 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE North 45°13'57" East, continuing across said Tract 1, a distance of 14.10 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE South 89°35'05" East, continuing across said Tract 1, a distance of 70.12 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner at the beginning of a tangent curve to the right having a central angle of 7°30'44", a radius of 974.00 feet, a chord bearing and distance of South 85°49'43" East, 127.61 feet;

THENCE in a southeasterly direction, continuing across said Tract 1, with said curve to the right, an arc distance of 127.70 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE South 82°04'22" East, continuing across said Tract 1, a distance of 326.14 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE South 82°21'44" East, continuing across said Tract 1, a distance of 69.96 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE South 0°37'07" East, continuing across said Tract 1, a distance of 243.39 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner;

THENCE North 89°22'53" East, continuing across said Tract 1, a distance of 146.33 feet to the POINT OF BEGINNING and containing 10.144 acres (441,887 square feet) of land, more or less.

IMPROVEMENT AREA #1 TRACT (3)

BEGINNING at a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for the southeast corner of Street "A" as dedicated in Pleasant Valley Road and Street A, an addition to the City of Sachse, Texas, according to the Final Plat, recorded in Instrument No. ______________ Official Public Records, Dallas County, Texas, same also being on the southerly line of said 3.022-acre tract and the northerly right of way line of President George Bush Turnpike, a 350' wide right of way;

THENCE North 42°29'16" West, departing the southerly line of said 3.022-acre tract, the northerly right of way line of said President George Bush Turnpike, and along the easterly line of said Street "A", a distance of 29.47 feet to a point for corner;

THENCE North 0°02'59" East, continuing along the easterly line of said Street "A", a distance of 238.88 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for corner;

THENCE North 44°44'10" East, along the easterly line of said Street "A", a distance of 14.22 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for corner the intersection of the easterly right of way line of said Street "A" with the southerly right of way line of Pleasant Valley Road, an 84' wide right of way, as dedicated in said Pleasant Valley Road and Street A;

THENCE North 89°25'20" East, along the southerly right of way line of said Pleasant Valley Road, a distance of 349.63 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for corner;

THENCE South 44°25'20" West, departing the southerly right of way line of said Pleasant Valley Road and crossing said 3.022-acre tract, a distance of 14.14 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for corner;

THENCE South 0°34'40" East, continuing across said 3.022-acre tract, a distance of 18.44 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set at the beginning of a tangent curve to the left having a central angle of 19°50'56", a radius of 229.00 feet, a chord bearing and distance of South 10°30'08" East, 78.94 feet;

THENCE in a southeasterly direction, continuing across said 3.022-acre tract, with said curve to the left, an arc distance of 79.33 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set at the beginning of a reverse curve to the right having a central angle of 19°50'56", a radius of 271.00 feet, a chord bearing and distance of South 10°30'08" East, 93.41 feet;

THENCE in a southeasterly direction, continuing across said 3.022-acre tract, with said curve to the right, an arc distance of 93.88 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for corner;

THENCE South 0°34'40" East, continuing across said 3.022-acre tract, a distance of 96.85 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for corner;

THENCE South 41°23'23" East, continuing across said 3.022-acre tract, a distance of 30.27 feet to a 5/8-inch iron rod with a plastic cap, stamped "KHA" set for a corner on the southerly line of said 3.022-acre tract and the northerly right of way line of aforesaid President George Bush Turnpike, and being at the beginning of a non-tangent curve to the left having a central angle of 2°49'24", a radius of 7815.00 feet, a chord bearing and distance of North 83°32'24" West, 385.06 feet;

THENCE in a northwesterly direction, along the southerly line of said 3.022-acre tract and the northerly right of way line of said President George Bush Turnpike, and with said curve to the left, an arc distance of 385.09 feet to the POINT OF BEGINNING and containing 2.463 acres (107,308 square feet) of land, more or less.

