

CERTIFICATE FOR AN ORDINANCE

THE STATE OF TEXAS §
COUNTIES OF HARRIS AND CHAMBERS §

I, the undersigned officer of the City Council of the City of Baytown, Texas, hereby certify as follows:

1. The City Council of the City of Baytown, Texas, convened in a regular meeting on the 27th day of June 2024, at the regular meeting place thereof, within said City, and the roll was called of the duly constituted officers and members of said City Council, to wit:

Brandon Capetillo	Mayor
Laura Avarado	Council Member, District 1
Sarah Graham	Council Member, District 2
Ken Griffith	Council Member, District 3
James Franco	Council Member, District 4
Jacob Powell	Council Member, District 5
Mike Lester	Council Member, District 6

and all of said persons were present, except the following absentee(s): None, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

AN ORDINANCE OF THE CITY OF BAYTOWN, TEXAS APPROVING A SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR PHASE #1 PROJECTS FOR THE BAY CREEK PUBLIC IMPROVEMENT DISTRICT (THE "DISTRICT"); MAKING A FINDING OF SPECIAL BENEFIT TO CERTAIN PROPERTY IN THE DISTRICT; LEVYING ASSESSMENTS AGAINST CERTAIN PROPERTY WITHIN THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR PAYMENT OF THE ASSESSMENT IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE ASSESSMENTS; PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE

was duly introduced for the consideration of said City Council and read in full. It was then duly moved and seconded that said Ordinance be adopted; and, after due discussion, said motion, carrying with it the adoption of said Ordinance, prevailed and carried by the following vote:

7 Member(s) of City Council shown present above voted "Aye".

0 Member(s) of City Council shown present above voted "No".

0 Member(s) of City Council shown present abstained from voting.

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2. A true, full and correct copy of the aforesaid Ordinance adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said Ordinance has been duly recorded in said City Council's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council's minutes of said meeting pertaining to the adoption of said Ordinance; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said Ordinance would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED this 27th day of June, 2024.





City Clerk
City of Baytown, Texas



CAPITOL
SERVICES

1474948

Return Acknowledgement to:

Capitol Services, Inc.
PO Box 1831
Austin, TX 78767
800.345.4647

*Certificate for Ordinance Approving
Service and Assessment Plan (Bay Creek PID)*

RP-2024-237051

ORDINANCE NO. 2024-15,835

AN ORDINANCE OF THE CITY OF BAYTOWN, TEXAS APPROVING A SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR PHASE #1 PROJECTS FOR THE BAY CREEK PUBLIC IMPROVEMENT DISTRICT (THE “DISTRICT”); MAKING A FINDING OF SPECIAL BENEFIT TO CERTAIN PROPERTY IN THE DISTRICT; LEVYING ASSESSMENTS AGAINST CERTAIN PROPERTY WITHIN THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR PAYMENT OF THE ASSESSMENT IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE ASSESSMENTS; PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Baytown, Texas (the “City”) received a petition meeting the requirements of Sec. 372.005 of the Public Improvement District Assessment Act (the “Act”) requesting the creation of a public improvement district over a portion of the area within the corporate limits of the City to be known as the Bay Creek Public Improvement District (the “District”); and

WHEREAS, on June 24, 2021, the City Council approved a resolution (the “Resolution”) to provide for a public hearing date on July 22, 2021 to consider the creation of the District; and

WHEREAS, notice of the hearing was published in a newspaper of general circulation in the City in which the District is to be located on July 4, 2021; and,

WHEREAS, on June 28, 2021, notice to the owners of property within the proposed District was sent by first-class mail to the owners of 100% of the property subject to assessment under the proposed District containing the information required by the Act such that such owners had actual knowledge of the public hearing to be held on July 22, 2021; and

WHEREAS, the City Council approved the creation of the District by Resolution approved on July 22, 2021 (the " Creation Resolution") and published the Creation Resolution as authorized by the Act; and

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

WHEREAS, the District is to be developed in phases and assessments are anticipated to be levied in each development phase; and

WHEREAS, pursuant to Sections 372.013, 372.014, and 372.016 of the Act, the City Council has directed the preparation of a Preliminary Service and Assessment Plan for Phase #1 Projects within Phase #1 of the District (the “Service and Assessment Plan”) and an assessment roll for Phase #1 of the District (the “Phase #1 Assessment Roll”) that states the assessment

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against each assessable property (the “Phase #1 Assessed Property”) within Phase #1 of the District (the “Phase #1 Assessments”); and

WHEREAS, the City called a public hearing regarding the proposed levy of Phase #1 Assessments pursuant to the Service and Assessment Plan and the proposed Phase #1 Assessment Roll on property within Phase #1 of the District, pursuant to Section 372.016 of the Act; and

WHEREAS, the City, pursuant to Section 372.016(b) of the Act, published notice in a newspaper of general circulation within the City to consider the proposed Service and Assessment Plan for the District and the levy of the Phase #1 Assessments, as defined in the Service and Assessment Plan, on property in Phase #1 of the District; and

WHEREAS, the City Council, pursuant to Section 372.016(c) of the Act caused the mailing of notice of the public hearing to consider the proposed Service and Assessment Plan and the Phase #1 Assessment Roll attached to the Service and Assessment Plan and the levy of Phase #1 Assessments on property in the District to the last known address of the owners of the property liable for the Assessments; and

WHEREAS, the City Council convened the public hearing at 6:00 p.m. on the 27th day of June, 2024, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Service and Assessment Plan, the Phase #1 Assessment Roll, and the proposed Phase #1 Assessments, and to offer testimony pertinent to any issue presented on the amount of the Phase #1 Assessments, the allocation of the costs of the Phase #1 Projects, the purposes of the Phase #1 Assessments, the special benefits of the Phase #1 Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Phase #1 Assessments; and

WHEREAS, the developer of property within the District as described in the Service and Assessment Plan for the District has substantially completed the Phase #1 Projects within the District; and

WHEREAS, the City wishes to levy Phase #1 Assessments on the property within the District for the Phase #1 Projects as set forth in the Service and Assessment Plan; and

WHEREAS, the City Council finds and determines that the Service and Assessment Plan and Phase #1 Assessment Roll attached thereto should be approved and that the Phase #1 Assessments should be levied on property within the District as provided in this Ordinance and the Service and Assessment Plan and Phase #1 Assessment Roll; and

WHEREAS, the City Council further finds that there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of the costs of the Phase #1 Projects, the Phase #1 Assessment Roll or the levy of Phase #1 Assessments; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements

filed with the District, determined to proceed with the adoption of this Ordinance in conformity with the requirements of the Act.

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

Section 1. Findings. The findings and determinations set forth in the preambles hereto are hereby incorporated by reference for all purposes.

Section 2. Terms. Terms not otherwise defined herein are defined in the Service and Assessment Plan attached hereto as Exhibit A.

Section 3. Findings. The findings and determinations set forth in the preambles are hereby incorporated by reference for all purposes. The City Council hereby finds, determines and orders, as follows:

- a. The apportionment of the costs of the Phase #1 Projects, and the Annual Collection Costs pursuant to the Service and Assessment Plan is fair and reasonable, reflects an accurate presentation of the special benefit each Phase #1 Assessed Property will receive from the Phase #1 Projects identified in the Service and Assessment Plan, and is hereby approved;
- b. The Service and Assessment Plan covers a period of at least five years and defines the annual indebtedness and projected costs for the Phase #1 Projects;
- c. The Service and Assessment Plan apportions the costs of the Phase #1 Projects to be assessed against each Phase #1 Assessed Property in Phase #1 of the District and such apportionment is made on the basis of special benefits accruing to each Phase #1 Assessed Property because of the Phase #1 Projects.
- d. All of the real property in Phase #1 of the District which is being assessed in the amounts shown in the Service and Assessment Plan and Phase #1 Assessment Roll will be benefited by the Phase #1 Projects proposed to be provided through the District in the Service and Assessment Plan, and each parcel of real property in the District will receive special benefits during the term of the Phase #1 Assessments equal to or greater than the total amount assessed;
- e. The method of apportionment of the costs of the Phase #1 Projects and Annual Collection Costs set forth in the Service and Assessment Plan results in imposing equal shares of the costs of the Phase #1 Projects and Annual Collection Costs on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the costs;
- f. The Service and Assessment Plan should be approved as the service plan and assessment plan for the District, as described in Sections 372.013 and 372.014 of the Act;

- g. The Phase #1 Assessment Roll in the form attached to the Service and Assessment Plan should be approved as the assessment roll for Phase #1 of the District;
- h. The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Phase #1 Assessments, interest on Annual Installments, interest and penalties on delinquent Phase #1 Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Phase #1 Assessments should be approved and will expedite collection of the Phase #1 Assessments in a timely manner in order to provide the improvements needed and required for Phase #1 of the District; and
- i. A written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered and formally acted upon.

Section 4. Assessment Plan. The Service and Assessment Plan is hereby accepted and approved pursuant to Sections 372.013 and 372.014 of the Act as a service plan and an assessment plan for the Phase #1 Projects within the District.

Section 5. Assessment Roll. The Phase #1 Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the Act as the assessment roll for the Phase #1 Projects within the District.

Section 6. Levy and Payment of Phase #1 Assessments for Costs of Phase #1 Projects.

- a. The City Council hereby levies the Phase #1 Assessments on each Phase #1 Assessed Property located within Phase #1 of the District, as shown and described in the Service and Assessment Plan and the Phase #1 Assessment Roll, in the respective amounts shown on the Phase #1 Assessment Roll, as special assessments on the properties within Phase #1 of the District as set forth in the Service and Assessment Plan and the Phase #1 Assessment Roll.
- b. The levy of the Phase #1 Assessments shall be effective on the date of execution of this Ordinance levying Assessments and strictly in accordance with the terms of the Service and Assessment Plan.
- c. The collection of the Phase #1 Assessments shall be as described in the Service and Assessment Plan.
- d. Each Phase #1 Assessment may be pre-paid or paid in Annual Installments pursuant to the terms of the Service and Assessment Plan.

- e. Each Phase #1 Assessment shall bear interest at the rate or rates specified in the Service and Assessment Plan.
- f. Each Annual Installment shall be collected each year in the manner set forth in the Service and Assessment Plan.
- g. The Annual Collection Costs for Phase #1 Assessed Properties shall be calculated pursuant to the terms of the Service and Assessment Plan.

Section 7. Method of Assessment. The method of apportioning the costs of the Phase #1 Projects is as set forth in the Service and Assessment Plan.

Section 8. Penalties and Interest on Delinquent Assessments. Delinquent Phase #1 Assessments shall be subject to the penalties, interest, procedures and foreclosure sales set forth in the Service and Assessment Plan. The Assessments shall have lien priority as specified in the Act and the Service and Assessment Plan.

Section 9. Prepayments of Assessments. As provided in Section 372.018(f) of the Act and in the Service and Assessment Plan, the owner (the “Owner”) of any Phase #1 Assessed Property may prepay the Phase #1 Assessments levied by this Ordinance as set forth in the Service and Assessment Plan.

Section 10. Lien Priority. As provided in the Act, the City Council and owners of the Phase #1 Assessed Property intend for the obligations, covenants and burdens on the owners of Phase #1 Assessed Property, **including without limitation such owner’s obligations related to** payment of the Phase #1 Assessments and the Annual Installments, to constitute a covenant running with the land. The Phase #1 Assessments and the Annual Installments levied hereby shall be binding upon the Phase #1 Assessed Property, and the owners of Phase #1 Assessed Properties, and their respective transferees, legal representatives, heirs, devisees, successors and assigns in the same manner and for the same period as such parties would be personally liable for the payment of ad valorem taxes under applicable law. Phase #1 Assessments shall have lien priority as specified in the Act.

Section 11. Administrator and Collector of Assessments.

- a. Administrator. The City shall administer the Service and Assessment Plan and the Phase #1 Assessments levied by this Ordinance. The City has appointed a **third-party administrator (the “Administrator”) to administer the Service and Assessment Plan and the Phase #1 Assessments.** The Administrator shall perform the duties of the Administrator described in the Service and Assessment Plan and in this Ordinance. **The Administrator’s fees, charges and expenses for providing such services shall constitute an Annual Collection Cost.**
- b. Collector. The City may collect the assessments or may, by future action, appoint a third-party collector of the Phase #1 Assessments. The City is hereby authorized to enter into an agreement with a third-party for the collection of the Phase #1 Assessments. The City may also contract with any other qualified collection agent selected by the City or may collect the Phase #1 Assessments on

its own behalf. The costs of such collection contracts shall constitute an Annual Collection Cost.

Section 12. Applicability of Tax Code. To the extent not inconsistent with this Ordinance and the Act or other laws governing public improvement districts, the provisions of the Texas Tax Code shall be applicable to the imposition and collection of Phase #1 Assessments by the City.

Section 13. Severability. If any provision, section, subsection, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Ordinance or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council that no portion hereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

Section 14. Effective Date. This Ordinance shall take effect, and the levy of the Phase #1 Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage thereof.

PASSED AND APPROVED on second reading this 27th day of June, 2024.

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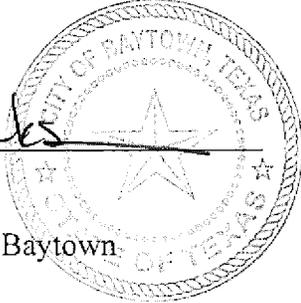
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Brandon Capetillo
Mayor, City of Baytown

ATTEST:


Angela Jackson
City Secretary, City of Baytown



APPROVED AS TO FORM:

/s/ Scott Lemond
City Attorney, City of Baytown

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

Before me, the undersigned authority, on this day personally appeared Brandon Capetillo Mayor of the City of Baytown, known to me to be such persons who signed the above and acknowledged to me that such persons executed the above and foregoing Ordinance in my presence for the purposes stated therein.

Given under my hand and seal of office this 27th day of June, 2024.

