RESOLUTION NO. 69-2019

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESOUITE, TEXAS, APPROVING, THE TERMS AND CONDITIONS OF A PROGRAM TO PROMOTE LOCAL ECONOMIC DEVELOPMENT AND STIMULATE BUSINESS AND COMMERCIAL ACTIVITY IN THE CITY; AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE AN SUCH PURPOSES AGREEMENT FOR WITH HMH LIFESTYLES, L.P., FOR THE DEVELOPMENT OF Α TOWNHOME PROJECT ON PROPERTY LOCATED AT 2920 GUS THOMASSON ROAD, IN THE CITY OF MESOUITE. TEXAS; AND AUTHORIZING THE CITY MANAGER TO ADMINISTER THE AGREEMENT ON BEHALF OF THE CITY.

WHEREAS, Chapter 380 of the Texas Local Government Code authorizes the City of Mesquite, Texas ("City"), and other municipalities to establish and provide for the administration of programs that promote local economic development and stimulate business and commercial activity; and

WHEREAS, the City Council has been presented with a proposed agreement providing economic development incentives to HMH LIFESTYLES, L.P., a Texas limited partnership (the "Company"), for the proposed development of two hundred and twenty seven (227) townhomes on property located at 2920 Gus Thomasson Road, in the City of Mesquite, Texas, a copy of said agreement being attached hereto as Exhibit "A" and incorporated herein by reference (the "Agreement"); and

WHEREAS, after holding a public hearing and upon full review and consideration of the Agreement and all matters attendant and related thereto, the City Council is of the opinion that the Agreement will assist in implementing a program whereby local economic development will be promoted, and business and commercial activity will be stimulated in the City.

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

SECTION 1. That the City Council finds that the terms of the proposed Agreement by and between the City and the Company, a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference, will benefit the City and will accomplish the public purpose of promoting local economic development and stimulating business and commercial activity in the City in accordance with Section 380.001 of the Texas Local Government Code.

SECTION 2. That the City Council hereby adopts an economic development program whereby, subject to the terms and conditions of the Agreement, the City will provide economic development incentives to the Company and take other specified actions as more fully set forth in the Agreement in accordance with the terms and subject to the conditions outlined in the Agreement.

Economic Development/HMH Lifestyles, L.P./380 Agreement/September 16, 2019 Page 2 of 2

<u>SECTION 3.</u> That the terms and conditions of the Agreement, having been reviewed by the City Council and found to be acceptable and in the best interest of the City and its citizens, are hereby approved.

SECTION 4. That the City Manager is hereby authorized to finalize and execute the Agreement and all other documents necessary to consummate the transactions contemplated by the Agreement.

That the City Manager is further hereby authorized to administer the SECTION 5. Agreement on behalf of the City including, without limitation, the City Manager shall have the authority to: (i) provide any notices required or permitted by the Agreement; (ii) approve amendments to the Agreement provided such amendments, together with all previous amendments approved by the City Manager, do not increase City expenditures under the Agreement in excess of \$50,000: (iii) approve or deny any matter in the Agreement that requires the consent of the City provided, however, notwithstanding the foregoing, any assignment of the Agreement that requires the consent of the City pursuant to the terms of the Agreement shall require the approval of the City Council; (iv) approve or deny the waiver of performance of any covenant, duty, agreement, term or condition of the Agreement; (v) exercise any rights and remedies available to the City under the Agreement; and (vi) execute any notices, amendments, approvals, consents, denials and waivers authorized by this Section 5 provided, however, notwithstanding anything contained herein to the contrary, the authority of the City Manager pursuant to this Section 5 shall not include the authority to take any action than cannot be delegated by the City Council or that is within the City Council's legislative functions.

<u>SECTION 6.</u> That the sections, paragraphs, sentences, clauses and phrases of this Resolution are severable and, if any phrase, clause, sentence, paragraph or section of this Resolution should be declared invalid, illegal or unenforceable by the final judgment or decree of any court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any of the remaining phrases, clauses, sentences, paragraphs and sections of this Resolution and such remaining provisions shall remain in full force and effect and shall be construed and enforced as if the invalid, illegal or unenforceable provision had never been included in this Resolution.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 16th day of September 2019.

Stan Pickett Mayor

ATTEST:

Sonja Land (City Secretary

APPROVED AS TO LEGAL FORM:

David L. Paschall City Attorney



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201900311074 AGREE 1/46 APPROVED BY CITY COUNCIL

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DATE

ECONOMIC DEVELOPMENT PROGRAM AGREEMENT

(Chapter 380 Agreement)

This Economic Development Program Agreement ("<u>Agreement</u>") is made and entered into by and between the City of Mesquite, a Texas home rule municipality (the "<u>City</u>") and HMH Lifestyles, L.P., a Texas limited partnership (the "<u>Company</u>").

WITNESSETH:

WHEREAS, all capitalized terms used herein shall have the meanings set forth in this Agreement; and

WHEREAS, the Company owns approximately 36.466 acres of land located at 2920 Gus Thomasson Road, Mesquite, Texas and being more particularly described in <u>Exhibit "A"</u> attached hereto and made a part hereof for all purposes (the "<u>Property</u>"); and

WHEREAS, the Property is unimproved, vacant land and undevelopable in its current condition; and

WHEREAS, the Company is considering developing the Property into a townhome development consisting of two hundred twenty-seven (227) townhomes (the "<u>Project</u>"); and

WHEREAS, as part of the Project, the Company will construct necessary infrastructure and public improvements consisting of water, sewer and roadway improvements; and

WHEREAS, there has not been any new residential development in the part of the City where the Property is located for more than two decades and accordingly, the housing stock in that area of the City is aging and the Project will provide new housing options currently not available in the part of the City where the Property is located; and

WHEREAS, the Project is an infill development and will help revitalize an area in the City in need of new development; and

WHEREAS, in order to maximize the Project's economic development impact on the City, it is essential that: (i) the Property be developed in compliance with the development standards attached hereto as <u>Exhibit "B"</u> and made a part hereof for all purposes (the "<u>Development Standards</u>"), the Preliminary Plat attached hereto as <u>Exhibit "B-1"</u> and made a part hereof for all purposes (the "<u>Preliminary Plat</u>"), the site and amenity Plan attached hereto as <u>Exhibit "C"</u> and made a part hereof for all purposes (the "<u>Site and Amenity Plan</u>") and the Landscape Plan attached hereto as <u>Exhibit</u> "<u>D"</u>" and made a part hereof for all purposes (the "<u>Landscape Plan</u>"); and (ii) the townhomes on the Property be constructed in compliance with the Development Standards; and

WHEREAS, the Company has agreed: (i) to develop the Property in compliance with the Development Standards, the Preliminary Plat, the Site and Amenity Plan, and the Landscape Plan; and (ii) to construct the townhomes on the Property in compliance with the Development Standards; and

WHEREAS, the development of the Property in compliance with the Development Standards, the Preliminary Plat, the Site and Amenity Plan, and the Landscape Plan, and the construction of the townhomes on the Property in compliance with the Development Standards will substantially increase the taxable value of the Property thereby adding value to the City's tax rolls and maximizing the increase in ad valorem real property taxes to be assessed and collected by the City; and

WHEREAS, the Company's agreement to: (i) develop the Property in compliance with the Development Standards, the Preliminary Plat, the Site and Amenity Plan, and the Landscape Plan; and (ii) construct the townhomes on the Property in compliance with the Development Standards is a material consideration for the City's agreement to grant the Economic Development Incentive under the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, the Company has represented to the City that the Company will develop the Property sooner if the City provides the Economic Development Incentive to the Company under the terms and subject to the conditions more fully set forth in this Agreement; and

RETURN TO: CITY SECRETARY CITY OF MESQUITE P.O. BOX 850137 MESQUITE, TX 75185-0137 WHEREAS, the City has established an Economic Development Incentive Program pursuant to Section 380.001 of the Texas Local Government Code (the "<u>Program</u>") and authorizes this Agreement as part of the Program; and

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WHEREAS, the Company desires to participate in the Program by entering into this Agreement; and

WHEREAS, the City Council finds and determines that this Agreement will effectuate the purposes set forth in the Program and that the Company's performance of its obligations set forth in this Agreement will promote local economic development in the City, stimulate business and commercial activity in the City and benefit the City and its citizens.

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, the parties agree as follows:

ARTICLE I

Incorporation of Recitals

The foregoing recitals ("<u>Recitals</u>") are incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration and promises that bind the Parties.

ARTICLE II

Definitions

As used herein, the following terms shall have the following meanings, to-wit:

"<u>Affiliate</u>" shall mean any Person that directly controls, is directly controlled by, or is under direct common control with the Company. As used in this definition, the term "controls," "controlled by" or "common control" shall mean that: (i) the Company owns fifty-one percent (51%) or more of the shares or membership interests of the Person and has the power to direct and control the management and policies of the Person; (ii) the Company owns fifty-one percent or more of the shares or membership interests of the general partner of the Person and has the power to direct and control the Person; or (iii) the Person owns fifty-one percent (51%) or more of the management and policies of the Person and has the power to direct and control the management and policies of the Person; or (iii) the Person owns fifty-one percent (51%) or more of the membership interests of the Company and has the power to direct or control the management and policies of the Company.

"Agreement" shall mean this agreement together with all exhibits attached hereto.