EXHIBIT D-3 – MAJOR IMPROVEMENT AREA LEGAL DESCRIPTION

METES AND BOUNDS DESCRIPTION OF MAJOR IMPROVEMENT AREA
122.299 ACRES

Being approximately 170.686 acres of land within the District as more particularly described in **Exhibit M-1**; SAVE AND EXCEPT the approximately 48.387-acre tract of land comprising Improvement Area #1 as more particularly described in **Exhibit M-2.**

EXHIBIT E – DCAD TAXABLE VALUES

Date Printed: 25-June-2020

Time Printed: 4:28 pm

Dallas Central Appraisal District

Tax Increment Financing For 2019

Years Eligible: 2019 - 2049

Percentage: 50 %

City Of Sachse

111 - Sachse Pmb Tif #2

Account	Owner Name	Market Value Base	Market Value Mars	Market Value Increment	Taxable Value Base	Taxable Value Mars	Taxable Value Increment
2019							
65022863010010200	Pmb Station Land Lp	$640	$6,930	3,145	$4	$4	0
65022863010020000	Pmb Station Land Lp	$2,281,160	$8,276,260	2,997,550	$9,890	$8,276,260	4,133,185
65022863010030000	Pmb Station Land Lp	$87,540	$162,710	37,585	$87,540	$162,710	37,585
65022863010040000	Pmb Station Land Lp	$206,560	$280,700	37,070	$308	$279	(14)
65022863010040100	Pmb Station Land Lp	$276,560	$857,390	290,415	$825	$852	13
65022863010040200	Pmb Station Land Lp	$182,280	$1,143,060	480,390	$1,128	$1,137	4
65022863010080000	Pmb Station Land Lp	$236,670	$1,472,760	618,045	$901	$901	0
65092877510020000	Pmb Station Land Lp	$144,050	$432,160	144,055	$144,050	$432,160	144,055
65092877510020100	Pmb Station Land Lp	$4,740	$20,650	7,955	$4,740	$20,650	7,955
65092877510020200	Pmb Station Land Lp	$6,670	$19,990	6,660	$6,670	$19,990	6,660
65100943010010000	Pmb Station Land Lp	$137,760	$394,920	128,580	$596	$394,920	197,162
65100943010020000	Pmb Station Land Lp	$20,850	$53,060	16,105	$20,850	$53,060	16,105
65100943010030000	Pmb Station Land Lp	$88,830	$379,760	145,465	$226	$379,760	189,767
65100943010030100	Pmb Station Land Lp	$117,000	$233,810	58,405	$21,071	$233,810	106,369
	Entity Totals:	**3,791,310**	**13,734,160**		**298,799**	**9,976,493**	
Grand Total:	**14 Accounts**	**Market Increment:**		**4,971,425**			**4,838,846**

The City of SACHSE

Agenda Item Details

Meeting	Oct 05, 2020 - City Council Regular Meeting
Category	E. Regular Agenda Items
Subject	5. Consider an agreement between the City of Sachse and Goddard Enterprises in the amount of ninety-four thousand and fifty-four dollars and zero cents ($94,054.00) for electrical component and software upgrade to the Outdoor Warning Siren system.
Access	Public
Type	Action, Information
Preferred Date	Oct 05, 2020
Absolute Date	Oct 05, 2020
Fiscal Impact	Yes
Dollar Amount	94,054.00
Budgeted	Yes
Budget Source	FY 20/21 Supplement
Recommended Action	Approve an agreement between the City of Sachse and Goddard Enterprises in the amount of ninety-four thousand and fifty-four dollars and zero cents ($94,054.00) for electrical component and software upgrade to the Outdoor Warning Siren system.
Goals	Strategically invest in the City's existing and future infrastructure.

Public Content

BACKGROUND

An assessment of the current Outdoor Warning Sirens recommended a complete electrical component upgrade and the addition of control software. All mechanical features are functioning properly and will continue to be used.