Notary Public, State of Texas

[NOTARY ST

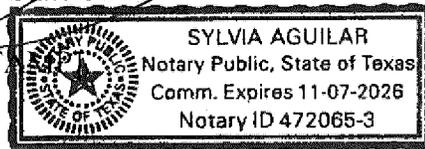


EXHIBIT A

SERVICE AND ASSESSMENT PLAN
AND PHASE #1 ASSESSMENT ROLL

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**BAY CREEK
PUBLIC IMPROVEMENT DISTRICT**

CITY OF BAYTOWN, TEXAS

SERVICE AND ASSESSMENT PLAN

June 27, 2024

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

RP-2024-237051

BAY CREEK PUBLIC IMPROVEMENT DISTRICT

SERVICE AND ASSESSMENT PLAN

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I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On October 14, 2021, the City Council of the City of Baytown, Texas passed and approved Resolution No. 2750 approving and authorizing the creation of the Bay Creek Public Improvement District (the “PID”) to finance the costs of certain public improvements for the benefit of property in such public improvement district, all of which is located within the City of Baytown.

The property in the PID is proposed to be developed in multiple phases, and the PID will finance public improvements as the property within the PID is developed. Assessments will be imposed on all property in the PID for the public improvements that benefit the entire PID and on the property in each phase for the public improvements to be constructed for the benefit of that phase.

Chapter 372 of the Texas Local Government Code, the “Public Improvement Assessment Act” (as amended, the “PID Act”), governs the creation and operation of public improvement districts within the State of Texas. This Bay Creek Public Improvement District Service and Assessment Plan (the “Service and Assessment Plan”) has been prepared in accordance with the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan “must (1) cover a period of at least five years; (2) define the annual indebtedness and the projected costs for improvements; and (3) include a copy of the notice form required by Section 5.014, Property Code.” Additionally, the PID act requires that “the governing body of the municipality or county shall review and update the service plan annually for the purpose of determining the annual budget for improvements.” The service plan is described in Section IV of this Service and Assessment Plan. The copy of the notice form required by Section 5.014 of the Texas Property Code, as amended, is attached hereto as Appendix E.

Section 372.014 of the PID Act requires that “an assessment plan must be included in the annual service plan.” The assessment plan is described in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act requires that “the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district.” The method of assessing the costs of the Authorized Improvements and apportionment of such costs to the property in the PID is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act requires that “after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter.” The Phase #1 Assessment Roll is included as Appendix G of this Service and Assessment Plan. The Assessments as shown in the Assessment Roll are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

B. DEFINITIONS

Capitalized terms used herein shall have the meanings ascribed to them as follows:

“Actual Cost(s)” means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a Certification for Payment that has been reviewed and approved by the City. Actual Cost may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor construction management fees, if any, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, and property taxes (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, City permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs may include general contractor’s fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five percent of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

“Additional Interest” means the 0.50% additional interest rate charged on Assessments (if applicable) pursuant to Section 327.018 of the PID Act.

“Administrative Expenses” mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the Bonds, (v) paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and other laws applicable to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized

Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds. Administrative Expenses collected and not expended for actual Administrative Expenses in one year may be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

“Administrator” means the employee or designee of the City, identified in any indenture of trust relating to the Bonds or in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

“Annual Installment” means, with respect to each Parcel, each annual payment of: (i) the Assessments including both principal and interest, as shown on the Assessment Rolls attached hereto Appendix G, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) plus additional interest, upon the issuance of Bonds, (iii) and the Administrative Expenses.

“Annual Service Plan Update” has the meaning set forth in Section IV.A of this Service and Assessment Plan.

“Assessed Property” means the property that benefits from the Authorized Improvements to be provided by the PID on which Assessments have been imposed as shown in each Assessment Roll, as each Assessment Roll is updated each year by the Annual Service Plan Update. Assessed Property includes all Parcels within the PID other than Non-Benefited Property.

“Assessment” means an assessment levied against a Parcel or Lot imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act.

“Assessment Ordinance” means an Assessment Ordinance adopted by the City Council approving the Service and Assessment Plan (including amendments or supplements to the Service and Assessment Plan) and levying the Assessments.

“Assessment Revenues” mean the revenues actually received by or on behalf of the City from the collection of Assessments.

“Assessment Roll” means the Phase #1 Assessment Roll or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

“Authorized Improvements” mean those public improvements described in Appendix B of this Service and Assessment Plan and Section 372.003 of the PID Act, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

“Bonds” mean bonds, if any, issued by the City in one or more series and secured in whole or in part by the Assessment Revenues.

“Budgeted Cost(s)” means the amounts budgeted to construct the Authorized Improvements as used in the preparation of this Service and Assessment Plan.

“City” means the City of Baytown, Texas.

“City Council” means the duly elected governing body of the City.

“County” means Harris County, Texas.

“Delinquent Collection Costs” mean interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment in accordance with the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorney’s fees.

“Developer” means Castlerock Communities, LLC, a Texas limited liability company.

“Development Agreement” means that certain "Development Agreement" relating to the PID executed by and between the Developer and the City effective October 21, 2021, as the same may be amended from time to time.

“Future Phase(s)” means Phases that are fully developed after Phase #1, as such areas are generally depicted and described in Appendix A.

“Future Phase Assessed Property” means all Parcels within the Future Phases other than Non-Benefited Property.

“Future Phase Bonds” mean bonds issued to fund Future Phase Improvements (or a portion thereof) in a Future Phase that are secured by Assessments levied on Future Phase Assessed Property. In connection with Future Phase Bonds, Assessments related to such Future Phase Bonds will be levied only on property located within the applicable Future Phase to finance Authorized Improvements which will only benefit such Future Phase.

“Future Phase Improvements” mean those Authorized Improvements which will confer a special benefit solely related to the Future Phases.

“Homeowner Association” means a homeowner’s association or property owners’ association established for the benefit of property owners within the boundaries of the PID.

“Homeowner Association Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a Homeowner’s Association.

“Lot” means a tract of land described as a “lot” in a subdivision plat recorded in the official public records of the County.

“Lot Type” means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator and confirmed by the City Council as shown in Appendix F. In the case of single family residential lots, the Lot Type shall be further defined by classifying the residential lots by the estimated average home value for each home at the time of assessment levy, considering factors such as density, lot size, proximity to amenities, view premiums, location, and any other factors that may impact the average home value on the lot, as determined by the Administrator and confirmed by the City Council.

“Major Improvements” mean the Authorized Improvements which benefit all Assessed Property within the PID and are described in Section III.B.

“Non-Benefited Property” means Parcels that accrue no special benefit from the Authorized Improvements, Public Property and easements that create an exclusive use for a public utility provider to the extent they accrue no special benefit. Property identified as Non-Benefited Property at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel, that is not assessed. Assessed Property converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the provisions herein, remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI.D.

“Parcel” or **“Parcels”** means a parcel or parcels within the PID identified by either a tax map identification number assigned by the Harris Central Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the real property records of the County, or by any other means determined by the City.

“Phase” means one or more Parcels within the PID that will be developed in the same general time period. The Parcels within a Phase will be assessed in connection with the issuance of Bonds and/or execution of a Reimbursement Agreement for Authorized Improvements (or the portion thereof) designated in an update to this Service and Assessment Plan that specially benefit the Parcels within the Phase.

“Phase #1” means the initial Phase to be developed and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix G.

“Phase #1 Assessed Property” means all Parcels within Phase #1 other than Non-Benefited Property and shown in the Phase #1 Assessment Roll against which an Assessment relating to the Phase #1 Projects are levied.

“Phase #1 Assessments” mean an assessment levied against a Parcel in Phase #1, for Phase #1 Projects, imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Phase #1 Assessment Roll as Appendix G, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act.

“Phase #1 Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of Phase #1 Assessments levied against Phase #1 Assessed Property, or the Annual Installments thereof, for the Phase #1 Projects.

“Phase #1 Assessment Roll” means the document included in this Service and Assessment Plan as Appendix G, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds, if any, or in connection with any Annual Service Plan Update.

“Phase #1 Improvements” mean the Authorized Improvements which only benefit Phase #1 Assessed Property, which are described in Section III.C.

“Phase #1 Maximum Assessment Per Unit” means for Phase #1, an Assessment per unit for Phase #1 Authorized Improvements for each applicable Lot Type as follows:

Lot Type 1 - \$32,783.29
Lot Type 2 - \$29,190.60

“Phase #1 Projects” mean (i) the pro rata portion of the Major Improvements allocable to Phase #1, and (ii) the Phase #1 Improvements.

“Phase #1 Reimbursement Agreement” means that certain Bay Creek Public Improvement District Phase #1 Reimbursement Agreement dated as of June 27, 2024 by and between the City and the Developer in which the Developer agrees to fund certain Actual Costs of Authorized Improvements and the City agrees to reimburse the Developer for a portion of such Actual Costs funded by the Developer with interest as permitted by the PID Act.

“PID” has the meaning set forth in Section I.A of this Service and Assessment Plan.

“PID Act” means Texas Local Government Code Chapter 372, Public Improvement District Assessment Act, Subchapter A, Public Improvement Districts, as amended.

“Prepayment Costs” mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

“Public Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, Harris County, the City, a school district or any other public agency, whether in fee simple or through an exclusive use easement.

“Reimbursement Agreement” means those certain Reimbursement Agreements by, including the Phase #1 Reimbursement Agreement, by and between the City and the Developer in which the City agrees to reimburse the Developer for a portion of those Actual Costs of Authorized Improvements funded by the Developer, as permitted by the PID Act.

“Service and Assessment Plan or “SAP” means this Service and Assessment Plan prepared for the PID pursuant to the PID Act, as the same may be amended from time to time.

“Trustee” means the fiscal agent or trustee as specified in the Trust Indenture, including a substitute fiscal agent or trustee.

“Trust Indenture” means an indenture of trust, ordinance or similar document setting forth the terms and other provisions relating to the Bonds, as modified, amended, and/or supplemented from time to time.

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II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the City and contains approximately 76.086 acres of land. A map of the property within the PID is shown in Appendix A and described in Appendix C to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 272 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots and the classification of each lot are based upon the proposed development plan.

The property within the PID is proposed to be developed as follows:

Table II-A
Proposed Development

Proposed Development	Quantity	Measurement
55 Ft Lots	62	Units
50 Ft Lots	210	Units
Total	272	Units

B. PROPERTY INCLUDED IN PHASE #1

Phase #1 consists of approximately 41.954 acres and is projected to consist of 143 single family residential units, as further described in Section III. A map of the property within Phase #1 is shown in Appendix A.

The property within Phase #1 is proposed to be developed as follows:

Table II-B
Proposed Development – Phase #1

Proposed Development	Quantity	Measurement
55 Ft Lots	35	Units
50 Ft Lots	108	Units
Total	143	Units

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C. PROPERTY INCLUDED IN FUTURE PHASES

As Future Phases are developed, Bonds may be issued and/or additional Reimbursement Agreements may be executed for each new Phase. In connection with the issuance of a series of Bonds and/or execution of a Reimbursement Agreement relating to a Future Phase, this Service and Assessment Plan will be updated to add additional details of each new Phase(s) similar to what is shown for Phase #1 in Section II.B. A map of the projected property within each Future Phase is shown in Appendix A. The Future Phases are shown for illustrative purposes only and are subject to adjustment. The current Parcels in Phase #1 are shown on the Phase #1 Assessment Roll included as Appendix G.

The estimated number of units at the build-out of the PID is based on the land use approvals for the property, the anticipated subdivision of property in the PID, and the Developer's estimate of the highest and best use of the property within the PID.

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III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

372.003. Authorized Improvements

(a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.

(b) A public improvement may include:

- (i) landscaping;
- (ii) erection of fountains, distinctive lighting, and signs;
- (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
- (iv) construction or improvement of pedestrian malls;
- (v) acquisition and installation of pieces of art;
- (vi) acquisition, construction, or improvement of libraries;
- (vii) acquisition, construction, or improvement of off-street parking facilities;
- (viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;
- (ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
- (x) the establishment or improvement of parks;
- (xi) projects similar to those listed in Subdivisions (i)-(x);
- (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
- (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement;
- (xiv) payment of expenses incurred in the establishment, administration and operation of the district; and
- (xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed in Section III.B and Section III.C and shown in the opinion of probable costs and on the diagrams of the Authorized Improvements included as Appendix B and Appendix D, respectively, for the benefit of the Assessed Property. Any change to the list of Authorized Improvements will require the approval of the City and an update to this Service and Assessment Plan.

B. DESCRIPTIONS AND BUDGETED COSTS OF MAJOR IMPROVEMENTS

The Major Improvements benefit the entire PID. The Budgeted Costs of the Major Improvements are allocated proportionally throughout the entire PID, excluding Non-Benefited Property, in a manner that anticipates planned development of the PID based on the anticipated buildout value. Each of the Phase #1 and the Future Phases will be proportionally allocated the costs of the Major Improvements, as shown in Table III-A.

The Major Improvements descriptions are presented below as provided by the project engineer. The Budgeted Costs of the Major Improvements are shown in Table III-A. The costs shown in Table III-A are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

A description of the Major Improvements follows:

Water Improvements

The water improvement portion of the Major Improvements consists of construction and installation of waterline mains, valves, and appurtenances, necessary for the water distribution system that will service the Assessed Property. The water improvements will be designed and constructed according to City standards and specifications and will be owned and operated by the City.

Sanitary Sewer Improvements:

The sanitary sewer improvement portion within Phase #1 consist of construction and installation of pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to the Assessed Property. The sanitary sewer improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements

The storm drainage improvement portion of the Major Improvements consist of reinforced concrete pipes, reinforced concrete boxes, multi-reinforced box culverts, junction boxes, inlets, headwalls, appurtenances, and regional detention necessary to provide adequate drainage to the Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Landscaping, Parks, and Trail Improvements:

The detention, landscaping, and trail improvement portion within Phase #1 consists of trailhead, lighting, water fountains and amenities. The detention, landscaping, and trail improvements will be designed and constructed according to City standards and will be owned and operated by the City.

Other soft and miscellaneous costs

The soft and miscellaneous costs portion of the Major Improvements consists of engineering and surveying, project management fees, contingency, PID set up costs, and other soft and miscellaneous costs.