"<u>Amenities</u>" shall mean the amenities listed on <u>Exhibit "E"</u> attached hereto and made a part hereof for all purposes.

"<u>Building Official</u>" shall mean the "Building Official" of the City as defined in Section 202, "Definitions," of Chapter 2, "Definitions," of the International Building Code, 2015 Edition, a publication of the International Code Council, adopted and designated as the official building code of the City, as such definition may hereafter be amended by the adoption of a later edition of the International Building Code as the official building code of the City.

"Building Permit" shall mean a written permit or authorization issued, after review and verification of code compliance, by the Building Official, or the Building Official's designee, to the Company allowing the Company to proceed with construction of a townhome on the Property in connection with the Project, and includes any construction-related permit required under Section 105, "Permits," of Part 2, "Administration and Enforcement," of Chapter 1, "Scope and Administration," of the International Building Code, 2015 Edition, a publication of the International Code Council, adopted and designated as the official building code of the City, as such definition may hereafter be amended by the adoption of a later edition of the International Building Code as the official building code of the City.

"<u>CC&Rs</u>" shall have the meaning set forth in <u>Article VI</u>, <u>Section 6</u> of this Agreement.

"<u>Certificate of Compliance</u>" shall mean a certificate in such form as is reasonably acceptable to the City executed on behalf of the Company by a duly authorized Company Representative certifying to the City that: (i) with respect to the first six (6) installment payments of the Economic Development Incentive, all Conditions Precedent set forth in <u>Article VII</u>, <u>Sections 1 through 13</u>, inclusive, have been satisfied and are then continuing, and with respect to all subsequent installment payments, all Conditions Precedent set forth in <u>Article VII</u>, <u>Sections 1 through 14</u>, inclusive, have been satisfied and are then continuing; and (ii) no Company Default then exists and is continuing under the terms of this Agreement and that no event exists which, but for notice, the lapse of time, or both, would constitute a Company Default under the terms of this Agreement.

"<u>City</u>" shall mean the City of Mesquite, a Texas home rule municipality.

"City Council" shall mean the City Council of the City.

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"City Default" shall have the meaning set forth in Article IX, Section 2 of this Agreement.

"<u>Closeout and Acceptance Requirements</u>" shall have the meaning set forth in <u>Article VI</u>, <u>Section 1</u> of this Agreement.

"<u>Commence Vertical Construction</u>" and "<u>Commencement of Vertical Construction</u>" shall mean: (i) that the Company has obtained all City approvals and Building Permits required in connection with the construction of at least twelve (12) townhomes on the Property; (ii) foundations of at least twelve (12) townhomes have been poured on the Property; and (iii) framing of at least twelve (12) townhomes on the Property has commenced.

"Common Areas" shall have the meaning set forth in Article VI, Section 6 of this Agreement.

"<u>Company</u>" shall mean HMH Lifestyles, L.P., a Texas limited partnership, its successors and assigns only as permitted by <u>Article X, Section 2</u> of this Agreement.

"Company Default" shall have the meaning set forth in Article IX, Section 1 of this Agreement.

"<u>Company Representative</u>" shall mean the Chief Executive Officer, Chief Financial Officer or any other duly authorized officer of the Company acting on behalf of the Company.

"<u>Condition Precedent</u>" and "<u>Conditions Precedent</u>" shall have the meanings set forth in <u>Article VII</u> of this Agreement.

"<u>Development Standards</u>" shall mean the development standards set forth in <u>Exhibit "B"</u> attached hereto and made a part hereof for all purposes.

"<u>Economic Development Incentive</u>" shall have the meaning set forth in <u>Article VIII</u>, <u>Section 1</u> of this Agreement.

"<u>Effective Date</u>" shall mean the date the Company and the City execute this Agreement if the Company and the City execute this Agreement on the same date. If the Company and the City execute this Agreement on different dates, any reference to the "Effective Date" shall mean the later of the dates this Agreement is executed by the Company and the City.

"Event of Bankruptcy or Insolvency" shall mean the dissolution or termination of the Company's existence as a going business, insolvency, appointment of a receiver for any part of the Company's property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, the voluntary commencement of any proceeding under any bankruptcy or insolvency laws by the Company, or the involuntary commencement of any proceeding against the Company under any bankruptcy or insolvency laws and such involuntary proceeding is not dismissed within ninety (90) days after the filing thereof.

"HOA" shall have the meaning set forth in Article VI, Section 6 of this Agreement.

"Indemnitee" shall have the meaning set forth in <u>Article X</u>, <u>Section 1</u> of this Agreement.

"<u>Landscape Plan</u>" shall mean the landscape plan attached hereto as <u>Exhibit "D"</u> and made a part hereof for all purposes.

"<u>Maximum Lawful Rate</u>" shall mean the maximum lawful rate of non-usurious interest that may be contracted for, charged, taken, received or reserved by the City in accordance with the applicable laws of the State of Texas (or applicable United States federal law to the extent that such law permits the City to contract for, charge, take, receive or reserve a greater amount of interest than under Texas law).

"Parties" shall mean the Company and the City.

"Party" shall mean either the Company or the City.

"<u>Passed the Framing Inspection</u>" with respect to each townhome constructed on the Property in connection with the Project shall mean that the Building Official, or the Building Official's designee, has conducted a framing inspection of such townhome and the Building Official, or Building Official's designee, has confirmed in writing that such townhome has passed such inspection.

"<u>Payment Request</u>" shall mean the written request executed by the Company provided to the City's Director of Finance requesting the payment of an installment of the Economic Development Incentive.

"<u>Person</u>" or "<u>Persons</u>" shall mean one or more individual(s) or corporation(s), general or limited partnership(s), limited liability company(ies), trust(s), estate(s), unincorporated business(es), organization(s), association(s) or any other entity(s) of any kind.

"<u>Preliminary Plat</u>" shall mean the preliminary plat attached hereto as <u>Exhibit "B-1"</u> and made a part hereof for all purposes.

"<u>Program</u>" shall have the meaning set forth in the Recitals of this Agreement.

"Project" shall have the meaning set forth in the Recitals of this Agreement.

"<u>Property</u>" shall have the meaning set forth in the Recitals of this Agreement.

"Public Infrastructure" shall have the meaning set forth in <u>Article VI</u>, <u>Section 1</u> of this Agreement.

"Public Infrastructure Completion Date" shall mean the date that is three (3) years after the Effective Date.

"<u>Recitals</u>" shall have the meaning set forth in <u>Article I</u> of this Agreement.

"<u>Record Drawings and Plat Requirements</u>" shall have the meaning set forth in <u>Article VI</u>, <u>Section 1</u> of this Agreement.

"<u>Roadway Impact Fees</u>" shall mean the impact fees charged by the City to the Company to fund or recoup all or part of the cost of roadway capital improvements or roadway facility expansions necessitated by and attributable to the Project pursuant to the City's Impact Fee Ordinance No. 4366, as now and hereafter amended.

"Site and Amenity Plan" shall mean the site and amenity plan attached hereto as Exhibit "C" and made a part hereof for all purposes.

"Term" shall have the meaning set forth in <u>Article IV</u> of this Agreement.

"Townhomes Completion Date" shall mean the date that is eight (8) years after the Effective Date.

"Undocumented Workers" shall mean (i) individuals who, at the time of employment with the Company, are not lawfully admitted for permanent residence to the United States or are not authorized under law to be employed in that manner in the United States; and (ii) such other persons as are included within the definition of "Undocumented Worker" pursuant to V.T.C.A., Government Code §2264.001(4), as hereafter amended or replaced, or any other applicable law or regulation.

"Vertical Construction Commencement Date" shall mean the date that is four (4) years after the Effective

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ARTICLE III

Authority for Agreement

This Agreement is authorized by Article III, Section 52-a of the Texas Constitution and Chapter 380 of the Texas Local Government Code. The City Council finds and determines that this Agreement will effectuate the purposes set forth in the Program and that the Company's performance of its obligations herein will: (i) provide new housing options and improve the housing stock available in the part of the City where the Property is located; (ii) help revitalize an area in the City in need of new development; (iii) increase the amount of ad valorem real property taxes assessed and collected by the City; (iv) promote local economic development in the City, stimulate business and commercial activity in the City; and (v) benefit the City and its citizens.

ARTICLE IV

Term

The Term of this Agreement shall commence on the Effective Date and shall continue until the earlier of: (i) nine (9) years after the Effective Date; or (ii) the date this Agreement is terminated by the City or the Company pursuant to a right to terminate as expressly provided herein (the "<u>Term</u>").

ARTICLE V

Company's Covenant Not to Employ Undocumented Workers

1. <u>Covenant Not to Employ Undocumented Workers.</u> The Company hereby certifies that the Company and each branch, division, and department of the Company does not employ any Undocumented Workers and the Company hereby covenants and agrees that the Company and each branch, division and department of the Company will not knowingly employ any Undocumented Workers during the Term of this Agreement.

2. <u>Covenant to Notify City of Conviction for Undocumented Workers.</u> The Company further hereby covenants and agrees to provide the City with written notice of any conviction of the Company, or any branch, division or department of the Company, of a violation under 8 U.S.C. §1324a (f) within thirty (30) days from the date of such conviction.

