CITY OF MELISSA
CITY COUNCIL REGULAR
MEETING AGENDA

Tuesday, April 14, 2026
Regular Meeting - 6:30 p.m.

City of Melissa City Hall
3411 Barker Avenue
Melissa, TX 75454

REGULAR MEETING AGENDA

1. CALL TO ORDER AND ROLL CALL

2. INVOCATION AND PLEDGE OF ALLEGIANCE

3. PROCLAMATIONS AND PRESENTATIONS

A. Library Week Proclamation

4. PUBLIC COMMENTS - AGENDA ITEMS

This item is available for citizens to speak for up to 3 minutes on any item on the current agenda. General public comments can be made at the end of the Council meeting.

5. CONSENT AGENDA

All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member requests and a majority of City Council are in favor, in which event the item will be removed from the Consent Agenda and placed in the section titled Consideration of Items Withdrawn From the Consent Agenda.

A. Consider the minutes from the March 24, 2026 City Council Work Session and March 24, 2026 City Council Regular Meeting. (HB)

B. Consider a Resolution setting a date, time and place for a public hearing on the proposed voluntary annexation by the City of Melissa of the area of land consisting of 144.54 acres of land situated in the D.E.W. Babb Survey, Abstract No. 33, Collin County, Texas. (TL)

C. Consider a Resolution setting a public hearing for the creation of a public improvement district and improvements within the City of Melissa for the Honeybell Grove Estates residential development. (TL)

D. Consideration and possible action on a Facade Grant Program application for exterior improvements within the Downtown Overlay District. (JL)

E. Consider authorizing the City Manager to execute a contract with Lake Area Sign Company for the Melissa Road South Water Tower painting project. (TS)

F. Consider authorizing the City Manager to complete and execute an Annexation and Development Agreement with OMA. (JL)

6. CONSIDERATION OF ITEMS WITHDRAWN FROM CONSENT AGENDA

7. REGULAR AGENDA

A. Presentation regarding Police Accreditation (ES)

B. Conduct a public hearing and consider an Ordinance annexing, on application of the landowner, an area of land consisting of 21.3± acres of land in the aggregate, situated in the Joab Butler Survey, Abstract No. 69, Collin County, Texas and generally located at the southeast corner of Sam Rayburn Highway and McKinney Street, City of Melissa, Collin County, Texas. (TL)

C. Conduct a public hearing and consider an ordinance amending Melissa's Zoning Ordinance, Ordinance No. 92-08, as amended, to rezone 21.3± acres of land in the aggregate, heretofore zoned Agricultural District ("A") zoning classification; provided that the property, generally located at southeast corner of Sam Rayburn Highway and McKinney Street, City of Melissa, Collin County, Texas, is rezoned and placed in the Planned Development District/General Commercial District and Light Industrial District ("PD/C-2/I-1"). (TL)

D. Consider authorizing the City Manager to execute any and all documents necessary to obtain membership or otherwise meet requirements for membership in the North Texas Municipal Water District Regional Solid Waste System, effective October 1, 2026. (JL)

E. Authorize the City Manager to execute the new Potable Water Supply Contract with North Texas Municipal Water District (NTMWD). (JL)

F. Consider authorizing the City Manager or his designee to execute a facilities use agreement with Chase Oaks Church. (TS)

G. Consider an Ordinance amending City's Personnel Policy Manual to Update page 1 (Cover Page) and Section 6-09 (Conflict of Interest/Gifts Policy). (KW)

H. Consider a Resolution appointing members to the Boards and Commission. (HB)

8. PUBLIC COMMENTS - NON-AGENDA ITEMS

This item is available for citizens to speak for up to 3 minutes on any subject of which the City of Melissa has authority. However, no discussion or action, by law, may be taken on the topic unless and until properly posted on a future agenda

9. COUNCIL DISCUSSION

Council discussion with staff concerning any actions required by City Staff as a result of any item on tonight's agenda.

10. ADJOURN

Certified

Certified to this the 7th day of April, 2026.

Posted: April 7, 2026 @ 5:30 p.m.

_____
Hope Baskin, City Secretary

If during the course of the meeting covered by this notice, the City Council should determine that a closed or executive meeting or session of the City Council or a consultation with the attorney for the City should be held or is required, then such closed or executive meeting or session or consultation with attorney as authorized by the Texas Open Meetings Act, Texas Government Code §551.001 et seq., will be held by the City Council at the date, hour and place given in this notice or as soon after the commencement of the meeting covered by this notice as the City Council may conveniently meet in such closed or executive meeting or session or consult with the attorney for the City concerning any and all subjects and for any and all purposes permitted by the Act, including, but not limited to, the following sanctions and purposes:

Texas Government Code Section:

551.087 Deliberations regarding Economic Development Negotiations
551.071 Private Consultation with the Attorney for the City
551.072 Discussing Purchase, Exchange, Lease or Value of Real Property
551.074 Discussing Personnel

In accordance with House Bill 1522, the budget for FY2025-2026 for the City of Melissa will raise more revenue from total property taxes than last year's budget by an amount of $1,095,131, which is a 6.48% percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $1,951,306.