Table III-A
Budgeted Costs – Major Improvements

Authorized Improvements	Total Major Improvement Costs¹	Phase #1 Allocated Amount²	Future Phases Allocated Amount²
Water improvements	\$33,098	\$17,436	\$15,662
Sanitary sewer improvements	\$1,089,140	\$573,752	\$515,388
Storm drainage improvements	\$513,050	\$270,271	\$242,779
Landscaping, parks, and trails improvements	\$2,000,000	\$1,053,587	\$946,413
Other soft and miscellaneous costs	\$57,467	\$30,273	\$27,194
Total Authorized Improvements	\$3,692,754	\$1,945,319	\$1,747,435

1 - The Budgeted Costs are certified and provided by CobbFendley. The figures shown in Table III-A represent the Budgeted Costs of the Major Improvements, are rounded, and may be reallocated between line items. At this time, the City is levying Assessments for the costs of the Major Improvements allocated to Phase #1, only, and is not levying Assessments for the costs of the Major Improvements allocated to Future Phases, though such costs may be levied for as part of Future Phases levies.

2 - Allocation of Major Improvements are based on the methodologies described in V.C and shown in Table V.A.

C. DESCRIPTIONS AND COSTS OF PHASE #1 AUTHORIZED IMPROVEMENTS

The Phase #1 Improvements descriptions are presented below as provided by the project engineer. The Budgeted Costs of the Phase #1 Projects are shown in Table III-B. The costs shown in Table III-B are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

A description of the Phase #1 Improvements are as follows, and a description of the Major Improvements that are a portion of the Phase #1 Projects can be found in Section III-B above.

Roadway Improvements:

The roadway improvement portion within Phase #1 includes construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements:

The water improvement portion within Phase #1 consists of construction and installation of waterlines, mains, pipes, valves, and appurtenances, necessary for the water distribution system that will service the Phase #1 Assessed Property. The water improvements will be designed and

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constructed in accordance with City standards and specifications and will be owned and operated by the City.

Sanitary Sewer Improvements:

The sanitary sewer improvement portion within Phase #1 consist of construction and installation of pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to the Phase #1 Assessed Property. The sanitary sewer improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements:

The storm drainage improvement portion within Phase #1 consist of reinforced concrete pipes, reinforced concrete boxes, and multi-reinforced box culverts. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Other Soft and Miscellaneous Costs:

The other soft and miscellaneous costs include costs related to general conditions, contractor overhead, performance bond and insurance, project management fee, contingency, and other soft costs.

**Table III-B
Budgeted Costs - Phase #1 Projects**

Authorized Improvements	Phase #1's Share of Major Improvements¹	Phase #1 Improvements²	Total Phase #1 Projects
Roadway improvements	\$0	\$1,836,970	\$1,836,970
Water improvements	\$17,436	\$501,875	\$519,310
Sanitary sewer improvements	\$573,752	\$878,638	\$1,452,390
Storm drainage improvements	\$270,271	\$1,673,966	\$1,944,237
Landscaping, parks, and trails improvements	\$1,053,587	\$0	\$1,053,587
Other soft and miscellaneous costs	\$30,273	\$244,572	\$274,845
Total	\$1,945,319	\$5,136,021	\$7,081,340

1 - See Table III-A. Allocation of Major Improvements are based on the methodologies described in V.C and shown in Table V.A.

2 - The Budgeted Costs are certified and provided by CobbFendley.

The costs shown in Tables III-B are estimates and may be revised in the Annual Service Plan Updates. The detailed costs of the Authorized Improvements are shown in Appendix B to this Service and Assessment Plan. After completion of the Phase #1 Improvements, savings from one line item may be applied to a cost increase in another line item only upon approval from the City. These savings may be applied only to increases in costs of the Phase #1 Improvements.

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D. FUTURE PHASES

As Future Phases are developed and Bonds are issued and/or a Reimbursement Agreement is executed, this SAP will be amended to identify the specific Authorized Improvements that confer a special benefit to the property inside each Future Phase (e.g. a Table III-C will be added to show the costs for the specific Authorized Improvements financed within the specific Future Phase being developed).

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IV. SERVICE PLAN

A. PROJECTED SOURCES AND USES OF FUNDS

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five-year period. It is anticipated that the Phase #1 Improvements will be completed and accepted by the City in the fourth quarter of 2024. It is anticipated that the Major Improvements, including Phase #1's allocable share of the Major Improvements, will be completed and accepted by the City in the fourth quarter of 2024.

The Budgeted Costs of the Phase #1 Projects plus costs related to the Phase #1 Reimbursement Agreement, and payment of expenses incurred in the establishment, administration and operation of the PID are \$7,156,340 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Actual Costs of the Authorized Improvements, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an "Annual Service Plan Update."

As Future Phases are developed in connection with the issuance of Bonds and/ or execution of a Reimbursement Agreement, this Service and Assessment Plan will be amended (e.g., Table IV-B will be amended to include Phase #2, etc.).

The City may issue Bonds and/or enter into a Reimbursement Agreement with the Developer to reimburse the Developer for the Actual Costs of the Authorized Improvements constructed, inspected and approved by the City from Assessment Revenues collected (excluding amounts collected for Administrative Expenses or Additional Interest). The sources and uses of funds shown in Table IV-A shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

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Table IV-A
Projected Sources and Uses – Phase #1 Projects

Sources of Funds	Total
Assessment Amount	\$4,300,000
Other funding sources ¹	\$2,856,340
Total Sources	\$7,156,340
Uses of Funds	
<i>Major Improvements²:</i>	
Water improvements	\$17,436
Sanitary sewer improvements	\$573,752
Storm drainage improvements	\$270,271
Landscaping, parks, and trails improvements	\$1,053,587
Other soft and miscellaneous costs	\$30,273
<i>Subtotal Major Improvement costs</i>	<i>\$1,945,319</i>
<i>Phase #1 Improvements:</i>	
Roadway improvements	\$1,836,970
Water improvements	\$501,875
Sanitary sewer improvements	\$878,638
Storm drainage improvements	\$1,673,966
Other soft and miscellaneous costs	\$244,572
<i>Subtotal Phase #1 costs</i>	<i>\$5,136,021</i>
<i>Other Assessment Related Costs:</i>	
Assessment levy fee and first year Administrative Expenses ³	\$75,000
<i>Subtotal Other Assessment Related Costs</i>	<i>\$75,000</i>
Total Uses	\$7,156,340

1 – Other funding sources include all sources of capital for use at the discretion by the Developer, except for Bond Proceeds from the PID Bonds.

2 – Includes only Major Improvement costs allocable to Phase #1. See Table III-B for more details.

3 – First year Administrative Expenses are being funded by the Developer.

B. PROJECTED FIVE -YEAR SERVICE PLAN

The annual projected costs and annual projected indebtedness is shown in Table IV-B. The annual projected costs and indebtedness is subject to revision and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

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Table IV-B
Annual Projected Costs and Annual Projected Indebtedness
Phase #1

Year	Annual Projected Cost	Annual Projected Indebtedness	Other Funding Sources	Projected Annual Installments
1 ¹	\$7,156,340	\$4,300,000	\$2,856,340	\$0
2	\$0	\$0	\$0	\$382,060
3	\$0	\$0	\$0	\$382,044
4	\$0	\$0	\$0	\$381,853
5	\$0	\$0	\$0	\$381,488
6	\$0	\$0	\$0	\$380,949
7	\$0	\$0	\$0	\$381,237
Total	\$7,156,340	\$4,300,000	\$2,856,340	\$2,289,630

1 – First year Administrative Expenses are being funded by the Developer.

The annual projected costs shown in Table IV-B are the annual expenditures relating to the Phase #1 Projects shown in Table III-A, the costs associated with creating the PID, and other assessment related costs. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

C. PID ASSESSMENT NOTICE

The PID Act requires that this Service and Assessment Plan, and each Annual Service Plan Update, include a copy of the “PID Assessment Notice” form (required by Section 5.014 of the Texas Property Code). The PID Assessment Notice is attached hereto as Appendix E and may be updated in an Annual Service Plan Update.

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V. ASSESSMENT PLAN

A. INTRODUCTION

The PID Act requires the City Council to apportion the costs of the Authorized Improvements on the basis of special benefits conferred upon the property because of the Authorized Improvements. The PID Act provides that the costs of the Authorized Improvements may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

The proposed Authorized Improvement program anticipates reimbursement agreements potentially followed by a series of bond financings that are intended to finance the public infrastructure required for the development. This financing will necessarily be undertaken in phases to coincide with the private investment and development of the Authorized Improvements. Following the execution of the Phase #1 Reimbursement Agreement subsequent financings may be issued and/ or executed over the upcoming decade as the subsequent Future Phases are gradually constructed.

The purpose of this gradual levy of Assessment and related execution of a reimbursement agreement and/ or issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The levy of Assessment and related execution of a reimbursement agreement and/ or issuance of bonds are most prudently and efficiently utilized when directly coinciding with construction of public infrastructure needed for private development that is to occur once the infrastructure is completed; it is most effective to issue the Bonds and/ or execute the reimbursement agreement when the infrastructure is needed, not before. Furthermore, there is no economic advantage, and several disadvantages, to issuing debt and encumbering property within the PID prior to the need for the Authorized Improvements.

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the Major Improvements and Phase #1 Improvements shall be allocated as described below:

1. The costs of the Phase #1 Improvements that only benefit Phase #1 shall be allocated on the basis of buildout value calculated using the average home price of each Lot Type once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.
2. The Major Improvement costs are proportionally allocated to Future Phases and Phase #1 Assessed Property based on estimated buildout value calculated using the average home price for the Future Phases and Phase #1 Assessed Property.

Table V-A provides the estimated allocation of Budgeted Costs of the Authorized Improvements constituting Major Improvements.

At this time, it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Phases will receive from the direct Authorized Improvements that will benefit each individual Phase and that are to be financed with Future Phase Bonds and/or a related reimbursement agreement. Therefore, Parcels will only be assessed for the special benefits conferred upon the Parcel at this time because of the Phase #1 Projects, as applicable.

In connection with the issuance of Future Phase Bonds and/or execution of related reimbursement agreements, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Phase #1 Assessed Property within a Future Phase receives from the specific Authorized Improvements funded with those Future Phase Bonds issued and/ or reimbursement agreements executed with respect to that Future Phase. Prior to assessing Parcels located within Future Phases in connection with issuance of Future Phase Bonds and/ or execution of reimbursement agreements, each owner of the Parcels to be assessed must acknowledge that the Authorized Improvements to be financed confer a special benefit on their Parcel and must consent to the imposition of the Assessments to pay for the Actual Costs of such Authorized Improvements.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Major Improvements and within Phase #1 as a result of the Phase #1 Improvements, as applicable, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments levied on the Phase #1 Assessed Property, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Major Improvements and Phase #1 Improvements, as applicable, to Parcels in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Parcels similarly benefited. The determination by the 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 Developer and all future owners and developers of the Phase #1 Assessed Property.

As Future Phases are developed, in connection with the issuance of Future Phase Bonds and/ or execution of related reimbursement agreements, this Service and Assessment Plan will be updated based on the City's determination of the assessment methodology for each Future Phase.

B. SPECIAL BENEFIT

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Phase #1 Projects (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs of issuance and payment of costs incurred in the establishment of the PID shown in Table IV-A are authorized by the PID Act. These Phase #1 Projects are provided specifically for the benefit of the Phase #1 Assessed Property.

Each owner of the Phase #1 Assessed Property has acknowledged that the Phase #1 Projects confer a special benefit on the Phase #1 Assessed Property and has consented to the imposition of the Phase #1 Assessments to pay for the Actual Costs associated therewith. Each of the owners is acting in its interest in consenting to this apportionment and levying of the Phase #1 Assessments because the special benefit conferred upon the Phase #1 Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

The Phase #1 Projects provide a special benefit to the Phase #1 Assessed Property as a result of the close proximity of these improvements to the Phase #1 Assessed Property and the specific purpose of these improvements of providing infrastructure for the Phase #1 Assessed Property. In other words, Phase #1 Assessed Property could not be used in the manner proposed without the construction of the Phase #1 Projects. Phase #1 Projects are being provided specifically to meet the needs of the Phase #1 Assessed Property as required for the proposed use of the property.

The Phase #1 Assessments are being levied to provide the Phase #1 Projects that are required for the highest and best use of the Phase #1 Assessed Property (i.e., the use of the property that is most valuable, including any costs associated with that use). Highest and best use can be defined as “the reasonably probable and legal use of property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.” (*Dictionary of Real Estate Appraisal, Third Edition.*) Phase #1 Projects are expected to be required for the proposed use of the Phase #1 Assessed Property to be physically possible, appropriately supported, financially feasible, and maximally productive.

The Developer has evaluated the potential use of the property and has determined that the highest and best use of the property is the use intended and the legal use for the property as described in Section II of this Service and Assessment Plan. The use of the Phase #1 Assessed Property as described herein will require the construction of the Phase #1 Projects.

Each owner of the Phase #1 Assessed Property will ratify, confirm, accept, agree to and approve: (i) the determinations and finding by the City Council as to the special benefits described in this Service and Assessment Plan and the Assessment Ordinance; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) the levying of Phase #1 Assessments on the Phase #1 Assessed Property. Use of the Phase #1 Assessed Property as described in this Service and Assessment Plan and as authorized by the PID Act requires that Phase #1 Projects be acquired, constructed, installed, and/or improved. Funding the Actual Costs of the Authorized Improvements through the PID has been determined by the City Council to be the most beneficial means of doing so. As a result, the Phase #1 Projects result in a special benefit to the Phase #1 Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the City Council.

In summary, the Phase #1 Projects result in a special benefit to the Phase #1 Assessed Property for the following reasons:

1. The Phase #1 Projects are being provided specifically for the use of the Phase #1 Assessed Property, are necessary for the proposed best use of the property and provide a special benefit to the Phase #1 Assessed Property as a result.