3. <u>Repayment of Economic Development Incentives in Event of Conviction for Employing</u> <u>Undocumented Workers.</u> If, after receiving any installment payment of the Economic Development Incentive under the terms of this Agreement, the Company, or a branch, division or department of the Company, is convicted of a violation under 8 U.S.C. §1324a (f), the Company shall pay to the City, not later than the 120th day after the date the City notifies the Company of the violation, an amount equal to the portion of the Economic Development Incentive previously paid by the City to the Company under the terms of this Agreement plus interest at the rate equal to the *lesser* of: (i) the Maximum Lawful Rate; or (ii) five percent (5%) per annum, such interest rate to be calculated on the amount of each installment of the Economic Development Incentive being recaptured from the date each installment of the Economic Development Incentive was paid by the City to the Company until the date repaid by the Company to the City and such interest rate shall adjust periodically as of the date of any change in the Maximum Lawful Rate.

4. <u>Limitation on Economic Development Incentives.</u> The City shall have no obligation to pay any installment of the Economic Development Incentive to the Company if the Company, or any branch, division or department of the Company is convicted of a violation under 8 U.S.C. §1324a (f).

5. <u>Remedies.</u> The City shall have the right to exercise all remedies available by law to collect any sums due by the Company to the City pursuant to this <u>Article V</u> including, without limitation, all remedies available pursuant to Chapter 2264 of the Texas Government Code.

6. <u>Limitation</u>. The Company is not liable for a violation of <u>Article V</u> of this Agreement by a subsidiary, affiliate, or franchisee of the Company, or by a person with whom the Company contracts.

7. <u>Survival</u>. The terms, provisions, covenants, agreements and obligations of the Company and the rights and remedies of the City set forth in <u>Article V</u> of this Agreement shall expressly survive the expiration or termination of this Agreement.

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ARTICLE VI

Company's Additional Covenants

In consideration of the City's agreement to grant the Economic Development Incentive to the Company upon the terms and conditions more fully set forth herein, the Company represents, covenants and agrees as follows, to-wit:

1. <u>Public Infrastructure.</u> On or before the Public Infrastructure Completion Date, the Company shall: (i) at its sole cost and expense, design and construct, or cause to be designed and constructed, within areas dedicated as public rights of way or public easements, all water, sewer, and roadway improvements located within the Property and necessary to develop the Project (the "<u>Public Infrastructure</u>") in compliance with all City ordinances, standards and development review processes including inspections and without limiting the foregoing, the Company shall comply in all respects with (a) the Project Closeout and Acceptance Requirements set forth in <u>Exhibit "F"</u> attached hereto and made a part hereof for all purposes (the "<u>Closeout and Acceptance Requirements</u>"); and (b) the Requirements for Record Drawings and Plats for Private Development Projects attached hereto as <u>Exhibit "G"</u> and made a part hereof for all purposes (the "<u>Record Drawings and Plat Requirements</u>"); and (ii) dedicate the Public Infrastructure to the City for public use by plat including the dedication of an easement complying with all platting ordinances, rules and regulations of the City including, without limitation, granting to the City and all public utilities the right of access, ingress and egress to, from and upon said easement for the purpose of constructing, reconstructing, inspection, patrolling, maintaining, adding to or removing the Public Infrastructure;

2. <u>Development of Project.</u> The Company shall develop the Property in compliance with the Development Standards, the Preliminary Plat, the Site and Amenity Plan, and the Landscape Plan, and shall construct, or cause the construction, of two hundred and twenty-seven (227) townhomes on the Property on or before the Townhomes Completion Date. The Company shall construct, or cause the construction, of each townhome on the Property in compliance with the Development Standards;

3. <u>Commencement of Vertical Construction</u>. The Company shall Commence Vertical Construction, or cause the Commencement of Vertical Construction of at least twelve (12) townhomes on the Property on or before the Vertical Construction Commencement Date;

4. <u>Completion of Construction of Townhomes.</u> The Company shall complete, or cause the completion, of two hundred and twenty-seven (227) townhomes on the Property on or before the Townhomes Completion Date;

5. <u>Timely Payment of Development Fees.</u> The Company shall timely pay to the City all impact fees, permit fees, development fees, review fees and inspection fees in connection with the Project including, without limitation, all Roadway Impact Fees;

6. <u>HOA.</u> Prior to the issuance by the City of the first (1st) Building Permit for a townhome to be constructed on the Property in connection with the Project, the Company shall: (i) create a mandatory homeowners' association ("<u>HOA</u>") over the Property; (ii) record covenants, conditions and restrictions affecting the Property in the real property records of Dallas County, Texas (the "<u>CC&Rs</u>"): (a) requiring the HOA to maintain the open spaces, common areas, community facilities, right of way irrigation systems, raised medians and other right of way landscaping, detention areas, drainage areas, screening walls, trails, lawns, the landscaped areas shown on the Site and Amenity Plan attached hereto as <u>Exhibit "C"</u> and the Landscape Plan attached hereto as <u>Exhibit "D"</u> and made a part hereof for all purposes, and all other common improvements or appurtenances on the Property (collectively the "<u>Common Areas</u>"); (b) authorizing and requiring the HOA to assess and collect from the owners of the Property annual fees in an amount calculated to maintain the Common Areas; and (c) granting the City the right, power and authority, but not the requirement, to levy and collect maintenance fees and provide maintenance of the Common Areas in the event the HOA fails to maintain the Common Areas; and (iii) provide a copy of the CC&Rs to the City;

7. <u>Construction of Amenities.</u> The Company shall complete, or cause the completion, of the construction of five (5) different Amenities at least one (1) from each tier of amenities listed on <u>Exhibit "E"</u>, as more fully set forth on the Site and Amenity Plan attached hereto as <u>Exhibit "C"</u>, on or before the issuance by the City of the 59th Building Permit in connection with the Project;

8. <u>Inspection.</u> The Company shall provide the City, its agents and employees with access to the Property at such times as the City may reasonably request to conduct such inspections as the City deems necessary in order to confirm compliance by the Company with the representations, covenants and agreements of the Company as set forth in this Agreement;

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9. <u>Representative of Company to Accompany Inspections</u>. The Company shall provide a representative of the Company to accompany the City during all inspections of the Property conducted by the City pursuant to **Article VI**, **Section 8** above;

10. <u>Timely Payment of Taxes.</u> The Company shall timely pay all ad valorem taxes owed by the Company to the City during the Term of this Agreement prior to the date such taxes become delinquent;

11. <u>Compliance with Laws.</u> The Company shall comply with all federal, state and local laws, ordinances and regulations relating to the Property during the Term of this Agreement;

12. <u>Performance of Agreement.</u> The Company shall timely keep and perform all terms, provisions, agreements, covenants, conditions and obligations to be kept or performed by the Company under the terms of this Agreement;

13. <u>Performance of Other Agreements.</u> The Company shall timely keep and perform all terms, provisions, agreements, covenants, conditions and obligations to be kept or performed by the Company under the terms of all other agreements now or hereafter existing between the Company and the City; and

14. <u>No Goods or Services.</u> The Company agrees the performance of any or all obligations of the Company under the terms of this Agreement does not constitute the provision of goods or services to the City.

ARTICLE VII

Conditions Precedent to Payment of the Economic Development Incentive

The Parties expressly acknowledge and agree that the City's payment of each installment of the Economic Development Incentive to the Company shall expressly be conditioned upon the satisfaction of each of the following conditions precedent (each a "<u>Condition Precedent</u>" and collectively the "<u>Conditions Precedent</u>"), to-wit:

1. <u>Payment Request.</u> The Company shall submit to the City's Director of Finance at 757 N. Galloway, Mesquite, Texas 75149, a written request for payment of each installment of the Economic Development Incentive including the information required pursuant to <u>Article VIII</u>, <u>Section 2</u> below, accompanied by a Certificate of Compliance dated effective as of the date of such Payment Request and, as of the date of the first six (6) Payment Requests, all Conditions Precedent set forth in <u>Article VII</u>, <u>Sections 1 through 13</u>, inclusive, have been satisfied and are then satisfied, and as of the date of each subsequent Payment Request, all Conditions Precedent set forth in <u>Article VII</u>, <u>Sections</u> **1 through 14**, inclusive, have been satisfied and are then satisfied;

2. <u>Completion of Public Infrastructure</u>. The Public Infrastructure shall have been substantially completed and accepted by the City on or before the Public Infrastructure Completion Date;

3. <u>Commencement of Vertical Construction</u>. The Company shall have Commenced Vertical Construction, or caused the Commencement of Vertical Construction, of at least twelve (12) townhomes on the Property in connection with the Project on or before the Vertical Construction Commencement Date;

4. <u>Compliance with Development Standards.</u> As of the date of each Payment Request and as of the date of the payment of each installment payment, each completed townhome on the Property and each townhome then under construction on the Property shall comply with the Development Standards;

5. <u>Passed the Framing Inspection</u>. For each installment payment, the five (5) townhomes listed in the Payment Request that are then in the process of construction on the Property in connection with the Project shall have Passed the Framing Inspection;

6. <u>Timely Payment of Development Fees.</u> The Company shall have timely paid to the City all impact fees, permit fees, development fees, review fees and inspection fees in connection with the Project as and when due including, without limitation, all Roadway Impact Fees and the City shall have confirmed receipt of all such impact, permit, development, review and inspection fees;