OVERVIEW

The upgrade will include replacement of all electrical components of all eight (8) sirens. It also includes the installation of the CommanderOne software, linking all eight (8) sirens onto one network, which allows for remote activation, system error/failure monitoring, and immediate notifications.

POLICY CONSIDERATIONS

There are no policy considerations affiliated with this item.

RECOMMENDATION

Approve an agreement between the City of Sachse and Goddard Enterprises in the amount of ninety-four thousand and fifty-four dollars and zero cents ($94,054.00) for electrical component and software upgrade to the Outdoor Warning Siren system.

Outdoor Warning Sirens Upgrade Presentation.pdf (468 KB)

Outdoor Warning Sirens Upgrade

City Council

October 5, 2020

The City of
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Overview

- Outdoor Warning Sirens Overview
- Current Condition
- Recommended Upgrade Specifics
- New Features
- Maintenance
- Recommendation

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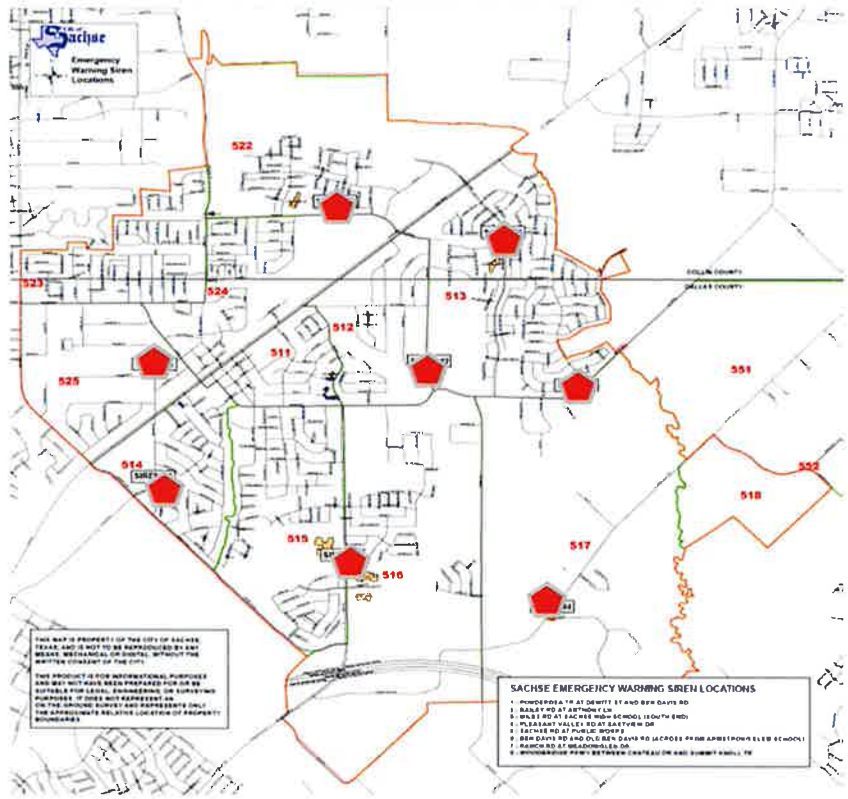
Outdoor Warning Sirens (OWS) Overview

- The City of Sachse has 8 OWS
  - 4 Federal Sirens
  - 4 American Signal Sirens
- All batteries were replaced for 6 sirens this year
- 2 sirens did not have cabinets designed for batteries so the decision to wait was made



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Current Condition

- The sirens are activated manually in Sachse Dispatch
- Testing is conducted by RACES every month at each siren site
  - RACES will continue to physically test the new system quarterly
- Over the years, pieces of the system have been replaced
  - Some not designed for sirens
  - Many different brands and types
  - Very “Piecemeal”
  - Little to no consistency
- All sirens are functional at this time
  - Goddard Enterprises is doing a great job keeping them up and running

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Recommended Upgrade Specifics