2. The Developer has consented to the imposition of the Phase #1 Assessments for the purpose of providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition.
3. The Phase #1 Projects are required for the highest and best use of the property;
4. The highest and best use of the Phase #1 Assessed Property is the use of the Phase #1 Assessed Property that is most valuable (including any costs associated with the use of the Phase #1 Assessed Property);
5. Financing of the costs of the Phase #1 Projects through the PID is determined to be the most beneficial means of providing for the Phase #1 Projects; and,
6. As a result, the special benefits to the Phase #1 Assessed Property from the Phase #1 Projects will be equal to or greater than the Phase #1 Assessments

C. ALLOCATION OF COSTS TO ASSESSED PROPERTY

The Major Improvements will provide a special benefit to all property in the PID. Accordingly, the Budgeted Major Improvement costs must be allocated throughout all Assessed Property in the PID. Table V-A summarizes the allocation of Budgeted Costs for each type of Major Improvement. The Budgeted Costs shown in Table V-A are estimates and may be revised in Annual Service Plan Updates, but the related Assessment may not be increased.

Phase #1 is projected to contain 143 residential units. As shown in Appendix F, the total estimated buildout value for Phase #1 is calculated as \$47,875,000. The Phases are projected to contain 129 residential units resulting in a estimated buildout value of \$43,005,000 (i.e. $(\$365,000 \times 27) + (\$325,000 \times 102) = \$43,005,000$). The total buildout in the PID is, therefore, calculated to be \$90,880,000 (i.e., $\$47,875,000 + \$43,005,000 = \$90,880,000$). As a result, 52.68 percent of the Budgeted Costs of the Major Improvements (i.e. $\$47,875,000 \div \$90,880,000 = 52.68\%$) are allocated to the Phase #1 Assessed Property and 47.32 percent of the Budgeted Costs of the Major Improvements (i.e. $\$43,005,000 \div \$90,880,000 = 47.32\%$) are allocated to the Future Phases. The Phase #1 Reimbursement Agreement will fund Phase #1's proportionate share of the Budgeted Costs of the Major Improvements. One hundred percent (100%) of the Phase #1 Improvements are allocated to the Phase #1 Assessed Property.

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Table V-A
Allocation of Major Improvement Costs

Authorized Improvement	Budgeted Costs
Water improvements	\$33,098
Sanitary sewer improvements	\$1,089,140
Storm drainage improvements	\$513,050
Landscaping, parks, and trails improvements	\$2,000,000
Other soft and miscellaneous costs	\$57,467
Total Major Improvements	\$3,692,754
Phase #1	
Projected buildout value	\$47,875,000
% of total buildout value ¹	52.68%
Proportionate share of costs	\$1,945,319
Future Phases	
Projected buildout value	\$43,005,000
% of total buildout value ¹	47.32%
Proportionate share of costs	\$1,747,435

1 - Percentages shown are rounded to two decimal places, and calculations are based on unrounded values.

D. ASSESSMENT METHODOLOGY

The costs of the Authorized Improvements may be assessed by the City Council against the Phase #1 Assessed Property so long as the special benefit conferred upon the Phase #1 Assessed Property by the Authorized Improvements equals or exceeds the Assessments. The costs of the Authorized Improvements may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Phase #1 Assessed Property similarly benefited.

1. Assessment Methodology for Phase #1 Projects

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Projects to be financed by the Developer under the Phase #1 Reimbursement Agreement, shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the ratio of the estimated buildout value of each Lot to the estimated total buildout value for all Parcels within Phase #1.

Based on the Budgeted costs of the Phase #1 Projects, as set forth in Table III-B, the City Council has determined that the benefit to Phase #1 Assessed Property from the Phase #1 Projects is at least equal to the Phase #1 Assessments levied on the Phase #1 Assessed Property.

Upon subsequent divisions of any Parcel, the Phase #1 Assessment applicable to it will then be apportioned pro rata based on the ratio of the estimated buildout value of each Lot to the total

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estimated buildout value for all Parcels. For residential Lots, when final residential building sites are platted, Phase #1 Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated buildout value at the time residential Lots are platted to the total estimated buildout value for Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council.

The Phase #1 Assessment and Annual Installments for each Parcel or Lot located within Phase #1 is shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

2. *Assessment Methodology for Future Phases*

When any given Future Phase is developed, and Bonds are issued and/or a Reimbursement Agreement is executed for each Future Phase, this Service and Assessment Plan will be amended to determine the assessment methodology that results in the imposition of equal shares of the Actual Costs on Future Phase Assessed Property similarly benefited within that Future Phase.

E. ASSESSMENTS

The Assessments for the Phase #1 Projects will be levied on each Parcel or Lot according to the Phase #1 Assessment Roll, as shown in Appendix G. The Annual Installments for the Phase #1 Projects Reimbursement Agreement will be collected on the dates and in the amounts shown on the Phase #1 Assessment Roll, subject to revisions made during an Annual Service Plan Update. Non-Benefited Property will not be subject to any Assessments.

See Appendix F for Phase #1 Assessment per unit, leverage, and estimated tax rate equivalent calculation details.

F. ADMINISTRATIVE EXPENSES

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of Assessment levied against the Parcel. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on each Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

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VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF PHASE #1 ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE # 1

The Phase #1 Assessment and Annual Installments for each Phase #1 Assessed Property is shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Phase #1 Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected from Phase #1 Assessed Property in an amount sufficient to pay (i) principal and interest on the Phase #1 Reimbursement Agreement, and (ii) to pay Administrative Expenses related to Phase #1 of the PID.

B. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN FUTURE PHASES

As Future Phases are developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Future Phase Assessed Property located within such Future Phase (e.g., an Appendix will be added as the Phase #2 Assessment Roll, etc.). The Assessments shall not exceed the benefit received by the Assessed Property.

C. REALLOCATION OF ASSESSMENTS

1. Subdivision

Upon the subdivision of any Parcel, the Assessment for the Parcel prior to the subdivision shall be reallocated among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

- A = the Assessment for each new subdivided Parcel
- B = the Assessment for the Parcel prior to subdivision
- C = the estimated buildout value to be built on each new subdivided Parcel
- D = the sum of the estimated buildout value to be built on all of the new subdivided Parcels

The calculation of the estimated buildout value to be built on a Parcel shall be performed by the Administrator and confirmed by the City Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The buildout value to be built on a Parcel may be estimated by net land area and reasonable density ratios.

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided

Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

2. Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

D. MANDATORY PREPAYMENT OF ASSESSMENTS

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the City the full amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.
2. If at any time the Assessment per unit on a Parcel exceeds the applicable Phase #1 Maximum Assessment Per Unit shown in this Service and Assessment Plan as a result of any changes in land use, subdivision, consolidation or reallocation of the Assessment authorized by this Service and Assessment Plan and initiated by the owner of the Parcel, then such owner shall pay to the City prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per Unit for the Parcel exceeds the applicable Phase #1 Maximum Assessment Per Unit calculated in this Service and Assessment Plan.
3. The payments required above shall be treated the same as any Assessment that is due and owing under the PID Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the PID Act.

E. REDUCTION OF ASSESSMENTS

1. If after all Authorized Improvements to be funded with a series of Bonds and/or by the Developer under a Reimbursement Agreement have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs of the Authorized Improvements used to calculate the Assessments securing such series of Bonds and/or Reimbursement Agreement, resulting in excess proceeds being available to redeem Bonds and/or reduce the obligation owed under a Reimbursement Agreement, and such excess proceeds shall be applied to redeem Bonds as provided in the Indenture or reduce the obligation owed under a Reimbursement Agreement then the Assessment securing such Bonds and/or Reimbursement

Agreement for each Parcel of Phase #1 Assessed Property shall be reduced by the City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the reduced Actual Costs. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds and/or Reimbursement Agreement.

2. If all the Authorized Improvements are not undertaken resulting in excess proceeds being available to redeem Bonds and/ or a need to reduce the obligations under a Reimbursement Agreement, and such excess proceeds shall be applied to redeem Bonds and/ or reduce obligations under a Reimbursement Agreement, as the case may be, as provided in any indenture of trust or the terms of a Reimbursement Agreement, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the City Council to reflect only the amounts required to repay the Bonds and/or redeem the obligation under a Reimbursement Agreement, including interest on the Bonds and/or Reimbursement Agreement and Administrative Expenses. The City Council may reduce the Assessments and the Annual Installments for each Parcel in a manner determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the Bonds and/or Reimbursement Agreement, including interest on the Bonds and/or Reimbursement Agreement and Administrative Expenses. The principal portion of the Assessment for each Parcel shall be reduced for each Parcel such that the sum of the resulting reduced principal portion of the Bonds and/or Reimbursement Agreement is equal to the outstanding principal amount of the Bonds and/or Reimbursement Agreement.

F. PAYMENT OF ASSESSMENTS

1. Payment in Full

- (a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest through the date of redemption of Bonds and reserve funds applied to the redemption under the Trust Indenture, net of any other costs applicable to the redemption of Bonds.
- (b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.
- (c) Upon payment in full of the Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the Trust Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.
- (d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part.
- (e) Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the

obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect interest, Annual Collection Costs and other authorized charges in installments. Upon the issuance of Bonds, an Assessment shall include Additional Interest. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Assessment Roll, as updated as provided for herein, which include interest and Annual Collection Costs. Payment of the Annual Installments shall commence with tax bills mailed after the levy of the Phase #1 Assessments.

Each Phase #1 Assessment shall be paid with interest of no more than the lesser of the actual interest rate paid on the Phase #1 Reimbursement Agreement. Interest on the Phase #1 Assessment relating to the Phase #1 Reimbursement Agreement shall be paid based on an interest rate of 6.42% per annum for years 1 through 5 and 6.42% per annum following the fifth Annual Installment. The interest on the Phase #1 Reimbursement Agreement shall be paid at a rate not to exceed five hundred basis points above the highest average index rate for tax-exempt bond reported in a daily or weekly bond index approved by the City and reported in the month prior to the establishment of the Assessments and continuing for a period of five years from such date. Such rate shall then adjust and shall not exceed two hundred basis points above the bond index rate described above and shall continue until the Assessments are paid in full. The index approved by the City is the Bond Buyer Index for which the highest average rate during 30 days prior to the levy of Assessments was 4.42% The City has determined that the Phase #1 Reimbursement Agreement shall bear interest at the interest rate of 6.42% per annum for years 1 through 5 and 6.42% per annum following the fifth Annual Installment, which rates are equal to or less than the initial maximum allowable rate of interest of 9.42% for years 1 through 5 and equal to the maximum allowable rate of interest following the fifth Annual Installment, which would be 6.42% Furthermore, the Annual Installments may not exceed the amounts shown on the Assessment Roll. The Assessment Roll is shown as Appendix G. Upon the issuance of Bonds, if any, to fund the Phase #1 Reimbursement Agreement, the Phase #1 Assessments shall bear interest at the rate of the Bonds issued to fund the Phase #1 Reimbursement Agreement plus Additional Interest.

The Annual Installments shall be reduced to equal the actual costs of repaying the Phase #1 Reimbursement Agreement and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

The City reserves and shall have the right and option to refund the Bonds, if any are issued, in accordance with Section 372.027 of the PID Act. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installments so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by

and established in the ordinance and/or the indenture authorizing and securing the refunding bonds, and such refunding bonds shall constitute Bonds for purposes of this Service and Assessment Plan.

G. COLLECTION OF ANNUAL INSTALLMENTS

No less frequently than annually, the Administrator shall prepare, and the City Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the applicable Trust Indenture, including capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the PID Act.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such property as they become due and payable.

The collection of the first Annual Installment for a Lot or Parcel shall be due upon the earlier of (i) with tax bills sent the first October after issuance of a series of Bonds, or (ii) January 31, 2025. Such first Annual Installment for a Lot or Parcel for which collection has begun, shall be due by January 31st of the following calendar year.

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VII. THE ASSESSMENT ROLL

A. PHASE #1 ASSESSMENT ROLL

The City Council has evaluated each Parcel within Phase #1 (based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the Public Property, the types of public improvements, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within Phase #1.

The Phase #1 Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Phase #1 Projects. Table VII-A summarizes the \$7,156,340 in special benefit received by the Phase #1 Assessed Property from the Phase #1 Projects. The par amount of the Phase #1 Reimbursement Agreement is \$4,300,000 which is equal to the benefit received by the Phase #1 Assessed Property. Accordingly, the total Assessment to be applied to all the Phase #1 Assessed Property is \$4,300,000 plus annual Administrative Expenses. The Assessment for each Phase #1 Assessed Property is calculated based on the allocation methodologies described in Section V. The Phase #1 Assessment Roll is attached hereto as Appendix G.

Table VII-A
Phase #1
Special Benefit Summary

Special Benefit	Total Cost
Total Authorized Improvements ¹	\$7,081,340
<u>Other Assessment Related Costs:</u>	
Assessment levy fee and first year Administrative Expenses	\$75,000
<i>Subtotal</i>	<i>\$75,000</i>
Total Special Benefit	\$7,156,340
<u>Special Benefit:</u>	
Total Special Benefit	\$7,156,340
Projected Special Assessment	\$4,300,000
Excess Benefit	\$2,856,340

¹See Table III-B for details.

B. FUTURE PHASES ASSESSMENT ROLL

As Future Phases are developed, this SAP will be amended to determine the Assessment for each Parcel or Lot located within such Future Phase (e.g. an appendix will be added as the Assessment Roll for Future Phases).

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C. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Phase #1 Assessment Roll in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the City and permitted by the PID Act: (i) the identification of each Parcel (ii) the Phase #1 Assessment for each Parcel of Phase #1 Assessed Property, including any adjustments authorized by this Service and Assessment Plan and in the PID Act; (iii) the Annual Installment for the Phase #1 Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Phae #1 Assessment, if any, as provided by Section VI.F. of this Service and Assessment Plan.

If Bonds are issued, the Phase #1 Assessment Roll shall be updated, which update may be done in the next Annual Service Plan Update, to reflect any changes resulting from the issuance of the Bonds. This update shall reflect the actual interest on the Bonds on which the Annual Installments shall be paid, any reduction in the Phae #1 Assessments, and any revisions in the Actual Costs to be funded by the Bonds and Developer funds.

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VIII. MISCELLANEOUS PROVISIONS

A. ADMINISTRATIVE REVIEW

The City may elect to designate a third party to serve as Administrator. The City shall notify Developer in writing at least thirty (30) days in advance before appointing a third party Administrator.