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7. <u>HOA.</u> Prior to the issuance by the City of the first (1st) Building Permit for a townhome to be constructed on the Property in connection with the Project, the Company shall have: (i) created the HOA; (ii) recorded the CC&Rs in the real property records of Dallas County, Texas; and (iii) delivered a copy of the recorded CC&Rs to the City;

8. <u>Records and Reports.</u> The Company shall have delivered to the City copies of such documentation as the City may reasonably request to confirm compliance by the Company with the Conditions Precedent to be satisfied prior to the payment of the installment payment being requested pursuant to such Payment Request;

9. <u>Taxes.</u> The Company shall have timely paid all ad valorem taxes owed by the Company to the City as of the date of the Payment Request;

10. <u>Performance of this Agreement.</u> The Company shall have timely kept and performed all terms, provisions, agreements, covenants, conditions and obligations to be kept or performed by the Company under the terms of this Agreement and no Company Default shall then exist and no event shall exist which, but for notice, the lapse of time, or both, would constitute a Company Default under the terms of this Agreement;

11. <u>Performance by the Company of other Agreements.</u> The Company shall have timely kept and performed all terms, provisions, agreements, covenants, conditions and obligations to be kept or performed by the Company under the terms of all other agreement(s) now and hereafter existing between the Company and the City and no default shall then exist under the terms of such agreement(s) and no event shall exist which, but for notice, the lapse of time, or both, would constitute a default by the Company under the terms of such agreement(s);

12. <u>Inspection</u>. At the option of the City, the City shall have inspected the Property to confirm the Company's compliance with the terms and provisions of this Agreement, which inspection shall occur within seven (7) days after the City has been notified by the Company that the townhomes identified in each Payment Request are ready for inspection, or the Condition Precedent set forth in this <u>Article VII</u>, <u>Section 12</u> shall be waived;

13. <u>No Conviction for Undocumented Workers</u>. As of the date of the Payment Request, and at all times during the Term of this Agreement prior to such Payment Request, the Company shall not have been convicted by a court of competent jurisdiction of knowingly employing Undocumented Workers to work for the Company at the Property or at any other branch, division or department of the Company; and

14. <u>Completion of Amenities.</u> An additional Condition Precedent to the payment of the seventh (7^{th}) installment payment of the Economic Development Incentive through the final installment payment, inclusive, shall be that the Company shall have completed, or caused the completion, of the construction of five (5) different Amenities, with at least one (1) from each tier of amenities listed on <u>Exhibit "E,"</u> in accordance with the Site and Amenity Plan attached hereto as <u>Exhibit "C"</u> prior to the issuance by the City of the 59th Building Permit in connection with the Project.

ARTICLE VIII

Economic Development Incentive

1. <u>Economic Development Incentive.</u> The City hereby approves, subject to the Conditions Precedent and the covenants and limitations set forth in this Agreement, an economic development grant to the Company in the amount equal to the lesser of: (i) the Roadway Impact Fees paid by the Company to the City in connection with the Project; and (ii) THREE HUNDRED SIXTY SIX THOUSAND EIGHT HUNDRED SIXTY EIGHT AND 32/100 DOLLARS (\$366,868.32) (the "Economic Development Incentive").

2. <u>Payment of Economic Development Incentive.</u> (a) Provided all Conditions Precedent set forth in <u>Article VII</u>, <u>Sections 1 through 13</u>, inclusive, shall have been satisfied and are then satisfied with respect to the first six (6) installment payments, and further provided that all Conditions Precedent set forth in <u>Article VII</u>, <u>Sections 1 through 14</u>, inclusive, have been satisfied and are then satisfied with respect to the seventh (7th) installment payment through the final installment payment, inclusive, and subject to the covenants and limitations set forth in this Agreement, the City will pay the Economic Development Incentive to the Company in forty-six (46) installment payments, the first forty-five (45) installment payments shall each be in the sum of the lesser of: (i) the Roadway Impact Fees paid by the Company to the City in connection with the construction of the five (5) townhomes identified in the Payment Request for such installment payment; or (ii) \$8,080.80; and the final installment payment shall be in the sum of the lesser of: (i) the Roadway Impact Fees paid by the Company to the City in connection with the construction of the two (2) townhomes identified in the Payment Request for the final installment payment; or (ii) \$3,232.32.

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(b) Prior to the construction of each townhome on the Property, the Company shall apply for a Building Permit and shall pay all development fees including, without limitation, all Roadway Impact Fees, in connection with the issuance of such Building Permit. Each Building Permit shall identify the construction site address of the townhome to be constructed in connection with such Building Permit. The Company shall submit a Payment Request for the first installment payment within forty-five (45) days after all Conditions Precedent with respect to the first installment payment have been satisfied. Such initial Payment Request shall identify by construction site address the five (5) townhomes under construction in connection with the first five (5) Building Permits issued by the City to the Company. The Company shall submit a Payment Request for the second (2^{nd}) through forty-fifth (45^{th}) installment payment within forty-five (45) days after all Conditions Precedent with respect to each such installment payment have been satisfied. The second (2^{nd}) through forty-fifth (45th) Payment Request shall each identify by construction site address five (5) townhomes not listed in any preceding Payment Request that are then under construction in connection with the next five (5) successive Building Permits issued by the City to the Company in connection with the Project. For example, the second (2nd) Payment Request shall identify the construction site address of the five (5) townhomes under construction in connection with the sixth (6th) through tenth (10th) Building Permits issued by the City to the Company, the third (3rd) Payment Request shall identify the construction site address of the five (5) townhomes under construction in connection with the eleventh (11th) through fifteenth (15th) Building Permit issued by the City to the Company, and each subsequent Payment Request thereafter (except for the final Payment Request) shall identify by construction site address the townhomes being constructed in connection with the next five (5) Building Permits issued by the City to the Company. The Company shall submit a Payment Request for the final installment payment within forty-five (45) days after all Conditions Precedent to the final installment payment have been satisfied, identifying by construction site address the two (2) townhomes under construction in connection with the final two (2) Building Permits issued by the City to the Company in connection with the Project.

(c) The first six (6) installment payments shall be payable within forty-five (45) days after the later of: (i) the date the Company submits the Payment Request in connection with such installment payment; and (ii) the date all Conditions Precedent set forth in <u>Article VII</u>, <u>Sections 1 through 13</u>, inclusive, have been satisfied and are then satisfied including, without limitation, (i) each completed townhome on the Property and each townhome then under construction on the Property shall be in compliance with the Development Standards; and (ii) the five (5) townhomes identified in the Payment Request submitted for such installment payment shall have Passed the Framing Inspection. Each subsequent installment payment shall be payable within forty-five (45) days after the later of: (i) the date the Company submits the Payment Request in connection with such installment payment; and (ii) the date all Conditions Precedent set forth in <u>Article VII</u>, <u>Sections 1 through 14</u>, inclusive, have been satisfied and are then satisfied including, without limitation (i) each completed townhome on the Property and each townhome then under construction on the Property shall be in completed townhome on the Property and each townhome then under construction on the Property shall be in completed townhome on the Property and each townhome then under construction on the Property shall be in compliance with the Development Standards; and (ii) with respect to the seventh (7th) through forty-fifth (45th) installment payment, the five (5) townhomes identified in the Payment Request submitted for such installment payment Request submitted for such installment payment shall have Passed the Framing Inspection and, with respect to the final installment payment, the two (2) townhomes identified in the Payment Request submitted for the final installment payment shall have Passed the Framing Inspection.

(d) Notwithstanding anything contained herein to the contrary, in no event shall any Payment Request identify any townhome included in any previous Payment Request.

3. <u>Limitation of Economic Development Incentive</u>. Notwithstanding anything contained in this Agreement to the contrary, the Parties agree that the maximum amount of the Economic Development Incentive payable under the terms of this Agreement is the sum of THREE HUNDRED SIXTY-SIX THOUSAND EIGHT HUNDRED SIXTY-EIGHT AND 32/100 DOLLARS (\$366,868.32). If there is any conflict between this <u>Article VIII</u>, <u>Section 3</u> and any other term or provision of this Agreement, this <u>Article VIII</u>, <u>Section 3</u> shall control.

4. <u>Funds Available for Payment of Economic Development Incentive</u>. The Economic Development Incentive is calculated based on Roadway Impact Fees paid by the Company to the City but is not payable from the Roadway Impact Fees paid by the Company to the City. The grant of Economic Development Incentive payable by the City to the Company as more fully set forth in this Agreement is not secured by a pledge of ad valorem taxes or financed by the issuance of any bonds or other obligations payable from ad valorem taxes of the City but is payable only from funds of the City authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380. Each installment payment of the Economic Development Incentive is subject to the City's appropriation of funds for such purpose to be paid in the budget year for which such installment is to be paid. This <u>Article VIII</u>, <u>Section 4</u> shall expressly survive the expiration or termination of this Agreement.

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ARTICLE IX

Defaults Recapture of Incentives Remedies

1. <u>Company Default.</u> The Company shall be in default of this Agreement: (i) upon the occurrence of an Event of Bankruptcy or Insolvency of the Company; (ii) upon any assignment of this Agreement by the Company in violation of <u>Article X</u>, <u>Section 2</u> of this Agreement; or (iii) upon the failure of the Company to timely keep or perform any term, provision, agreement, covenant, condition or obligation to be kept or performed by Company under the terms of this Agreement and such failure continues for sixty (60) days after written notice by the City to the Company (each a "Company Default").