- The mechanical sirens are functional and still in good shape.
- All electrical components will be replaced
  - They will be designed for OWS
  - The upgrade includes new cabinets and electrical enclosures
- **Federal's CommanderOne Software** will be installed and all sirens linked

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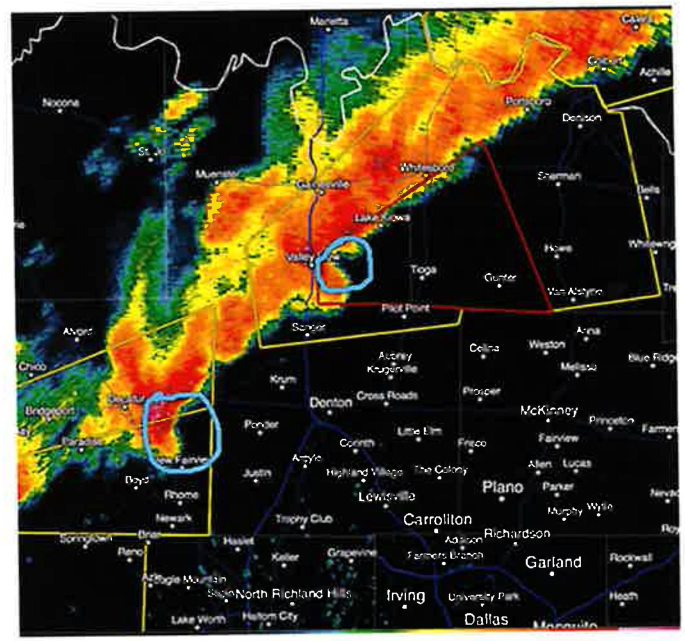
New Features

- 24/7 remote monitoring by city staff and Goddard
  - Automatic system error/failure notifications
  - All sirens linked into one network
- Multiple activation points
  - Mobile app, PC, Dispatch
  - NWS Polygon
  - Custom Polygon
- Nixel – Everbridge upgrade tie in availability



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Maintenance

FY 18/19

Maintenance Contract $6,650

Annual Repairs $3,773

FY 19/20

Maintenance Contract $15,284 (New Vender - Goddard Enterprises, LLC)

Annual Repairs $1,070

FY 20/21

Maintenance Contract $15,284

Funding Available for Annual Repairs $15,000

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Recommendation

- Staff recommends approval of an agreement between the City of Sachse and Goddard Enterprises for $94,054.00 for electrical component and software upgrade to the Outdoor Warning Siren system.

The City of SACHSE

The City of SACHSE

Agenda Item Details

Meeting	Oct 05, 2020 - City Council Regular Meeting
Category	E. Regular Agenda Items
Subject	6. Discuss and make a recommendation on the 2020 Christmas Extravaganza event.
Access	Public
Type	Action, Discussion
Recommended Action	Approve and authorize the City Manager to enter into an agreement with Christmas Decor to provide a holiday lighting display on the City Municipal Campus for the 2020 season.

Public Content

BACKGROUND

For the past several years, the Christmas Extravaganza event has been planned for the first Wednesday in December. With the uncertainty of COVID-19 restrictions still being in place in December, and the current executive orders enacted by the Governor, staff have determined that the best course of action would be to modify the event. Staff is recommending an alternative to the traditional format of the Christmas Extravaganza in order to comply with current COVID-19 restrictions while still providing residents with an opportunity to enjoy the Christmas festivities. Parks and Recreation Director Lance Whitworth will present a recommendation for this modified event.

RECOMMENDATION

Approve and authorize the City Manager to enter into an agreement with Christmas Decor to provide a holiday lighting display on the City Municipal Campus for the 2020 season.

Christmas Extravaganza Presentation.pdf (1,624 KB)

Christmas Extravaganza Recommendation

City Council

October 5, 2020

The City of
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Considerations

- Governor's September 17 executive order limits public gatherings to ten people.
- There is uncertainty whether these restrictions will still be in-place on the event date.
- Given the limitations in hosting our traditional outdoor events, staff plans to modify the Christmas Extravaganza in order to provide residents with an opportunity to participate in holiday activities on the Sachse municipal campus.