To the extent consistent with the PID Act, an owner of an Assessed Parcel claiming that a calculation error has been made in the Assessment Roll(s), including the calculation of the Annual Installment, shall send a written notice describing the error to the City not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Parcel owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the City Council for approval to the extent permitted by the PID Act. A cash refund may not be made for any amount previously paid by the Assessed Parcel owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council. Any amendments made to the Assessment Roll(s) pursuant to calculation errors shall be made pursuant to the PID Act.

The decision of the Administrator, or if such decision is appealed to the City Council, the decision of the City Council shall be conclusive. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

B. TERMINATION OF ASSESSMENTS

Each Assessment shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable "Notice of the PID Assessment Termination".

C. AMENDMENTS

Amendments to the Service and Assessment Plan can be made as permitted or required by the PID Act and under Texas law.

The City Council reserves the right to the extent permitted by the PID Act to amend this Service and Assessment Plan without notice under the PID Act and without notice to property owners of Parcels:(i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; and (iii) to provide procedures for the collection and enforcement of Assessments, Prepayment Costs, collection costs, and other charges imposed by the Service and Assessment Plan; and, (iv) to make any changes as determined by the City that do not require notice pursuant to the PID Act.

D. ADMINISTRATION AND INTERPRETATION OF PROVISIONS

The City Council shall administer the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the Trust Indenture, such determination shall be conclusive.

E. SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Service and Assessment Plan that no part hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

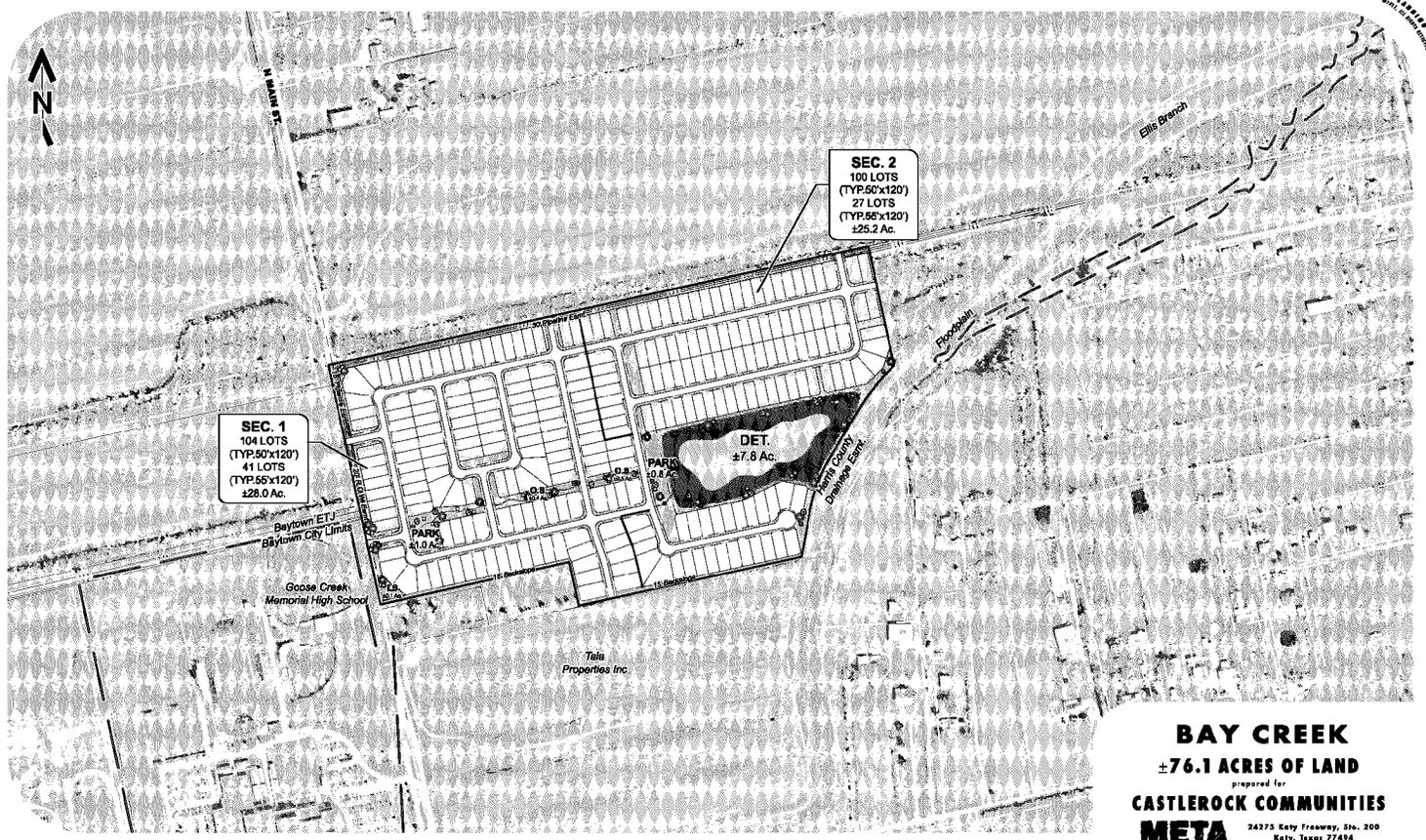
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APPENDIX A
PID MAP

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BAY CREEK
 ±76.1 ACRES OF LAND
 prepared for
CASTLEROCK COMMUNITIES

META 24375 Katy Freeway, Ste. 200
 Katy, Texas 77494
 Tel: 281-610-1452

SCALE 0 100 200 400
 MTA-1-599
 NOVEMBER 19, 2021

THIS DRAWING IS A GRAPHIC REPRESENTATION FOR PRESENTATION PURPOSES ONLY AND IS NOT FOR CONSTRUCTION OR CONSTRUCTION PURPOSES. SUCH DRAWINGS AS A SCHEMATIC SHOULD ONLY BE SUBJECT TO CHANGE WITHOUT NOTICE. META PLANNING & DESIGN MAY OR MAY NOT INTEGRATE ADDITIONAL INFORMATION PROVIDED BY OTHER CONSULTANTS, INCLUDING BUT NOT LIMITED TO THE TOPICS OF ENGINEERING AND DRAWINGS, FLOODPLAIN, LAND USE, ENVIRONMENTAL, AS WELL AS OTHERS. NO WARRANTIES, EXPRESS OR IMPLIED, CONCERNING THE PHYSICAL DESIGN, LOCATION, AND CHARACTER OF THE FACILITIES SHOWN ON THIS MAP ARE INTENDED. ADDITIONALLY, NO WARRANTY IS MADE TO THE ACCURACY OF THE INFORMATION CONTAINED HEREIN.

NORTH MAIN			
	SEC. 1	SEC. 2	
50'x120'	104 LOTS	100 LOTS	75%
55'x120'	41 LOTS	27 LOTS	25%
TOTAL 272 LOTS			

APPENDIX B
BUDGETED COSTS OF AUTHORIZED IMPROVEMENTS

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**ENGINEERS OPINION OF PROBABLE COST SUMMARY
TO SERVE BAY CREEK**

1/11/2024

WS&D	DETENTION POND 1	OFFSITE	LIFT STATION	SECTION 1	SECTION 2	GRAND TOTAL
SUBTOTAL STORM:	\$ 341,136.56	\$ 19,254.25	\$ -	\$ 1,664,740.60	\$ 893,945.00	\$ 2,919,076.41
SUBTOTAL SANITARY:	\$ -	\$ 188,643.50	\$ 900,496.90	\$ 878,637.60	\$ 510,457.00	\$ 2,478,235.00
SUBTOTAL WATER:	\$ -	\$ 33,097.50	\$ -	\$ 501,874.90	\$ 367,099.00	\$ 902,071.40
SUBTOTAL SWPPP:	\$ 7,769.50	\$ 4,300.00	\$ 3,540.00	\$ 9,225.00	\$ 35,800.00	\$ 60,634.50
CLEARING & GRUBBING:	\$ 19,040.00	\$ -	\$ -	\$ -	\$ -	\$ 19,040.00
MASS GRADING:	\$ 118,009.61	\$ -	\$ -	\$ -	\$ -	\$ 118,009.61
SUBTOTAL	\$ 485,955.67	\$ 245,295.25	\$ 904,036.90	\$ 3,054,478.10	\$ 1,807,301.00	\$ 6,497,066.92
CONTINGENCY**:	\$ -	\$ 12,264.76	\$ 45,201.85	\$ 152,723.91	\$ 271,095.15	\$ 481,285.66
FINAL WS&D:	\$ 485,955.67	\$ 257,560.01	\$ 949,238.75	\$ 3,207,202.01	\$ 2,078,396.15	\$ 6,978,352.58

PAVING	DETENTION POND 1	OFFSITE	LIFT STATION	SECTION 1	SECTION 2	GRAND TOTAL
SUBTOTAL PAVING:	\$ -	\$ -	\$ -	\$ 1,836,970.00	\$ 1,396,716.00	\$ 3,233,686.00
CONTINGENCY**:	\$ -	\$ -	\$ -	\$ 91,848.50	\$ 209,507.40	\$ 301,355.90
FINAL PAVING:	\$ -	\$ -	\$ -	\$ 1,928,818.50	\$ 1,606,223.40	\$ 3,535,041.90

PARKS / AMENITIES	DETENTION POND 1	OFFSITE	LIFT STATION	SECTION 1	SECTION 2	GRAND TOTAL
SUBTOTAL AMENITIES:	\$ -	\$ -	\$ -	\$ 2,000,000.00	\$ -	\$ 2,000,000.00
CONTINGENCY**:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FINAL AMENITIES:	\$ -	\$ -	\$ -	\$ 2,000,000.00	\$ -	\$ 2,000,000.00

	DETENTION POND 1	OFFSITE	LIFT STATION	SECTION 1	SECTION 2*	GRAND TOTAL
TOTAL	\$ 485,955.67	\$ 257,560.01	\$ 949,238.75	\$ 7,136,020.51	\$ 3,684,619.55	\$ 12,513,394.48

	TOTALS	LOT COUNT*	COST PER LOT*
GRAND TOTAL WITH DETENTION	\$ 12,513,394.48	272	\$ 46,005.13

Note: Pond 2 is not included in this estimate as it is located outside of the PID boundary but is required for Section 2 lot delivery.

*Estimated

**Contingency varies based on the completeness of the project. Projects that are complete include 0% contingency, projects in construction include 5%, and projects in design include 15%.

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APPENDIX C
LEGAL DESCRIPTION

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EXHIBIT A
Metes and Bounds

GILL Tracts HCAD #: 0402210000204 & 0402210000710

A tract or parcel of land containing approximately 32.5479 acres (HCAD 040-221-000-0710), plus the 1.0 acre homestead

(HCAD 040-221-0000-0204), being defined as the combination of the following two parcels, southerly portion of Tract

"B"

and all of Tract "C":

First: The southerly portion of the called 36.090 acre (Tract "B") described under Clerk's Number G-250574:

A tract or parcel of land containing 17.310 acres, being out of a called 36.090 acres (Tract "B") in the General Warranty

Deed conveying to Nadine Wilburn Tye, as described therein, filed for record under Clerk's File Number G-250574 of

the

Official Public Records of Real Property of Harris County, Texas, being out of the residue of the north one-half (72.09

acres) of Lot 13 of a subdivision of said Abstract 21, according to the map or plat recorded in Volume 72, Page 459 of

the

Deed Records of said Harris County, Texas, the called 72.09 acres described in the deed conveying to Earl W. Wilburn,

recorded in Volume 6553, Page 178 of the Deed Records (Clerk's Number C-399179, being Film Code Numbers

062-35-0464 through 0467) of Harris County, Texas, the said 36.09 acre tract being more particularly described as

follows:

BEGINNING at a set 1/2-inch iron rod marking the southwesterly corner of the said called 36.090 acre tract, being the

northwesterly corner of a called 18.045 acre tract described in the General Warranty Deed dated June 29, 1979,

conveying to JoAnne W. Gill, filed for record under Clerk's File Number G-157210, and being on the easterly line of

North

Main Street (80 feet wide);

THENCE North 09° 32' 01" West, along said easterly line, a distance of 308.04 feet to a set 1/2-inch iron rod;

THENCE North 80° 46' 48" East, leaving said easterly line, a distance of 2,624.18 feet to a 1/2-inch iron rod set, said

point being on the westerly line of a called 35.4530 acre tract recorded in the name of Larry Kent Murphy, et ux., under

Clerk's File Number V-277159 of the Official Public Records of Real Property of Harris County, Texas;

THENCE South 09° 38' 06" East, along the westerly line of the said 35.4530 acre tract, a distance of 26.23 feet to a

found 1/2-inch iron rod, said point marking the most northerly corner of a called 0.7403 acre tract known as Tract "7"

in the deed to Harris County, Texas, described under Clerk's File Number W-248899;

THENCE South 51° 17' 25" West, along the northwesterly line of said 0.7403 acre tract, a distance of 152.93 feet to a

found 1/2-inch iron rod, said point marking the beginning of a tangent curve to the left;

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THENCE Southwesterly, continuing along said northwesterly line and along the arc of said curve to the left, a distance of 135.20 feet, having a radius of 460.00 feet, through a central angle of 16° 50' 23", to a found 1/2-inch iron rod; THENCE South 34° 27' 01" West, continuing along said northwesterly line, a distance of 157.45 feet to a point for corner, from which a found 1/2-inch iron rod bears North 35° 51' 56" East - a distance of 1.56 feet; THENCE South 80° 47' 00" West, leaving said northwesterly line, a distance of 2,274.62 feet to the POINT OF BEGINNING.