2. <u>City Default.</u> The City shall be in default of this Agreement upon the failure of the City to timely keep or perform any term, provision, agreement, covenant, condition or obligation to be kept or performed by the City under the terms of this Agreement and such failure continues for sixty (60) days after written notice by the Company to the City (each a "<u>City Default</u>").

3. <u>City Remedies.</u> In the event of a Company Default, the City shall have no obligation to pay any future installment payment of the Economic Development Incentive to the Company and the City shall have the right to: (i) recapture a portion of the Economic Development Incentive previously paid by the City to the Company as more fully set forth in <u>Article IX</u>, <u>Section 4</u> below; (ii) terminate this Agreement by written notice to the Company in which event neither Party hereto shall have any further rights or obligations hereunder except for those that expressly survive the termination of this Agreement; and (iii) exercise any and/or all other rights and remedies available to the City under this Agreement and/or pursuant to the laws of the State of Texas, all rights and remedies of the City being cumulative, provided, however, the City shall not be entitled to the recovery of attorney's fees [except in the event of the exercise of the City of the remedies set forth in Chapter 2264 of the Texas Government Code] or consequential, punitive, exemplary or speculative damages.

4. <u>Recapture of Economic Development Incentive.</u> In the event of a Company Default, the Company shall immediately pay to the City, at the City's address set forth in <u>Article X</u>, <u>Section 3</u> of this Agreement, or such other address as the City may hereafter notify the Company in writing, the amount equal to twenty-five percent (25%) of the most recent installment payment paid by the City to the Company prior to the Company Default. By way of example only, if a Company Default occurs after the City has paid the third installment payment but before the payment of the fourth installment payment, the amount to be recaptured would be twenty-five (25%) of the third installment payment. In the event the Company fails to timely pay any sums due by the Company to the City pursuant to this <u>Article IX</u>, <u>Section 4</u>, the Company shall be in breach of this Agreement and the City shall have the right, without further demand or notice to the Company, to exercise any and/or all rights and/or remedies available to the City pursuant to collect such sums.

5. <u>Company Remedies.</u> Upon the occurrence of a City Default, the Company shall have the right to seek specific performance or injunctive relief under this Agreement or to terminate this Agreement by written notice to the City in which event neither Party hereto shall have any further rights or obligations hereunder except for those that expressly survive the termination of this Agreement. The City and the Company acknowledge and agree that this Agreement is not a contract for goods or services and the City's immunity from suit is not waived pursuant to Subchapter I of Chapter 271, V.T.C.A., Local Government Code, as amended. Alternatively, if and only in the event a court of competent jurisdiction determines the City's immunity from suit is waived under Subchapter I of Chapter 271, V.T.C.A., Local Government Code, the Parties hereby acknowledge and agree that in a suit against the City for breach of this Agreement:

(i) the total amount of damages, if any, awarded against the City shall be limited to actual damages in an amount not to exceed the amount of the Economic Development Incentive set forth in <u>Article VIII</u>, <u>Section 1</u> of this Agreement less the amount of all installment payments of the Economic Development Incentive previously paid by the City to the Company;

- (ii) the recovery of damages against the City shall not include consequential, punitive, exemplary, or speculative damages; and
- (iii) the Company shall not recover attorney's fees.

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6. <u>Survival.</u> All terms, provisions, agreements, covenants, conditions, obligations, rights and remedies of each Party pursuant to this <u>Article IX</u> shall expressly survive the expiration or termination of this Agreement.

ARTICLE X

Miscellaneous Provisions

INDEMNITY. UNTIL THE LATER OF ONE (1) YEAR FROM COMPLETION OF THE PUBLIC 1. INFRASTRUCTURE OR EXPIRATION OF ANY MAINTENANCE BONDS FOR THE PUBLIC INFRASTRUCTURE, THE COMPANY HEREBY INDEMNIFIES AND AGREES TO HOLD HARMLESS THE CITY, ITS OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES (EACH AN "INDEMNITEE") FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, DAMAGES, CAUSES OF ACTION, LIABILITIES, LAWSUITS, JUDGMENTS, FINES, PENALTIES AND COSTS OF EVERY KIND INCLUDING, WITHOUT LIMITATION, COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION, FOR PERSONAL INJURY (INCLUDING DEATH) OF ANY PERSON OR DAMAGE TO OR LOSS OF PROPERTY ARISING FROM ANY ACT OR OMISSION ON THE PART OF THE COMPANY, ITS' OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, SUBCONTRACTORS AND ITS' CONTRACTORS' AND SUBCONTRACTORS' OFFICERS, AGENTS AND EMPLOYEES, IN THE DESIGN OR CONSTRUCTION OF THE PUBLIC INFRASTRUCTURE (EXCEPT WHEN SUCH CLAIMS, DEMANDS, DAMAGES, CAUSES OF ACTION, LIABILITIES, LAWSUITS, JUDGMENTS, FINES, PENALTIES OR COSTS ARISE FROM OR ARE ATTRIBUTED TO THE NEGLIGENCE OR MISCONDUCT OF AN INDEMNITEE). NOTHING CONTAINED IN THIS ARTICLE X, SECTION 1 SHALL CONSTITUTE A WAIVER OF ANY GOVERNMENTAL IMMUNITY OR DEFENSE AVAILABLE TO ANY INDEMNITEE UNDER TEXAS LAW. IF ANY ACTION OR PROCEEDING SHALL BE BROUGHT BY OR AGAINST ANY INDEMNITEE IN CONNECTION WITH ANY SUCH LIABILITY OR CLAIM. THE COMPANY SHALL BE REQUIRED, ON NOTICE FROM INDEMNITEE, TO DEFEND SUCH ACTION OR PROCEEDING AT THE COMPANY'S EXPENSE, BY OR THROUGH ATTORNEYS REASONABLY SATISFACTORY TO THE INDEMNITEE. THE PROVISIONS OF THIS ARTICLE X, SECTION 1 ARE NOT TO BE STRICTLY CONSTRUED, ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON. IF ANY PART OF THIS INDEMNITY IS DETERMINTED BY A COURT OF COMPETENT JURISDICTION TO BE INVALID OR UNENFORCEABLE FOR ANY REASON, THE REMAINING PORTION OF THIS INDEMNITY SHALL CONTINUE IN FULL FORCE AND EFFECT. THE PROVISIONS OF THIS ARTICLE X, SECTION 1 SHALL EXPRESSLY SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the 2. Parties hereto, their respective successors and permitted assigns provided, however, notwithstanding anything contained herein to the contrary, this Agreement and the rights and obligations of the Company hereunder may not be assigned or transferred by the Company to any Person other than an Affiliate of the Company without the prior written consent of the City which may be withheld in the City's sole discretion. In the event the Company is a corporation or limited liability company, the sale, transfer or assignment of a controlling interest in the shares of the Company or the sale, transfer or assignment of a controlling interest in the membership interests of the Company to any Person other than an Affiliate of the Company shall constitute an assignment of this Agreement and the failure of the Company to obtain the prior written consent of the City prior to such sale, transfer or assignment of such shares or membership interests shall be an attempted assignment of this Agreement in violation of this Agreement and shall constitute a breach of this Agreement by the Company. In the event the Company is a partnership, the sale, transfer or assignment of a controlling interest in the shares of a corporation, or the membership interests of a limited liability company, or the partnership interests of a partnership, that is the Company's general or managing partner to any Person other than an Affiliate of the Company shall constitute an assignment of this Agreement and the failure of the Company to obtain the prior written consent of the City prior to such sale, transfer or assignment of such shares, membership interests, or partnership interests, shall be an attempted assignment of this Agreement in violation of this Agreement and shall

constitute a breach of this Agreement by the Company. Furthermore, neither the Company, nor any approved assignee or their legal representatives or successors in interest shall, by operation of law or otherwise, assign, mortgage, pledge, encumber or otherwise collaterally transfer this Agreement or any part hereof, or the interest of the Company, or any approved assignee under this Agreement, to any Person other than an Affiliate of the Company, without obtaining the City's prior written consent, which may be given or withheld in the City's sole discretion. Any consent by the City to any assignment of this Agreement shall apply only to the specific transaction authorized and shall not constitute a waiver of the necessity for such consent to any subsequent assignment. The consent by the City to any assignment of this Agreement shall not relieve the Company or any approved assignee from any liabilities or obligations of the Company or any approved assignee under the terms of this Agreement unless the written consent of the City expressly states otherwise. Every assignee shall be subject to and bound by all the provisions, terms, agreements, covenants, and conditions of this Agreement and shall be required to obtain the prior written consent of the City with respect to any future or further assignment. No assignment of this Agreement shall contain any terms in contravention of any provisions of this Agreement. No assignment of this Agreement shall be effective unless: (i) the assignment is in writing signed by the assignor and the assignee; (ii) the assignee assumes the assignor's obligation to timely keep and perform all terms, provisions, agreements, covenants, conditions and obligations of the assignor under the terms of this Agreement; (iii) a true and correct copy of such assignment has been provided to the City; and (iv) with respect to any assignment other than to an Affiliate, the City has approved such assignment in writing. Any assignment in violation of the terms and provisions of this Agreement shall be void and of no force or effect.