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Christmas Lighting on the Campus

- Staff has researched companies that will set up a Christmas light display around the City Complex for citizens to drive through and enjoy.
- The light displays will be set-up from the week after Thanksgiving through the new year. This will allow residents over a month to visit the campus and enjoy the lights.
- Christmas Décor has presented staff with the best layout across the campus.

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Christmas Décor Proposal

- To provide a seamless holiday event that uses every reasonable inch of the campus in order to create the most value for a holiday drive thru park.
- There will be small breaks between items in order to separate certain themes. Within each theme, they find that typically 8ft to 10ft spacing angled correctly provides the most enjoyment for drive through parks.
- In addition to the holiday displays, they will be wrapping around 60 trees in a manner that best accents certain themes. Some will be trunk wrapped and some will be trunk and canopy wrapped.

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Christmas Décor Proposal

- They plan to use several formations to round out the themes and create transitions from one theme to the next.
- Many of the items that are seen on the next few slides are typical of pieces of what they use in their parks. Not all pieces will be exact and there will be many new pieces not shown.
- New pieces would be purchased if the decision is made to have Christmas Décor provide holiday lighting for the campus.
- They strive to constantly build on our display and provide a unique experience each and every season.

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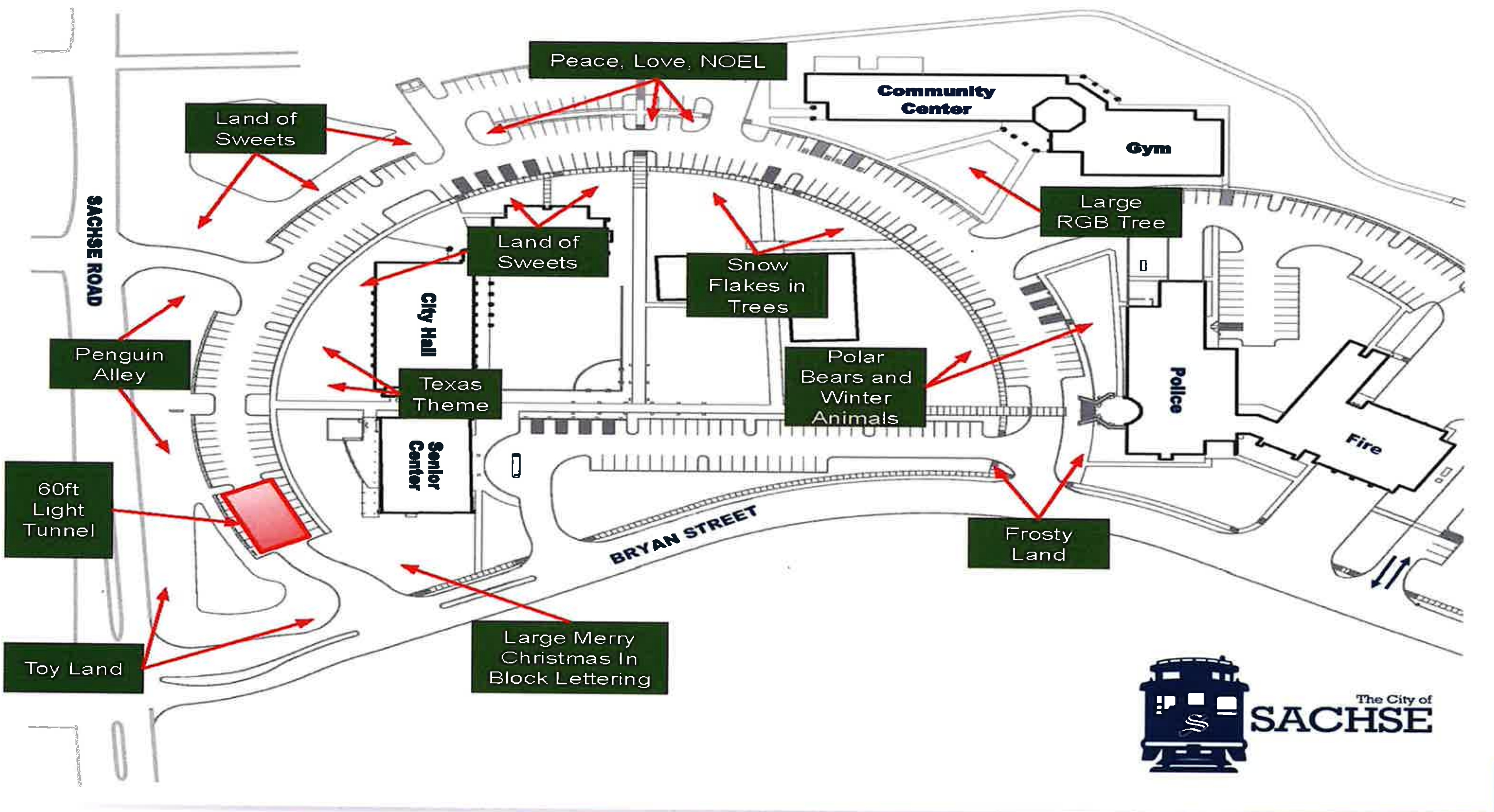