Wilburn Tract HCAD #: 0402210000541

A tract or parcel of land containing 36.008 acres, more or less, in the George Ellis League, Abstract Number 21, Harris County, Texas, being out of a called 36.090 acres (Tract "B") in the General Warranty Deed conveying to Nadine Wilburn Tye, as described therein, filed for record under Clerk's File Number G-250574 of the Official Public Records of Real Property of Harris County, Texas, being out of the residue of the north one-half (72.09 acres) of Lot 13 of a subdivision of said Abstract 21, according to the map or plat recorded in Volume 72, Page 459 of the Deed Records of said Harris County, Texas, the called 72.09 acres described in the deed conveying to Earl W. Wilburn, recorded in Volume 6553,

Page 178 of the Deed Records (Clerk's Number C-399179, being Film Code Numbers 062-35-0464 through 0467) of Harris County, Texas, the said 36.008 acre tract being more particularly described as follows: COMMENCING at a set 1/2-inch iron rod, marking the southwesterly corner of said called 36.090 acre tract, same being the northwesterly corner of a called 18.045 acre tract (Tract C) conveyed to JoAnne W. Gill by General Warranty Deed(s) dated February 19, 1979, Clerk's File No. F-979760 and dated October 26, 1966, filed for record under Clerk's File No. G-157210, both of the Official Public Records of Real Property of Harris County, Texas, and being on the easterly line of North Main Street (80' wide); THENCE North 09° 32' 01" West, along said easterly line, a distance of 308.04 feet, to a set 1/2-inch iron rod marking the POINT OF BEGINNING; THENCE North 09° 32' 01" West, continuing along said easterly line, a distance of 597.85 feet to a point for corner from which a found 5/8-inch iron bears North 09° 36' 05" West - 0.61 feet, said point marking the southwesterly corner of a called 31.574 acres as described in a deed to Missouri Pacific Railroad Co. filed for record under Clerk's File No. R-802767 in the Official Public Records of Real Property of Harris County, Texas; THENCE North 80° 46' 48" East, leaving said easterly line and along the southerly line of said called 31.574 acre tract, a

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DESCRIPTION OF A TRACT OF LAND CONTAINING
41.954 ACRES (1,827,525 SQUARE FEET) SITUATED IN
GEORGE ELLIS LEAGUE, A-21 IN HARRIS COUNTY, TEXAS

Being a tract of land containing 41.954 acres (1,827,525 square feet) situated in the George Ellis League, A-21 in Harris County, Texas, being out of Lot 13 of the Subdivision of the George Ellis League, A-21, a subdivision plat recorded in Volume 72, Page 459 of the Deed Records of Harris County, Texas, being part of a called 36.028-acre tract as conveyed unto Castlerock Communities, LP, by deed recorded under County Clerk's File No. RP-2021-353568 of the Official Public Records of Real Property of Harris County, Texas, and also being part of a called 33.525-acre tract as conveyed unto Castlerock Communities, LP, by deed recorded under County Clerk's File No. RP-2021-357248 of the Official Public Records of Real Property of Harris County, Texas, said 41.954-acre tract being more particularly described by metes and bounds as follows:

BEGINNING at a found 2" iron pipe located on the northeasterly right-of-way line of North Main Street (80 feet wide at this point) for the southwesterly corner of said 33.525-acre tract, for the northwesterly corner of a called 2.2653-acre tract (Tract 2) as conveyed unto Matthew J. Seymour by deed recorded under County Clerk's File No. RP-2019-161688 of the Official Public Records of Real Property of Harris County, Texas, and for the southwesterly corner of said tract herein described;

THENCE North 12° 27' 14" West with the easterly right-of-way line of said North Main Street and the westerly line of said 33.525-acre tract, at a distance of 536.95 feet passing a found 1/2-inch iron rod with cap stamped "ESOR 2634" for the northwesterly corner of said 33.525-acre tract and for the southwesterly corner of said 36.028-acre tract, continuing with the easterly right-of-way line of said North Main Street and the westerly line of said 36.028-acre tract for a total distance of 1,135.11 feet to a found 5/8-inch iron rod for the northwesterly corner of said 36.028-acre tract, for the southwesterly corner of a called 31.574-acre tract as conveyed unto Missouri Pacific Railroad Company by deed recorded under County Clerk's File No. R802767, Film Code No. 507-28-0883 of the Official Public Records of Real Property of Harris County, Texas, and for the northwesterly corner of said tract herein described;

THENCE North 77° 51' 22" East with the northerly line of said 36.028-acre tract and the southerly line of said 31.574-acre tract, a distance of 1,207.75 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for the most westerly northeast corner of said tract herein described;

THENCE South 12° 10' 23" East over and across said 36.028-acre tract, a distance of 156.92 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE North 77° 49' 37" East, a distance of 7.00 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South 12° 10' 23" East, at a distance of 441.42 feet passing the south line of said 36.028-acre tract and the north line of said 33.525-acre tract, continuing over and across said 33.525-acre tract for a total distance of 461.00 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE North 77° 49' 37" East, a distance of 170.00 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South 12° 10' 23" East, a distance of 4.00 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE North 77° 49' 37" East, a distance of 1,160.45 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" located in the easterly line of said 33.525-acre tract, and the northwesterly line of a called 0.3388-acre tract as conveyed unto the County of Harris by deed recorded under County Clerk's File No. Y126107, Film Code No. 096-98-2426 of the Official Public Records of Real Property of Harris County, Texas, for the beginning of a non-tangent curve to the left and for the most easterly northeast corner of said tract herein described;

THENCE in a southwesterly direction with the easterly line of said 33.525-acre tract, the westerly line of said 0.3388-acre tract and with said non-tangent curve to the left whose radius is 1,000.00 feet and whose central angle is 09° 58' 24" (chord bears South 36° 30' 42" West, a distance of 173.85 feet) for an arc length of 174.07 feet to a found 1/2-inch iron rod with cap stamped "BHA" for a corner in the easterly line of said 33.525-acre, for a corner in the westerly line of said 0.3388-acre tract, for the point of tangency and for a corner in the easterly line of said tract herein described;

THENCE South 31° 31' 30" West continuing with the easterly line of said 33.525-acre tract and the westerly line of said 0.3388-acre tract, at a distance of 234.35 feet passing a point for the northwesterly corner of a called 0.2271-acre tract as conveyed unto the County of Harris by deed recorded under County Clerk's File No. Y012509, Film Code No. 594-51-2032 of the Official Public Records of Real Property of Harris County, Texas, from which a found 1/2-inch iron rod with cap stamped "BHA" bears South 36° 43' 38" East, a distance of 0.15 feet, continuing with the easterly line of said 33.525-acre tract and the westerly line of said 0.2271-acre tract for a total distance of 261.07 feet to a found 1/2-inch iron rod with cap stamped "BHA" for a corner in the easterly line of said 33.525-acre tract, for a corner in the westerly line of said 0.2271-acre tract for the beginning of a tangent curve to the left and for a corner of said tract herein described;

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distance of 2,623.12 feet to a found 2-inch iron pipe, said point being on the westerly line of a called 35.4530 acre tract described in a deed to Larry Kent Murphy, et ux., described in Clerk's File No. V-277159 in the Official Public Records of Real Property of Harris County, Texas;
THENCE South 09° 38' 06" East, along the westerly line of said 35.4530 acre tract, a distance of 597.85 feet to a set 1/2-inch iron rod;
THENCE South 80° 46' 48" West, leaving said westerly line, a distance of 2,624.18 feet to the POINT OF BEGINNING.

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THENCE in a southwesterly direction with the easterly line of said 33.525-acre tract, with the westerly line of said 0.2271-acre tract and with said tangent curve to the left whose radius is 690.00 feet and whose central angle is $08^{\circ} 39' 49''$ (chord bears South $27^{\circ} 11' 35''$ West, a distance of 104.23 feet) for an arc length of 104.33 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for the point of non-tangency and for the most easterly southeast corner of said tract herein described;

THENCE North $71^{\circ} 51' 13''$ West over and across said 33.525-acre tract, a distance of 35.18 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE North $14^{\circ} 39' 50''$ East, a distance of 10.56 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE North $32^{\circ} 17' 11''$ West, a distance of 13.65 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE North $79^{\circ} 14' 12''$ West, a distance of 103.29 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South $78^{\circ} 01' 37''$ West, a distance of 103.88 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South $66^{\circ} 10' 57''$ West, a distance of 168.59 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South $78^{\circ} 01' 37''$ West, a distance of 320.00 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South $33^{\circ} 01' 37''$ West, a distance of 14.14 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South $70^{\circ} 15' 25''$ West, a distance of 55.44 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South $19^{\circ} 44' 35''$ East, a distance of 28.32 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South 70° 15' 25" West, a distance of 50.00 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for the beginning of a non-tangent curve to the left and for an interior corner of said tract herein described;

THENCE in a northwesterly direction with said non-tangent curve to the left whose radius is 25.00 feet and whose central angle is 82° 41' 22" (chord bears North 61° 05' 15" West, a distance of 33.03 feet) for an arc length of 36.08 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for the point of tangency and for an interior corner of said tract herein described;

THENCE South 77° 34' 04" West, a distance of 102.61 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South 18° 29' 39" East, a distance of 64.45 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South 19° 44' 35" East, a distance of 80.31 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South 17° 00' 42" East, a distance of 125.35 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" for an interior corner of said tract herein described;

THENCE South 11° 58' 23" East, a distance of 80.50 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb Fendley & Associates" located on the southerly line of said 33.525-acre tract and the northerly line of a called 60.7025-acre tract as conveyed unto Tala Properties Inc., by deed recorded under County Clerk's File No. RP-2017-362761 of the Official Public Records of Real Property of Harris County, Texas, for the most westerly southeast corner of said tract herein described;

THENCE South 78° 01' 37" West with the southerly line of said 33.525-acre tract and the northerly line of said 60.7025-acre tract, a distance of 316.72 feet to a found 1-inch iron pipe for an angle point in the southerly line of said 33.525-acre tract, for the southeasterly corner of said 2.2653-acre tract, for an interior corner of said tract herein described;

THENCE North 12° 38' 10" West with the southerly line of said 33.525-acre tract and the easterly line of said 2.2653-acre tract, a distance of 206.67 feet to a found 1-inch iron pipe for an angle point in the southerly line of said 33.525-acre tract, for the northeasterly corner of said 2.2653-acre tract and for an interior corner of said tract herein described;

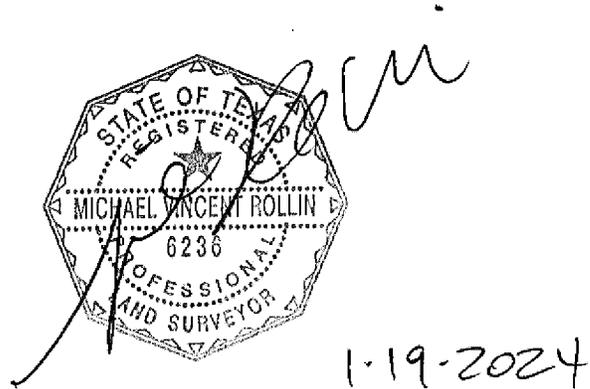
THENCE South 77° 34' 04" West with the southerly line of said 33.525-acre tract and the northerly line of said 2.2653-acre tract, a distance of 919.43 feet to the **POINT OF BEGINNING** and containing 41.954 acres (1,827,525 square feet) of land, more or less.

Notes:

1. All bearings shown hereon are based on the Texas State Coordinate System, South Central Zone (4204), NAD 83, 2001 adjustment.
2. Square footage area shown is for information only and surveyor does not certify accuracy of survey to nearest square foot.

Cobb, Fendley & Associates, Inc.
TBPELS Engineering Firm No. 274
Land Survey Firm No. 10046700
4424 W Sam Houston Parkway N, Suite 600
Houston, Texas 77041
Phone: 713-462-3242

Job Number 2110-001-18-02
January 19, 2024



RP-2024-237051

APPENDIX D
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

RP-2024-237051

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STATE OF TEXAS
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the presence of _____ and _____.

WITNESS MY HAND AND SEAL OF OFFICE THIS _____ DAY OF _____, 2024.

MY COMMISSION EXPIRES _____

NOTARY PUBLIC FOR THE STATE OF TEXAS

AN AUTHORIZED UNDER THE LAWS OF THE STATE OF TEXAS TO PRACTICE THE PROFESSION OF _____, I HEREBY CERTIFY THAT THE FOREGOING IS THE ACT AND DEED OF THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME AS SET FORTH IN THE FOREGOING INSTRUMENT, AND THAT THE SAID INSTRUMENT IS THE TRUE AND CORRECT COPY OF THE ORIGINAL INSTRUMENT AS SUBSCRIBED TO AND ACKNOWLEDGED BY THE SAID PERSONS.

NOTARY PUBLIC FOR THE STATE OF TEXAS

STATE OF TEXAS
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the presence of _____ and _____.

WITNESS MY HAND AND SEAL OF OFFICE THIS _____ DAY OF _____, 2024.

MY COMMISSION EXPIRES _____

NOTARY PUBLIC FOR THE STATE OF TEXAS

AN AUTHORIZED UNDER THE LAWS OF THE STATE OF TEXAS TO PRACTICE THE PROFESSION OF _____, I HEREBY CERTIFY THAT THE FOREGOING IS THE ACT AND DEED OF THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME AS SET FORTH IN THE FOREGOING INSTRUMENT, AND THAT THE SAID INSTRUMENT IS THE TRUE AND CORRECT COPY OF THE ORIGINAL INSTRUMENT AS SUBSCRIBED TO AND ACKNOWLEDGED BY THE SAID PERSONS.

NOTARY PUBLIC FOR THE STATE OF TEXAS



THIS IS TO CERTIFY THAT THE PLANNING AND ZONING COMMISSION OF THE CITY OF BAYTOWN, TEXAS, HAS APPROVED THE MAP OF BAY CREEK SECTION ONE AND THAT THE SAID MAP IS IN FULL COMPLIANCE WITH THE LAWS OF THE STATE OF TEXAS AND THE ORDINANCES OF THE CITY OF BAYTOWN, TEXAS AND APPROVED THE PLANNING AND ZONING COMMISSION.

DATE: _____

BY: _____

SECRETARY OF THE COMMISSION

STATE OF TEXAS
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the presence of _____ and _____.

WITNESS MY HAND AND SEAL OF OFFICE THIS _____ DAY OF _____, 2024.