3. <u>Notices.</u> Any notice and/or certificate or statement required or permitted to be given to any Party under the terms of this Agreement shall be in writing and shall be deemed properly given if sent by United States electronically tracked certified mail, return receipt requested, in a postage paid envelope addressed to the respective Party at the following addresses or by delivery of the notice in person to the intended addressee by hand delivery or by a nationally recognized courier service having the ability to track shipping and delivery of notices including but not limited to services such as Federal Express or United Parcel Service (UPS). Notices mailed by certified mail as set forth above shall be effective and deemed delivered, whether actually received or not, one (1) business day after deposit in the United States mail. Notices sent by a nationally recognized courier service. Notices given in any other manner shall be effective and deemed delivered only if and when received by the addressee. For purposes of notice, the addresses of the Parties shall be as set forth below; provided, however, that any Party shall have the right to change such Party's address in the manner set forth herein:

COMPANY:	HMH Lifestyles, L.P. 1038 Texan Trail Grapevine, Texas 76051 Attention: Nelson Mitchell
With a copy to:	Glen A. Bellinger Bellinger & Suberg, L.L.P. 12221 Merit Drive, Suite 1750 Dallas, Texas 75251
CITY:	City of Mesquite 1515 N. Galloway Avenue Mesquite, TX 75149 Attention: City Manager
With a copy to:	Director of Economic Development City of Mesquite 1515 N. Galloway Ave. Mesquite, Texas 75149
With a copy to:	City Attorney City of Mesquite 1515 N. Galloway Ave. Mesquite, Texas 75149

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4. <u>Right to Offset</u>. The City shall have the right to offset any amounts due and payable by the City under this Agreement against any debt (including taxes) lawfully due and owing by the Company to the City, regardless of whether the amount due arises pursuant to the terms of this Agreement or otherwise, and regardless of whether or not the debt has been reduced to judgment by a court.

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

6. <u>Modification</u>. This Agreement may only be revised, modified or amended by a written document signed by the City and the Company. Oral revisions, modifications or amendments are not permitted.

7. <u>Interpretation</u>. Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any Party.

8. <u>Waivers.</u> All waivers, to be effective, must be in writing and signed by the waiving Party. No failure by any Party to insist upon the strict or timely performance of any covenant, duty, agreement, term or condition of this Agreement shall constitute a waiver of any such covenant, duty, agreement, term or condition. No delay or omission in the exercise of any right or remedy accruing to any Party upon a default of this Agreement shall impair such right or remedy or be construed as a waiver of any such breach or a waiver of any breach theretofore or thereafter occurring.

9. <u>Governing Law; Venue.</u> This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Texas (without giving effect to any conflict of law principles that would result in the application of the laws of any state other than Texas). The Parties agree that venue of any suit to construe or enforce this Agreement shall lie exclusively in state courts in Dallas County, Texas.

10. WAIVER OF CONSEQUENTIAL, PUNITIVE OR SPECULATIVE DAMAGES. THE COMPANY AND THE CITY AGREE THAT, IN CONNECTION WITH ANY ACTION, SUIT OR PROCEEDING ARISING FROM OR RELATING TO THIS AGREEMENT, EACH PARTY MUTUALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY CLAIM FOR CONSEQUENTIAL, PUNITIVE, EXEMPLARY, OR SPECULATIVE DAMAGES.

11. <u>Severability.</u> The sections, paragraphs, sentences, clauses, and phrases of this Agreement are severable and, if any phrase, clause, sentence, paragraph, or section of this Agreement should be declared invalid, illegal or unenforceable by the final judgment or decree of any court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Agreement and such remaining provisions shall remain in full force and effect and shall be construed and enforced as if the invalid, illegal or unenforceable provision had never been included in this Agreement.

12. <u>No Partnership or Joint Venture</u>. Nothing contained in this Agreement shall be deemed or construed by the Parties hereto, nor by any third party, as creating the relationship of partnership or joint venture between the Parties.

13. <u>No Acceleration</u>. All amounts due pursuant to this Agreement and any remedies under this Agreement are not subject to acceleration.

14. <u>No Third-Party Beneficiaries.</u> The Parties to this Agreement do not intend to create any third-party beneficiaries of this Agreement. This Agreement shall not create any rights in any individual or entity that is not a signatory hereto. No Person who is not a party to this Agreement may bring a cause of action pursuant to this Agreement as a third-party beneficiary.

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

16. <u>Counterparts.</u> This Agreement may be executed in any number of original, facsimile or electronically-scanned counterparts, each of which shall be considered an original and all of which shall be considered one and the same instrument.

17. <u>Entire Agreement.</u> This Agreement sets forth the entire agreement between the Parties with respect to the subject matter hereof, and all prior discussions, representations, proposals, offers, and oral or written communications of any nature are entirely superseded hereby and extinguished by the execution of this Agreement. There are no oral agreements between the Parties.

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18. <u>Authority.</u> The Company represents that it is duly formed, validly existing and in good standing under the laws of the State of its formation and is duly authorized to transact business in the State of Texas. The Company represents that it has the full power and authority to enter into and fulfill its obligations under this Agreement and that the Person signing this Agreement on behalf of the Company has the authority to sign this Agreement on behalf of the Company.

19. <u>City Council Authorization</u>. This Agreement was authorized by resolution of the City Council approved at a City Council meeting.

Usury Savings Clause. The Company and the City intend to conform strictly to all applicable usury 20. laws. All agreements of the City and the Company are hereby limited by the provisions of this Article X, Section 20 which shall override and control all such agreements, whether now existing or hereafter arising and whether written or oral. In no event shall any interest contracted for, charged, received, paid or collected under the terms of this Agreement exceed the Maximum Lawful Rate or amount of non-usurious interest that may be contracted for, taken, reserved, charged, or received under applicable law. If, from any possible development of any document, interest would otherwise be payable to the City in excess of the Maximum Lawful Rate, any such construction shall be subject to the provisions of this Article X, Section 20 and such document shall be automatically reformed and the interest payable to the City shall be automatically reduced to the Maximum Lawful Rate, without the necessity of execution of any amendment or new document. If the City shall ever receive anything of value which is characterized as interest under applicable law and which would apart from this provision be in excess of the Maximum Lawful Rate, an amount equal to the amount which would have been excessive interest shall at the option of the City be refunded to Company or applied to the reduction of any principal amount owing under this Agreement or such document in the inverse order of its maturity and not to the payment of interest. The right to accelerate any indebtedness does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and City does not intend to charge or receive any unearned interest in the event of acceleration. All interest paid or agreed to be paid to the City shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full stated term (including any renewal or extension) of such indebtedness so that the amount of interest on account of such indebtedness does not exceed the Maximum Lawful Rate.

21. <u>Non-Collusion</u>. The Company represents and warrants that neither Company nor anyone on the Company's behalf has given, made, promised or paid, nor offered to give, make, promise or pay any gift, bonus, commission, money or other consideration to any employee, agent, representative or official of the City as an inducement to or in order to obtain the benefits to be provided by the City under this Agreement.

22. Form 1295 Certificate. The Company agrees to comply with Texas Government Code, Section 2252.908 and in connection therewith, the Company agrees to go online with the Texas Ethics Commission to complete a Form 1295 Certificate and further agrees to print the completed certificate and execute the completed certificate in such form as is required by Texas Government Code, Section 2252.908 and the rules of the Texas Ethics Commission and provide to the City, at the time of delivery of an executed counterpart of this Agreement, a duly executed completed Form 1295 Certificate.

23. <u>Execution of Agreement by Parties.</u> If this Agreement is not executed by the Company and the City on or before November 14, 2019, this Agreement will be null and void and of no force or effect.

24. <u>Time is of the Essence.</u> THE PARTIES SPECIFICALLY AGREE THAT TIME IS OF THE ESSENCE OF EACH AND EVERY PROVISION OF THIS AGREEMENT AND EACH PARTY HEREBY WAIVES ANY RULE OF LAW OR EQUITY WHICH WOULD OTHERWISE GOVERN TIME OF PERFORMANCE.

25. <u>Development Standards.</u> The Parties acknowledge that in the last legislative session, the Texas Legislature passed HB 2439, to be codified in V.T.C.A., Texas Government Code, Chapter 3000, *Governmental Action Affecting Residential and Commercial Construction*, regarding the regulation by municipalities of building products, materials, and aesthetic methods for residential and commercial buildings. The Company acknowledges

that, notwithstanding V.T.C.A., Texas Government Code, Chapter 3000, the Company is agreeing to: (i) develop the Property in compliance with the Development Standards, the Preliminary Plat, the Site and Amenity Plan, and the Landscape Plan; and (ii) construct the townhomes on the Property in compliance with the Development Standards. The Parties acknowledge that such agreement is material to the City's agreement to grant the Economic Development Incentive and is a bargained for consideration between the Parties. The Parties further acknowledge and agree that the terms, provisions, covenants, and agreements contained in this Agreement regarding: (i) the development of the Property in compliance with the Development Standards, the Preliminary Plat, the Site and Amenity Plan, and the Landscape Plan; and (ii) the construction of the townhomes on the Property in compliance with the Development Standards, the Preliminary Plat, the Site and Amenity Plan, and the Landscape Plan; and (ii) the construction of the townhomes on the Property in compliance with the Development Standards, the Preliminary Plat, the Site and Amenity Plan, and the Landscape Plan; and (ii) the construction of the townhomes on the Property in compliance with the Development Standards, the Preliminary Plat, the Site and Amenity Plan, and the Landscape Plan; and (ii) the construction of the townhomes on the Property in compliance with the Development Standards are covenants that touch and concern the land and that it is the intent of the Parties that such terms, provisions, covenants, and agreements shall run with the land and shall be binding upon the Parties hereto, their successors and assigns, and all subsequent owners of the Property.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement by their duly authorized agents, officers and/or officials on the dates set forth below.