Peace, Love, NOEL
Land of Sweets
Community Center
Gym
SACHSE ROAD
Land of Sweets
Snow Flakes in Trees
Large RGB Tree
City Hall
Penguin Alley
Texas Theme
Polar Bears and Winter Animals
Police
Fire
Senior Center
60ft Light Tunnel
BRYAN STREET
Frosty Land
Toy Land
Large Merry Christmas In Block Lettering
The City of SACHSE

Land of Sweets

The City of SACHSE

Land of Sweets

Rather than having arches for Land of Sweets we could line the street with giant Candy Canes and create a drive of Sweets for the guest. Each unit would be 8' tall

The City of SACHSE

Light Tunnel

The City of SACHSE

Light Tunnel

60 ft. color wave tunnel of lights to amaze guests that drive through the complex

Snowflake Lane

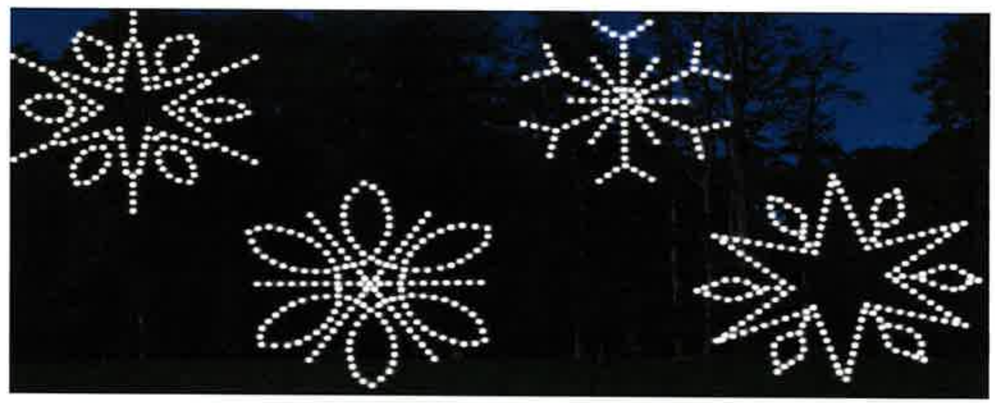
Snowflakes will be used throughout the trees. There will be:

24 – 3 ft. snowflakes

24 – 4 ft. snowflakes

24 – 5 ft. snowflakes

24 – 6 ft. snowflakes



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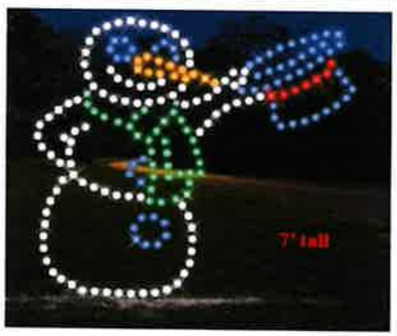
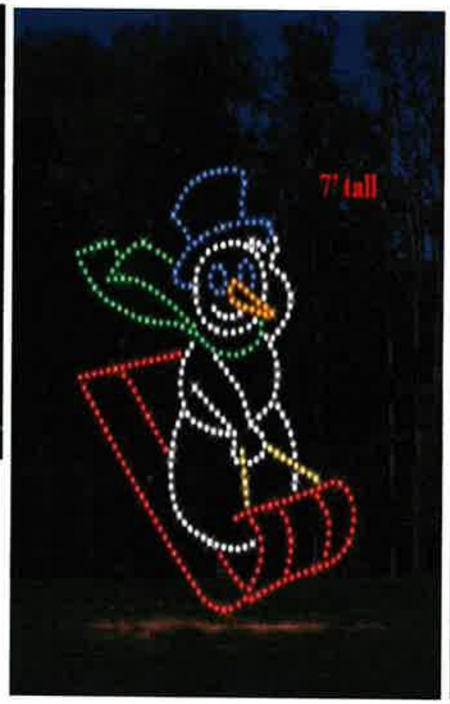
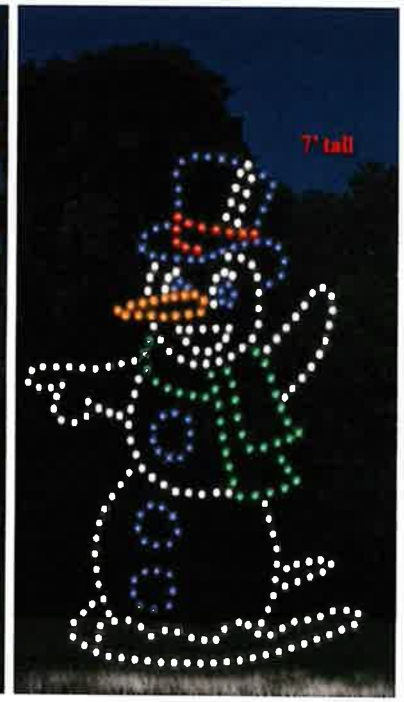
Now landing at the North Pole







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Skating Polar Bears

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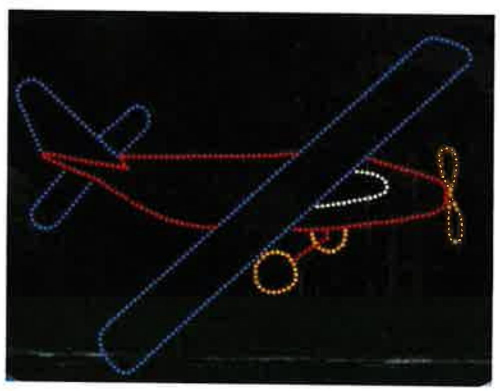
Toyland (units range from 6 -12 ft. tall)





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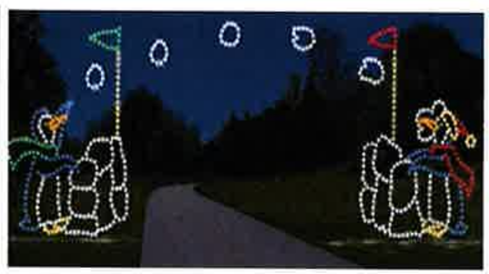
Penguin Alley



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Next Steps

- The proposed light display for the campus would be $47,000.
- Set up would begin in November 2020.
- The display would be active the week after Thanksgiving through the New Year.
- Council approval for the City Manager to enter into an agreement with Christmas Décor to provide a holiday lighting display for 2020.

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