MY COMMISSION EXPIRES _____

NOTARY PUBLIC FOR THE STATE OF TEXAS

AN AUTHORIZED UNDER THE LAWS OF THE STATE OF TEXAS TO PRACTICE THE PROFESSION OF _____, I HEREBY CERTIFY THAT THE FOREGOING IS THE ACT AND DEED OF THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME AS SET FORTH IN THE FOREGOING INSTRUMENT, AND THAT THE SAID INSTRUMENT IS THE TRUE AND CORRECT COPY OF THE ORIGINAL INSTRUMENT AS SUBSCRIBED TO AND ACKNOWLEDGED BY THE SAID PERSONS.

NOTARY PUBLIC FOR THE STATE OF TEXAS

BAY CREEK SECTION ONE

FINAL PLAT

A SUBDIVISION CONTAINING 41.954 ACRES

OUT OF THE GEORGE ELLIS SURVEY, A-21

HARRIS COUNTY, TEXAS

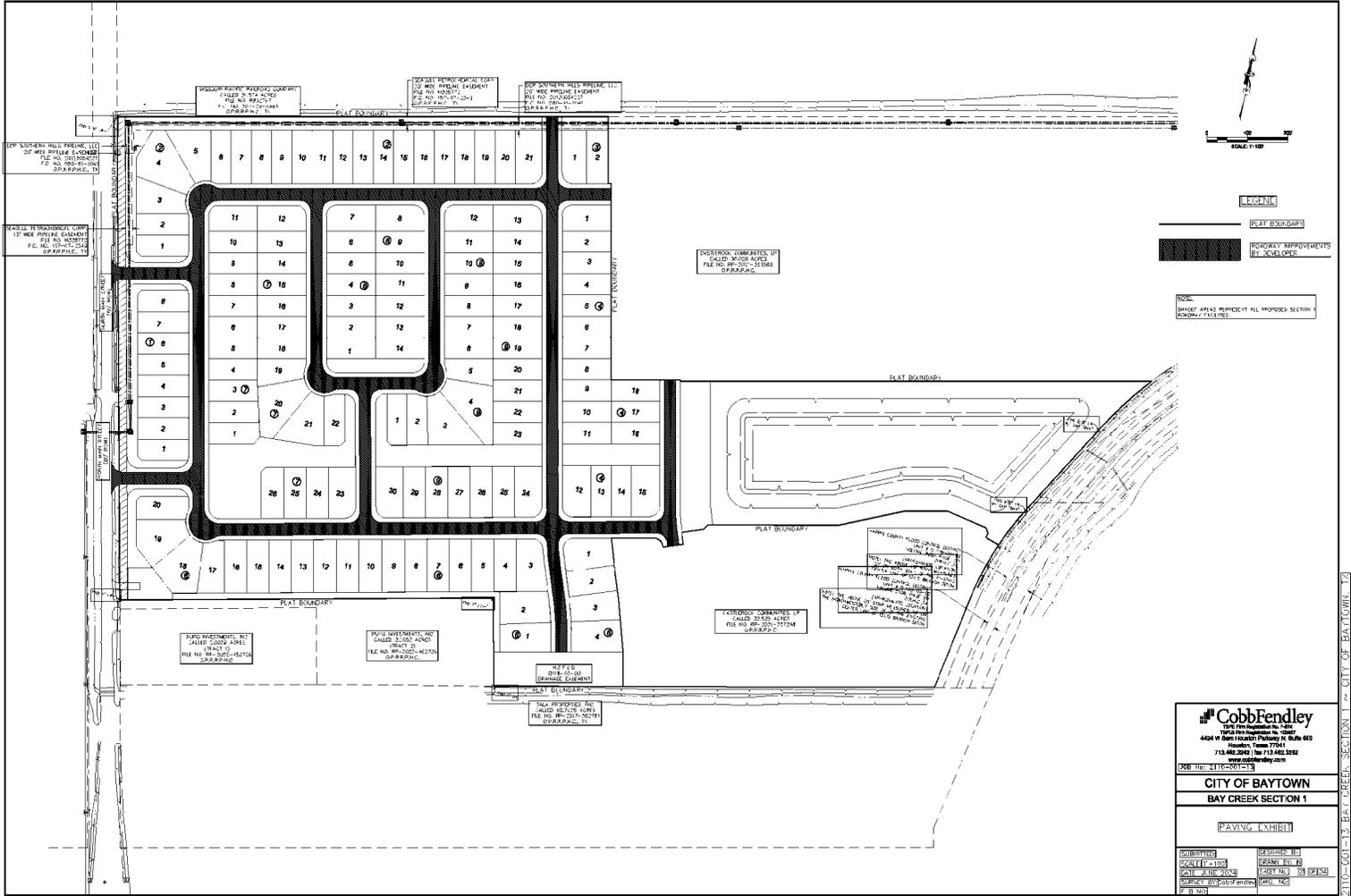
SCALE: 1"=100'

JANUARY 2024

9 BLOCKS, 143 LOTS, 12 RESERVES

1 OF 2

RP-2024-237051



CobbFendley
 1000 Westwood Blvd
 4604 W. Deer Island Parkway St. Suite 600
 Houston, Texas 77057
 713.482.2016 | Fax 713.482.3362
 www.cobbendley.com

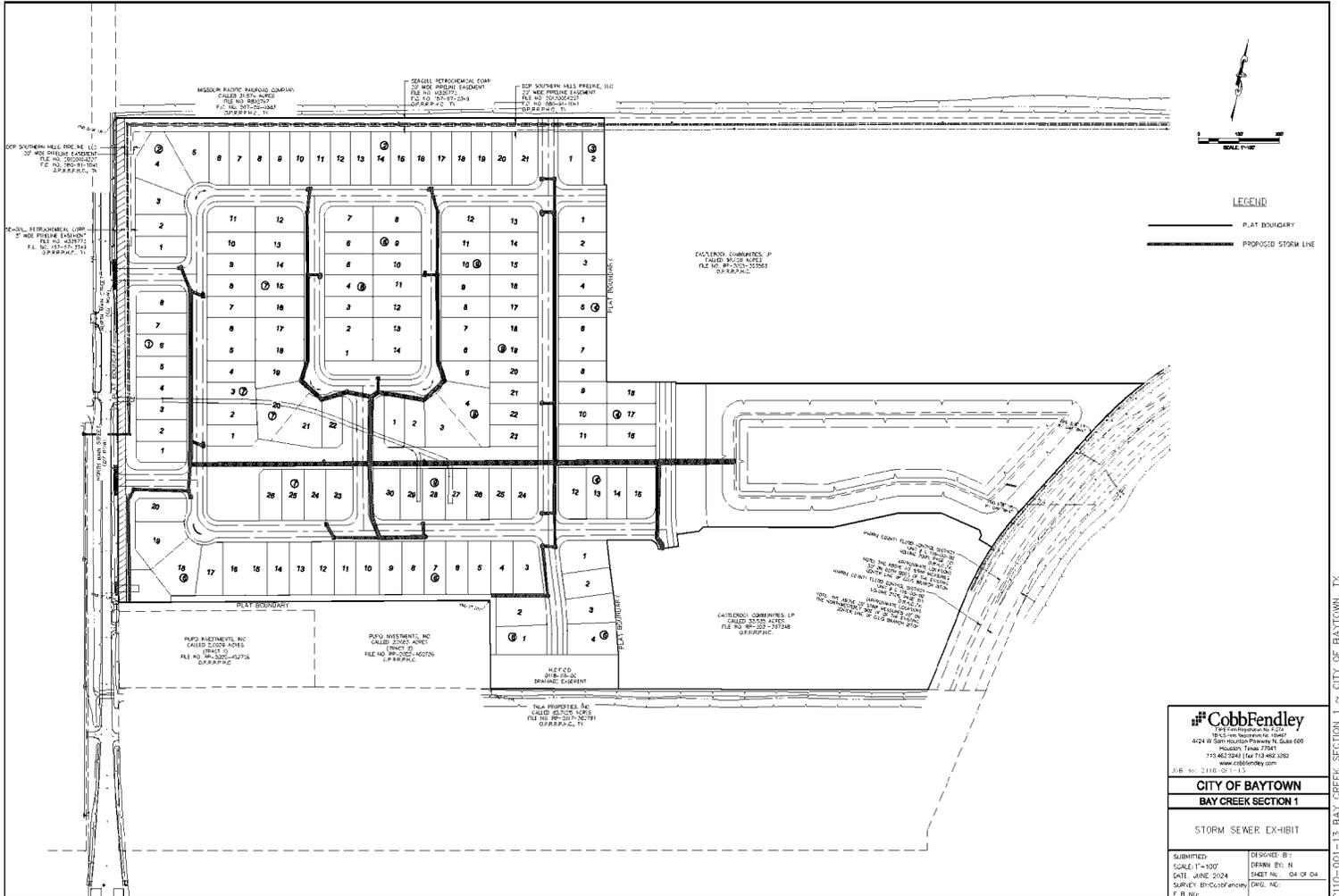
CITY OF BAYTOWN
BAY CREEK SECTION 1

PLANNING EXHIBIT

DATE: 11/15/2024	DESIGNED BY: [Redacted]
SCALE: 1"=100'	ISSUED BY: [Redacted]
PROJECT NUMBER: [Redacted]	DATE: 11/15/2024
DATE: 11/15/2024	DATE: 11/15/2024

11/15/2024 - BAY CREEK SECTION 1 - CITY OF BAYTOWN

RP-2024-237051



CobbFendley
 15215 Westpark Dr. Suite 100
 Houston, Texas 77041
 713.462.2242 (Fax 713.462.1262)
 www.cobbhendley.com
 DB-85-2116-01-1-13

CITY OF BAYTOWN
BAY CREEK SECTION 1

STORM SEWER EXHIBIT

SUBMITTED: SCALE: 1"=100'	DESIGNED BY: DRAWN BY: H
DATE: JUNE 2024	SHEET NO.: 04 OF 04
SURVEY BY: CobbFendley	DATE: JUNE 2024
F. B. III	DWG. NO.:

2110-001-13 BAY CREEK SECTION 1 - CITY OF BAYTOWN, TX

APPENDIX E
PID ASSESSMENT NOTICE

RP-2024-237051

AFTER RECORDING RETURN TO:

_____]

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF BAYTOWN, TEXAS
CONCERNING THE FOLLOWING PROPERTY

STREET ADDRESS

LOT TYPE _____ PRINCIPAL ASSESSMENT: \$ _____

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Baytown, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the *Bay Creek Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City. The exact amount of each annual installment will be approved each year by the City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City.

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

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

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[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF
PURCHASER

SIGNATURE OF
PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

COUNTY OF HARRIS

§

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

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

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

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APPENDIX F
ASSESSMENT PER UNIT, PROJECTED LEVERAGE AND PROJECTED TAX RATE
EQUIVALENTS

RP-2024-237051

Appendix F

A) Lot Types

For purposes of calculating and allocating Assessments, the Phase #1 Assessed Property has been classified in one of two Lot Types.

“**Lot Type 1**” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 55 feet as provided by the development standards shown in the Development Agreement.

“**Lot Type 2**” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 50 feet as provided by the development standards shown in the Development Agreement.

B) Proposed Development

The following table shows the proposed residential units to be developed within the PID.

Table F-1
Proposed Development within the PID

Description	Proposed Development	
55 Ft Lots	62	Units
50 Ft Lots	210	Units
Total	272	Units

Table F-2 shows the proposed residential units to be developed within Phase #1.

Table F-2
Proposed Development – Phase #1

Description	Proposed Development	
55 Ft Lots	35	Units
50 Ft Lots	108	Units
Total	143	Units

Table F-3 sets forth the Assessment per unit for each Lot Type within Phase #1.

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Table F-3
Assessment per Unit – Phase #1

Lot Type	Planned No. of Units	Projected Home Value per Unit	Estimated Total Buildout Value	Percentage of Total Buildout Value	Total Assessment	Average Annual Installment	Assessment Per Unit
55 Ft Lots	35	\$365,000	\$12,775,000	26.68%	\$1,147,415	\$102,196	\$32,783.29
50 Ft Lots	108	\$325,000	\$35,100,000	73.32%	\$3,152,585	\$280,789	\$29,190.60
	143		\$47,875,000	100.00%	\$4,300,000	\$382,985	

The projected leverage for each Parcel or Lot within Phase #1, calculated based on the estimated finished lot values and projected average home values for each Lot Type is shown in Table F-4.

Table F-4
Projected Leverage – Phase #1

Lot Type	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Average Home Value per Unit	Assessment per Unit	Leverage (Lot Value)	Leverage (Home Value)
55 Ft Lots	35	\$73,000	\$365,000	\$32,783.29	2.23	11.13
50 Ft Lots	108	\$65,000	\$325,000	\$29,190.60	2.23	11.13

The projected tax rate equivalent per unit for Parcel or Lot within Phase #1, calculated based on the estimated finished lot values and projected average home values for each Lot Type is shown in Table F-5.