ATTEST:

- Q.

Sonja Land City Secretary

Date:

APPROVED AS TO FORM:

malladers

City Attorney or his Designee

STATE OF TEXAS	§
	§
COUNTY OF DALLAS	§

CITY OF MESQUITE, a Texas home rule municipality

By: Name: Cliff Kehele Title: City Manager

10-21-19 Date:

This instrument was acknowledged before me on <u>Caputal</u>, 2019, by Cliff Keheley, City Manager of the City of Mesquite, Texas, a Texas home rule municipality, on behalf of said home rule municipality.

NOTARY PUBLIC, State of Texas

My Commission Expires: 5-12-2020

Notary Seal

SUSAN L. HOUSE NOTARY PUBLIC-STATE OF TEXAS ID# 12492441-2 COMM. EXP. 05-12-2020

COMPANY:

HMH LIFESTYLES, L.P., a Texas limited partnership

By: BNMJR, INC., a Texas corporation, Its General Partner B Name: B. Nelson nitchell , 51 Title: CGO Date:

STATE OF TEXAS	
COUNTY OF DALLAS	

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This instrument was acknowledged before me on <u>Ctober 18</u>, 2019, by <u>B.Netson Nutchell</u> of BNMJR, Inc., a Texas corporation, general partner of HMH Lifestyles, L.P., a Texas limited partnership, on behalf of said corporation as general partner of HMH Lifestyles, L.P., a Texas limited partnership.

OTARY PUBLIC, State of Texa

My Commission Expires:

Notary Seal

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EXHIBIT "A"

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Legal Description of the Property

BEING a 36.466 acre tract of land situated in the Daniel Tanner Survey, Abstract Number 1462, being all of Lot 3 and 4 of Triangle East Addition, an addition to the City of Mesquite, Dallas County, Texas, plat recorded in Volume 94008, Page 4314, Plat Records, Dallas County, Texas, also being described in a deed to Mesquite Joint Venture in Volume 2001035, Page 5190, Deed Records, Dallas County, Texas and being more particularly described by metes and bounds as follows: (Bearings and Distances are based on the State Plane Coordinate System, Texas North Central Zone (4202), North American Datum of 1983(NAD83) (US Foot) with a combined scale factor of 1.000136506);

BEGINNING at a 1/2 inch rebar found for the southwest corner of Lot 4-A, Block 2 of Triangle East Addition, recorded in Instrument Number 201500167836, Official Public Records, Dallas County, Texas, also being the northwest corner of said subject property, and lying on the east right of way line of Gus Thomasson Road (Called 100 foot right of way as shown in Instrument Number 201500167836);

THENCE North 80 degrees 15 minutes 50 seconds East, departing the East right of way line of said Gus Thomasson Road, with the south line of said Lot 4-A, passing a 1/2 inch rebar found with a cap stamped "6173" at the southeast corner of said Lot 4-A same being the southwest corner of Lot 4-B of said second referenced Triangle East Addition, a distance of 501.95 feet and continuing with the south line of said Lot 4-B, a total distance of 582.92 feet to a 1/2 inch rebar capped found for the northeast corner of said subject property;

THENCE North 80 degrees 15 minutes 54 seconds East, with the south line of said Lot 4-B a distance of 169.47 feet to a 1/2 inch rebar capped "ASC" set for the southeast corner of said Lot 4-B and lying on the west line of a tract of land conveyed to Mesquite ISD in deed recorded in Volume 2003254, Page 9004, Deed Records, Dallas County, Texas also being a portion of Lot 5, Block 2 of said first referenced Triangle East Addition;

THENCE South 10 degrees 00 minutes 53 seconds East with the west line of said Lot 5, same being the west line of said Mesquite ISD tract, also being a tract of land conveyed to Town East Dealership in deed recorded in Volume 2001142, Page 5699, Deed Records, Dallas County, Texas a total distance of 583.54 feet to a 1/2 inch rebar capped "ASC" set for the southwest corner of said Town East Dealership tract;

THENCE North 80 degrees 35 minutes 38 seconds East, with the south line of said Town East Dealership tract, a distance of 115.04 feet to a 1/2 inch rebar capped "Halff" found for the northwest corner of a tract of land conveyed to Town East Dealership in deed recorded in Instrument Number 200600117214, Deed Records, Dallas County, Texas and lying on the south line of said first referenced Town East Dealership tract;

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THENCE South 07 degrees 30 minutes 58 seconds East departing the south line of said first referenced Town East Dealership tract, with the west line of said second referenced Town East Dealership tract, a distance of 783.57 feet to a point for the southwest corner of said second referenced Town East Dealership tract, and lying on the north line of Lot 1A, Block 2, Towne Centre Plaza Addition, an addition to the City of Mesquite, recorded in Volume 2003151, Page 165, Map Records, Dallas County, Texas from which a 1/2 inch rebar capped "Halff" found bears South 07 degrees 51 minutes 57 seconds West, a distance of 1.06 feet;

THENCE South 44 degrees 17 minutes 03 seconds West with the north line of said Lot 1A, continuing with the north line of a tract of land conveyed to City of Mesquite in deed recorded in Volume 90158, Page 2356, Deed Records, Dallas County, Texas, a distance of 349.63 feet to a point for the northernmost west corner of said City of Mesquite tract, from which a 1/2 inch rebar capped "Halff" found bears North 77 degrees 40 minutes 33 seconds East, a distance of 2.10 feet;

THENCE South 02 degrees 30 minutes 48 seconds West with the northernmost west line of said City of Mesquite tract, a distance of 326.43 feet to a point for an interior "ell" corner of said City of Mesquite tract, from which a 1/2 inch rebar capped "Halff" found bears South 30 degrees 27 minutes 56 seconds West, a distance of 2.52 feet;

THENCE South 78 degrees 46 minutes 19 seconds West with the westernmost north line of said City of Mesquite tract, a distance of 565.81 feet to a point for the southwest corner of said Lot 3, and lying on the north line of said City of Mesquite tract, from which a 1/2 inch rebar found bears South 12 degrees 32 minutes 49 seconds East, a distance of 2.54 feet;

THENCE South 78 degrees 42 minutes 24 seconds West, with the south line of said Lot 3, same being the westernmost north line of said City of Mesquite tract, a distance of 207.57 feet to a point for the southwest corner of said Lot 3, and lying on the east line of said Gus Thomasson Road, from which a 1/2 inch rebar bears South 31 degrees 13 minutes 25 seconds East, a distance of 3.25 feet;

THENCE North 04 degrees 17 minutes 20 seconds East continuing with the east line of said Gus Thomasson Road, a distance of 681.18 feet to a 1/2 inch rebar found for corner at the northwest corner of said Lot 3 and southwest corner of said Lot 4;

THENCE North 04 degrees 18 minutes 14 seconds East continuing with the east line of said Gus Thomasson Road, a distance of 203.93 feet to a 1/2 inch rebar found for corner at the beginning of a tangent curve to the left having a central angle of 14 degrees 02 minutes 00 seconds, a radius of 2,374.95 feet, and a chord bearing North 02 minutes 43 minutes 12 seconds West, a distance of 580.24 feet; THENCE in a northwesterly direction, continuing with the east right of way line of said Gus Thomasson Road, along said tangent curve to the left, an arc length of 581.69 feet to a 1/2 inch rebar found for corner capped "1988";

THENCE North 09 degrees 44 minutes 31 seconds West continuing with said east right of way line of Gus Thomasson Road, a distance of 477.35 feet back to THE POINT OF BEGINNING and containing 1,588,473 square feet or 36.466 acres of land, more or less.