Table F-5
Estimated Tax Rate Equivalent per unit – Phase #1

Lot Type	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
55 Ft Lots	35	\$73,000	\$365,000	\$2,920	\$3.9998	\$0.8000
50 Ft Lots	108	\$65,000	\$325,000	\$2,600	\$3.9998	\$0.8000

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1 are shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

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APPENDIX G
PHASE #1 ASSESSMENT ROLL

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Appendix G-1
Phase #1 Assessment Roll

Parcels
Projected Buildout Value
Assessment

Part of 040-221-000-0204, Part of 040-221-000-0541
\$47,875,000
\$4,300,000

Year	Principal¹	Interest¹	Administrative Expenses^{2,3}	Total Annual Installment
1	\$61,000	\$276,060	\$45,000	\$382,060
2	\$64,000	\$272,144	\$45,900	\$382,044
3	\$67,000	\$268,035	\$46,818	\$381,853
4	\$70,000	\$263,734	\$47,754	\$381,488
5	\$73,000	\$259,240	\$48,709	\$380,949
6	\$77,000	\$254,553	\$49,684	\$381,237
7	\$81,000	\$249,610	\$50,677	\$381,287
8	\$85,000	\$244,409	\$51,691	\$381,100
9	\$90,000	\$238,952	\$52,725	\$381,677
10	\$94,000	\$233,174	\$53,779	\$380,954
11	\$99,000	\$227,140	\$54,855	\$380,994
12	\$105,000	\$220,784	\$55,952	\$381,736
13	\$110,000	\$214,043	\$57,071	\$381,114
14	\$117,000	\$206,981	\$58,212	\$382,193
15	\$123,000	\$199,469	\$59,377	\$381,846
16	\$130,000	\$191,573	\$60,564	\$382,137
17	\$137,000	\$183,227	\$61,775	\$382,002
18	\$145,000	\$174,431	\$63,011	\$382,442
19	\$153,000	\$165,122	\$64,271	\$382,393
20	\$162,000	\$155,300	\$65,557	\$382,856
21	\$172,000	\$144,899	\$66,868	\$383,767
22	\$182,000	\$133,857	\$68,205	\$384,062
23	\$192,000	\$122,173	\$69,569	\$383,742
24	\$204,000	\$109,846	\$70,960	\$384,807
25	\$216,000	\$96,749	\$72,380	\$385,129
26	\$229,000	\$82,882	\$73,827	\$385,709
27	\$242,000	\$68,180	\$75,304	\$385,484
28	\$257,000	\$52,644	\$76,810	\$386,454
29	\$273,000	\$36,145	\$78,346	\$387,491
30	\$290,000	\$18,618	\$79,913	\$388,531
Total	\$4,300,000	\$5,363,974	\$1,825,564	\$11,489,538

¹The principal and interest amounts represent the debt service requirements of the Phase #1 Reimbursement Agreement. The interest is calculated using an interest rate of 6.42% per annum for years 1 to 5 and 6.42% per annum thereafter.

²Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

³First Year Administrative Expenses are being funded by the Developer.

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Appendix G-2
Phases #1 Assessment Roll Summary

Parcel ID	Block #	Lot #	Lot Size	Outstanding Assessment
TBD	1	1	50'	\$29,190.60
TBD	1	2	50'	\$29,190.60
TBD	1	3	50'	\$29,190.60
TBD	1	4	50'	\$29,190.60
TBD	1	5	50'	\$29,190.60
TBD	1	6	50'	\$29,190.60
TBD	1	7	50'	\$29,190.60
TBD	1	8	50'	\$29,190.60
TBD	2	1	50'	\$29,190.60
TBD	2	2	50'	\$29,190.60
TBD	2	3	50'	\$29,190.60
TBD	2	4	50'	\$29,190.60
TBD	2	5	50'	\$29,190.60
TBD	2	6	50'	\$29,190.60
TBD	2	7	50'	\$29,190.60
TBD	2	8	50'	\$29,190.60
TBD	2	9	50'	\$29,190.60
TBD	2	10	50'	\$29,190.60
TBD	2	11	50'	\$29,190.60
TBD	2	12	50'	\$29,190.60
TBD	2	13	50'	\$29,190.60
TBD	2	14	50'	\$29,190.60
TBD	2	15	50'	\$29,190.60
TBD	2	16	50'	\$29,190.60
TBD	2	17	50'	\$29,190.60
TBD	2	18	50'	\$29,190.60
TBD	2	19	50'	\$29,190.60
TBD	2	20	50'	\$29,190.60
TBD	2	21	50'	\$29,190.60
TBD	3	1	50'	\$29,190.60
TBD	3	2	50'	\$29,190.60
TBD	4	1	50'	\$29,190.60
TBD	4	2	50'	\$29,190.60
TBD	4	3	50'	\$29,190.60
TBD	4	4	50'	\$29,190.60
TBD	4	5	50'	\$29,190.60
TBD	4	6	50'	\$29,190.60
TBD	4	7	50'	\$29,190.60
TBD	4	8	50'	\$29,190.60

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Appendix G-2
Phases #1 Assessment Roll Summary

Parcel ID	Block #	Lot #	Lot Size	Outstanding Assessment
TBD	4	9	50'	\$29,190.60
TBD	4	10	50'	\$29,190.60
TBD	4	11	50'	\$29,190.60
TBD	4	12	55'	\$32,783.29
TBD	4	13	50'	\$29,190.60
TBD	4	14	50'	\$29,190.60
TBD	4	15	55'	\$32,783.29
TBD	4	16	50'	\$29,190.60
TBD	4	17	50'	\$29,190.60
TBD	4	18	50'	\$29,190.60
TBD	5	1	55'	\$32,783.29
TBD	5	2	55'	\$32,783.29
TBD	5	3	55'	\$32,783.29
TBD	5	4	55'	\$32,783.29
TBD	6	1	55'	\$32,783.29
TBD	6	2	55'	\$32,783.29
TBD	6	3	55'	\$32,783.29
TBD	6	4	55'	\$32,783.29
TBD	6	5	55'	\$32,783.29
TBD	6	6	55'	\$32,783.29
TBD	6	7	55'	\$32,783.29
TBD	6	8	55'	\$32,783.29
TBD	6	9	55'	\$32,783.29
TBD	6	10	55'	\$32,783.29
TBD	6	11	55'	\$32,783.29
TBD	6	12	55'	\$32,783.29
TBD	6	13	55'	\$32,783.29
TBD	6	14	55'	\$32,783.29
TBD	6	15	55'	\$32,783.29
TBD	6	16	55'	\$32,783.29
TBD	6	17	55'	\$32,783.29
TBD	6	18	55'	\$32,783.29
TBD	6	19	55'	\$32,783.29
TBD	6	20	50'	\$29,190.60
TBD	7	1	50'	\$29,190.60
TBD	7	2	50'	\$29,190.60
TBD	7	3	50'	\$29,190.60
TBD	7	4	50'	\$29,190.60
TBD	7	5	50'	\$29,190.60

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Appendix G-2
Phases #1 Assessment Roll Summary

Parcel ID	Block #	Lot #	Lot Size	Outstanding Assessment
TBD	7	6	50'	\$29,190.60
TBD	7	7	50'	\$29,190.60
TBD	7	8	50'	\$29,190.60
TBD	7	9	50'	\$29,190.60
TBD	7	10	50'	\$29,190.60
TBD	7	11	50'	\$29,190.60
TBD	7	12	50'	\$29,190.60
TBD	7	13	50'	\$29,190.60
TBD	7	14	50'	\$29,190.60
TBD	7	15	50'	\$29,190.60
TBD	7	16	50'	\$29,190.60
TBD	7	17	50'	\$29,190.60
TBD	7	18	50'	\$29,190.60
TBD	7	19	50'	\$29,190.60
TBD	7	20	50'	\$29,190.60
TBD	7	21	50'	\$29,190.60
TBD	7	22	50'	\$29,190.60
TBD	7	23	55'	\$32,783.29
TBD	7	24	55'	\$32,783.29
TBD	7	25	55'	\$32,783.29
TBD	7	26	50'	\$29,190.60
TBD	8	1	50'	\$29,190.60
TBD	8	2	50'	\$29,190.60
TBD	8	3	50'	\$29,190.60
TBD	8	4	50'	\$29,190.60
TBD	8	5	50'	\$29,190.60
TBD	8	6	50'	\$29,190.60
TBD	8	7	50'	\$29,190.60
TBD	8	8	50'	\$29,190.60
TBD	8	9	50'	\$29,190.60
TBD	8	10	50'	\$29,190.60
TBD	8	11	50'	\$29,190.60
TBD	8	12	50'	\$29,190.60
TBD	8	13	50'	\$29,190.60
TBD	8	14	50'	\$29,190.60
TBD	9	1	50'	\$29,190.60
TBD	9	2	50'	\$29,190.60
TBD	9	3	50'	\$29,190.60
TBD	9	4	50'	\$29,190.60

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Appendix G-2
Phases #1 Assessment Roll Summary

Parcel ID	Block #	Lot #	Lot Size	Outstanding Assessment
TBD	9	5	50'	\$29,190.60
TBD	9	6	50'	\$29,190.60
TBD	9	7	50'	\$29,190.60
TBD	9	8	50'	\$29,190.60
TBD	9	9	50'	\$29,190.60
TBD	9	10	50'	\$29,190.60
TBD	9	11	50'	\$29,190.60
TBD	9	12	50'	\$29,190.60
TBD	9	13	50'	\$29,190.60
TBD	9	14	50'	\$29,190.60
TBD	9	15	50'	\$29,190.60
TBD	9	16	50'	\$29,190.60
TBD	9	17	50'	\$29,190.60
TBD	9	18	50'	\$29,190.60
TBD	9	19	50'	\$29,190.60
TBD	9	20	50'	\$29,190.60
TBD	9	21	50'	\$29,190.60
TBD	9	22	50'	\$29,190.60
TBD	9	23	50'	\$29,190.60
TBD	9	24	55'	\$32,783.29
TBD	9	25	55'	\$32,783.29
TBD	9	26	55'	\$32,783.29
TBD	9	27	55'	\$32,783.29
TBD	9	28	55'	\$32,783.29
TBD	9	29	55'	\$32,783.29
TBD	9	30	55'	\$32,783.29
Total		143		\$4,300,000.00

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Appendix G-3
Phase #1 Assessment Roll by Lot Type

Parcel	Lot Type 1 (55 Ft)
Projected Buildout Value	\$365,000
Percent of Total Assessment	0.76%
Assessment	\$32,783

Year	Principal ¹	Interest ¹	Administrative Expenses ^{2,3}	Total Annual Installment
1	\$465	\$2,105	\$343	\$2,913
2	\$488	\$2,075	\$350	\$2,913
3	\$511	\$2,044	\$357	\$2,911
4	\$534	\$2,011	\$364	\$2,908
5	\$557	\$1,976	\$371	\$2,904
6	\$587	\$1,941	\$379	\$2,907
7	\$618	\$1,903	\$386	\$2,907
8	\$648	\$1,863	\$394	\$2,906
9	\$686	\$1,822	\$402	\$2,910
10	\$717	\$1,778	\$410	\$2,904
11	\$755	\$1,732	\$418	\$2,905
12	\$801	\$1,683	\$427	\$2,910
13	\$839	\$1,632	\$435	\$2,906
14	\$892	\$1,578	\$444	\$2,914
15	\$938	\$1,521	\$453	\$2,911
16	\$991	\$1,461	\$462	\$2,913
17	\$1,044	\$1,397	\$471	\$2,912
18	\$1,105	\$1,330	\$480	\$2,916
19	\$1,166	\$1,259	\$490	\$2,915
20	\$1,235	\$1,184	\$500	\$2,919
21	\$1,311	\$1,105	\$510	\$2,926
22	\$1,388	\$1,021	\$520	\$2,928
23	\$1,464	\$931	\$530	\$2,926
24	\$1,555	\$837	\$541	\$2,934
25	\$1,647	\$738	\$552	\$2,936
26	\$1,746	\$632	\$563	\$2,941
27	\$1,845	\$520	\$574	\$2,939
28	\$1,959	\$401	\$586	\$2,946
29	\$2,081	\$276	\$597	\$2,954
30	\$2,211	\$142	\$609	\$2,962
Total	\$32,783	\$40,895	\$13,918	\$87,596

¹The principal and interest amounts represent the debt service requirements of the Phase #1 Reimbursement Agreement. The interest is calculated using an interest rate of 6.42% per annum for years 1 to 5 and 6.42% per annum thereafter.

²Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

³First year Administrative Expenses are being funded by the Developer.

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Appendix G-3
Phase #1 Assessment Roll by Lot Type

Parcel	Lot Type 2 (50 Ft)
Projected Buildout Value	\$325,000
Percent of Total Assessment	0.68%
Assessment	\$29,191

Year	Principal ¹	Interest ¹	Administrative Expenses ^{2,3}	Total Annual Installment
1	\$414	\$1,874	\$305	\$2,594
2	\$434	\$1,847	\$312	\$2,594
3	\$455	\$1,820	\$318	\$2,592
4	\$475	\$1,790	\$324	\$2,590
5	\$496	\$1,760	\$331	\$2,586
6	\$523	\$1,728	\$337	\$2,588
7	\$550	\$1,694	\$344	\$2,588
8	\$577	\$1,659	\$351	\$2,587
9	\$611	\$1,622	\$358	\$2,591
10	\$638	\$1,583	\$365	\$2,586
11	\$672	\$1,542	\$372	\$2,586
12	\$713	\$1,499	\$380	\$2,591
13	\$747	\$1,453	\$387	\$2,587
14	\$794	\$1,405	\$395	\$2,595
15	\$835	\$1,354	\$403	\$2,592
16	\$883	\$1,300	\$411	\$2,594
17	\$930	\$1,244	\$419	\$2,593
18	\$984	\$1,184	\$428	\$2,596
19	\$1,039	\$1,121	\$436	\$2,596
20	\$1,100	\$1,054	\$445	\$2,599
21	\$1,168	\$984	\$454	\$2,605
22	\$1,236	\$909	\$463	\$2,607
23	\$1,303	\$829	\$472	\$2,605
24	\$1,385	\$746	\$482	\$2,612
25	\$1,466	\$657	\$491	\$2,614
26	\$1,555	\$563	\$501	\$2,618
27	\$1,643	\$463	\$511	\$2,617
28	\$1,745	\$357	\$521	\$2,623
29	\$1,853	\$245	\$532	\$2,630
30	\$1,969	\$126	\$542	\$2,638
Total	\$29,191	\$36,413	\$12,393	\$77,997

¹The principal and interest amounts represent the debt service requirements of the Phase #1 Reimbursement Agreement. The interest is calculated using an interest rate of 6.42% per annum for years 1 to 5 and 6.42% per annum thereafter.

²Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

³First year Administrative Expenses are being funded by the Developer.

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Pages 81
06/28/2024 01:15 PM
e-Filed & e-Recorded in the
Official Public Records of
HARRIS COUNTY
TENESHIA HUDSPETH
COUNTY CLERK
Fees \$341.00

RECORDERS MEMORANDUM

This instrument was received and recorded electronically and any blackouts, additions or changes were present at the time the instrument was filed and recorded.

Any provision herein which restricts the sale, rental, or use of the described real property because of color or race is invalid and unenforceable under federal law.

THE STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas.



Teneshia Hudspeth
COUNTY CLERK
HARRIS COUNTY, TEXAS

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