EXHIBIT "B"

Development Standards

A. LOT, SETBACK AND BUILDING STANDARDS

- 1. Minimum Lot Area: 1,870 square feet
- 2. Minimum Lot Depth: 85 feet

- 3. Minimum Lot Width: 22 feet
- 4. Minimum Front Yard: 10 feet rear entry
- 5. Minimum Exterior Side Yard (from any public or private street, drive or alley): 10 feet
- 6. Minimum Interior Side Yard: Per Fire Code, 5 feet from property line
- 7. Minimum Rear Yard: 20 feet rear entry
- 8. Maximum Density: 8.5 units per net acre
- 9. Minimum Living Area: 1,400 square feet
- 10. Maximum Height: 2 stories, but up to 35 feet on interior lots
- 11. Minimum Exterior Fire-Resistant Construction (Masonry, which masonry may include stone and brick, but shall not include cementitious fiberboard or stucco): 100 percent of all front facades and any facade facing Gus Thomasson Road shall be comprised of masonry as defined, and 70 percent of any other facade shall be masonry as defined in this paragraph and the remaining 30 percent of non-masonry materials shall be comprised of cementitious fiberboard.
- 12. Minimum Separation Between Buildings: 20 feet
- 13. Maximum Number of Units per Building: 6 units
- 14. Minimum Open Space: Refer to Exhibit B-1 for open space locations
- 15. Parking: Resident parking 2 covered off-street spaces per unit (2 car garage)

Resident/Visitor parking – 2 tandem off-street spaces per lot (tandem to garage)

16. Minimum Right-of-Way: 50 feet, refer to Exhibit B-2 for typical section

B. RECREATIONAL FACILITIES AND SUMMARY OF AMENITIES

Recreational and community facilities, including community buildings, and playground areas, etc. shall be considered in the review of the planned development of the Property. Some amenities to be considered include the following:

- Decorative paving at key intersections
- Community gathering area for all residents with HOA organized events
- Recreational areas
- Parking located in the rear of all buildings to provide a clean looking community

- Interconnectivity among all open space lots on site
- Proximity to a large city park that will provide residents easy access from their dwelling unit
- Urban-style feel with proximity of units to street frontage
- Urban style landscaping with clean streetscape
- Landscape trees and beds common areas
- Landscaping beds
- Abundance of street trees spaced every 40' along the right of way
- HOA to maintain all landscaping to ensure presentable upkeep
- Benches and walkability throughout site
- Multiple floor plans to provide a variety of elevation looks
- Multiple brick colors on building facade
- Entry monuments

C. SCREENING

A wrought iron fence with living screen minimum six (6) feet in height**, shall be erected and maintained at the perimeter of the Planned Development district of the Property along Gus Thomasson Road. Provided, however, that such fence shall not be required to extend into a required front or exterior side yard and shall not be erected so as to obstruct traffic visibility at alley, street or drive intersections.

D. PARKING AND STORAGE OF RECREATIONAL VEHICLES AND EQUIPMENT

The Planned Development district of the Property shall stipulate that no recreation vehicle, motorhome, watercraft or other equipment greater than six feet in height when mounted on its transporting trailer shall be parked or stored on any lot with a dwelling unit. Regardless of height, no such equipment shall be parked or stored on any street for longer than 24 hours.

E. LANDSCAPING AND OPEN SPACE

- 1. Submission: The Preliminary Plat shall evidence compliance with the open space requirements of this Section. A landscape plan conforming with the requirements of Part 1A, Section 1A-201 of the City of Mesquite Zoning Ordinance codified in Appendix C of the Mesquite City Code and this Section shall be submitted with the development site plan.
- 2. Open Space: Not less than 38 percent of the gross area in the Planned Development district of the Property, excluding the lots with dwelling units, shall be maintained as pervious open space.
- 3. Landscaping: All lots with dwelling units including rights-of-way, shall be landscaped with turf grass, irrigated and planted with trees in accordance with Part 1A, Section1A-203(A) of the City of Mesquite Zoning Ordinance codified in Appendix C of the Mesquite City Code.

F. HOMEOWNERS' ASSOCIATION

1.1.1.1.1.1

Before issuance of building permits for the Project containing any common areas or community facilities, it shall be necessary to assure the City that provisions have been made for adequate upkeep and maintenance of such area and facilities through the creation of a homeowners or maintenance association established to maintain and manage all such common areas and community facilities. Documents creating such association shall grant the City the right to collect maintenance fees and provide maintenance in the event that the association fails to do so.

G. ADDITIONAL EXHIBITS

See attached exhibits for additional information:

Exhibit B-1 – Preliminary Plat

Exhibit B-2 -Standard 50' ROW Detail

Exhibit B-3 - Typical Building Landscape Details

EXHIBIT "B-1"

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Preliminary Plat





EXHIBIT "B-2"

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Standard 50' ROW Detail

EXHIBIT "B-3"

Typical Building Landscape Details



EXHIBIT "C"



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AMENITY PLAN



EXHIBIT "D"

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EXHIBIT "E"

List of Amenities

Amenity Tier 1

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- Dog park
- Walking paths and benches
- Plaza or other common open space, provided the space has a minimum 10,000 square feet of land area, is not within the public right-of-way, is connected to the system of sidewalks of the planned development zoning district of the Property, and is designated for walking and other passive recreation
- Community gathering area for Home Owners' Association organized events

Amenity Tier 2

- Picnic area
- Rock garden

Amenity Tier 3

- Landscape trees and beds in common areas
- Entry monuments at all entrances into the development
- Multiple floor plans
- Decorative paving at key intersections
- Water features such as a water fountain or pond
- Historical markers

EXHIBIT "F"

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Project Closeout and Acceptance Requirements

City of Mesquite - Engineering Acceptance of Civil Construction: June 30, 2015

In addition to proper completion of the construction shown on the engineering plans, there are several important administrative items that must be submitted and approved prior to City acceptance of the improvements and issuance of a Certificate of Occupancy for a project. These administrative items include:

- Record Drawings. If changes to the "released" set of Engineering Plans are needed during construction, they must be submitted to the City Engineering Division for review and release. Both hard copy and electronic copy of record drawings are required prior to final acceptance. Requirements for records drawings can be obtained on the Engineering Division web page at: http://www.cityofmesquite.com/DocumentCenter/Home/View/417
- Maintenance Bond a one-year maintenance bond for 10% of the cost of the public improvements (or a minimum of \$500.00) must be submitted to your assigned Engineering Division Public Works Construction Inspector.
- Acceptance Letter Request Form fill out this form and turn into your assigned Engineering Division Public Works Construction Inspector. This form is available at: http://www.cityofmesquite.com/DocumentCenter/Home/View/5128
- All required construction and material tests reports have been successfully completed and witnessed by your inspector and related documentation of these tests submitted to your assigned Engineering Division Public Works Construction Inspector.
- □ All other project documentation complete, City invoices paid, etc.

EXHIBIT "G"

Record Drawings and Plat Requirements

Interoffice

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Updated: March 5, 2015

To: Private Developers, Consulting Engineers, Contractors and Engineering Division Staff

From: Matthew Holzapfel, P.E. - City Engineer

Subject: Requirements for Record Drawings and Plats for Private Development Projects

The contractor shall arrange an appointment with the assigned City Public Works Construction Inspector (PWCI) to review his "marked-up" field set of civil drawings prior to submitting to the consulting engineer. This "marked-up" field set should have notes and changes identified for all deletions, additions, change orders, addendums and other changes to the plans. This "marked-up" field set must be approved by the assigned PWCI. Once approved by the PWCI the contractor shall submit the "marked-up" field set to the consulting engineer who prepared the plans for preparation of record drawings and digital files that meet the below requirements.

Engineering Firms for Private Development Projects shall submit the following to the assigned City Public Works Construction Inspector:

Record Drawings (As-Builts):

- □ 2 Blackline (24" x 36" or 22" x 34") Copies & Associated Electronic Files.
- These record drawings shall be sealed by the engineer of record in accordance with the Texas Board of Professional Engineers Policy Advisory Opinion Regarding Record (As-Built) Drawings – Issued February 8, 2007, available at web address (http://www.tbpe.state.tx.us/nm/pa18.pdf).
- All sheets of the approved civil drawings with all details shall be included.
- All changes shall be shown and noted in the revision block.
- Revisions shall be drawn using accepted drafting standards and shall be neat and easily read and interpreted.
- Line work and notes related to work deleted or changed shall be omitted from the drawing. All information on the blackline copies shall be crisp with well defined lines and lettering. The information shall have high contrast and be capable of producing a high quality, legible microfilm and scanned image.
- An electronic copy of the record drawings shall be submitted on CD-ROM, DVD or flash drive in all the following digital formats:
 - AutoCAD (.dwg file format) The .dwg files for the plan set may be in either model or paper space.
 - □ TIFF Class IV, 400 dpi format.
 - □ pdf format
- The City Public Works Construction Inspector shall check that the above digital images are complete and correct and copy all the digital files to the network Q: drive in the project digital folder under a separate folder labeled .rcd dwgs.
- The PWCI shall give the two blackline record drawing copies to the Engineering Division GIS staff for indexing, filming, scanning and placement in the City record drawing database. The GIS staff member receiving the blackline drawings and digital files on CD-ROM, DVD or flash drive from the PWCI shall sign and date the Project Final Acceptance Check-Off List. The Engineering Division GIS staff will also distribute one copy of the blackline record drawings to the Fire Marshall.

Plats:

An electronic copy of the Final Plat (without signatures) must be submitted to the Planning and Zoning Office on CD-ROM in AutoCAD 2006 or later in .dwg file format. The AutoCAD drawing must be in "model-space". The plat must show two property corners in grid coordinates. Grid coordinates must be referenced to a City GPS point. The grid coordinates must be in North American Datum (NAD) 83, Texas State Plane, North Central FIPS Zone 4202. This electronic copy does not need a seal. This copy will be used by the GIS technicians to place the plat properly on the updated street maps.

No Certificate of Occupancy of any sort shall be approved by the Engineering Division until an acceptable set of record drawings and associated digital files are received and approved.

RETURN TO: CITY SECRETARY CITY OF MESQUITE P.O. BOX 850137 MESQUITE, TX 75185-0137

Filed and Recorded Official Public Records John F. Warren, County Clerk Dallas County, TEXAS 11/19/2019 08:16:50 AM \$202.00

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