Scenario		TAXPAYER IMPACT: Median Taxable Homestead Value		Tax Rate	Estimated City Tax Bill	Change from Prior Year
Prior Year	FY2025	$ 413,849	2024	0.454116	$1,879.35	
Adopted Budget	FY2026	$ 441,633	2025	0.454116	$2,005.53	$126.17
No-New Revenue Rate	FY2026	$ 441,633	2025	0.477065	$2,106.88	$227.52
Voter Approved Rate	FY2026	$ 441,633	2025	0.478134	$2,111.60	$232.24

The adopted budget for FY 2025-2026 can be viewed on the City's website located at cityofmelissa.com under the Financial Transparency Tab

City of Melissa, Texas

Proclamation

National Library Week 2026

WHEREAS, libraries spark creativity, fuel imagination, and inspire lifelong learning, offering a space where individuals of all ages can explore new ideas and be drawn to new possibilities;

WHEREAS, libraries serve as vibrant community hubs, connecting people with knowledge, technology, and resources while fostering civic engagement, critical thinking, and lifelong learning;

WHEREAS, libraries provide free and equitable access to books, digital tools, and innovative programming, ensuring that all individuals—regardless of background—have the support they need to learn, connect, and thrive;

WHEREAS, libraries partner with schools, businesses, and organizations, connecting the dots to maximize resources, increase efficiency, and expand access to essential services, strengthening the entire community;

WHEREAS, libraries empower job seekers, entrepreneurs, and lifelong learners by providing access to resources, training, and opportunities that support career growth and economic success;

WHEREAS, libraries nurture young minds through storytimes, STEAM programs, and literacy initiatives, fostering curiosity and a love of learning that lasts a lifetime;

WHEREAS, libraries protect the right to read, think, and explore without censorship, standing as champions of intellectual freedom and free expression;

WHEREAS, dedicated librarians and library workers provide welcoming spaces that inspire discovery, collaboration, and creativity for all;

WHEREAS, libraries, librarians, and library workers across the country are joining together to celebrate National Library Week under the theme “Find Your Joy”;

WHEREAS, Melissa Public Library, a staff of ten in 2025, put on 350 programs for 15,504 people and recently earned their second Library of Excellence Award from Texas Municipal Library Directors Association. Melissa Public Library is on track to surpass those served in 2026 and aims to achieve a third Excellence Award.

NOW, THEREFORE, be it resolved that I, Jay Northcut, Mayor of the City of Melissa, proclaim April 19–25, 2026, as

NATIONAL LIBRARY WEEK

in the City of Melissa, Texas, and encourage all residents to visit the Melissa Public Library, explore its resources, and celebrate all the ways that the library draws us together as a community.

_____ _____

JAY NORTHCUT, MAYOR HOPE BASKIN, CITY SECRETARY

MINUTES

CITY OF MELISSA CITY COUNCIL WORK SESSION

CITY COUNCIL WORK SESSION

MARCH 24, 2026

5:15 PM

WORK SESSION AGENDA

1. Call to Order

Mayor Northcut called the Work Session to order at 5:15 p.m.

2. Roll Call

Mayor Jay Northcut, Mayor Pro Tem Craig Ackerman, Preston Taylor, Rendell Hendrickson, Dana Conklin and Joseph Armstrong were present. Sean Lehr was absent.

3. Public Comments

Paul Broussard
2107 Maplewood Lane
Melissa, TX 75454

Mr. Broussard shared concerns with item 7E on the Regular Agenda regarding the dumpster placement and the live screening height.

4. Discussion regarding any items on the Regular Agenda

Tyra LaVerne, Interim Director of Development Services, gave summaries of items 7A-7F on the Regular Meeting agenda.

Nolan Harvey, City Engineer, gave a summary of item 7G on the Regular Meeting agenda.

Terrell Smith, Assistant City Manager, gave a summary of Item 7I on the Regular Meeting agenda. Council discussed and asked for changes to be made before presenting during the Regular Meeting.

5. Work Session Item(s)

A. Update regarding Multi-Family Inspection Program (TL)

Tyra LaVerne introduced the Code Department Staff and provided an updated regarding the City's Multi-Family Inspection Program.

B. Discussion regarding Development Services Business Process Review (TS)

Dillon Morgan, Dillon Morgan Consulting, gave an overview of what a Development Services Business Process Review could look like for the City of Melissa. Mr. Morgan answered questions for Council.

C. Discussion regarding E-Bikes (ES)

Erik Stokes, Chief of Police, provided an update to Council regarding E-Bikes asking Council what they would like to see in a future ordinance.

6. Discussion regarding any future agenda items

There was no discussion regarding future agenda items.

7. Adjourn

Mayor Northcut adjourned the Work Session at 6:21 p.m.

ATTEST:

_____ _____

Hope Baskin, City Secretary Jay Northcut, Mayor

MINUTES

CITY OF MELISSA CITY COUNCIL REGULAR MEETING

CITY COUNCIL REGULAR MEETING

MARCH 24, 2026

6:30 PM

REGULAR MEETING AGENDA

1. CALL TO ORDER AND ROLL CALL

Mayor Northcut called the Regular Meeting to order at 6:30 p.m.

Mayor Jay Northcut, Mayor Pro Tem Craig Ackerman, Preston Taylor, Rendell Hendrickson, Dana Conklin and Joseph Armstrong were present. Sean Lehr was absent.

2. INVOCATION AND PLEDGE OF ALLEGIANCE

Rendell Hendrickson gave the invocation.

3. PROCLAMATIONS AND PRESENTATIONS

There were no proclamations or presentations.

4. PUBLIC COMMENTS - AGENDA ITEMS

Paul Broussard
2107 Maplewood Lane
Melissa, TX 75454

Mr. Broussard shared concerns with item 7E regarding the dumpster placement and the live screening height.

5. CONSENT AGENDA

A. Consider the minutes from the March 10, 2026 City Council Work Session and the March 10, 2026 City Council Regular Meeting. (HB)

B. Consider a Resolution setting a date, time and place for a public hearing on the proposed voluntary annexation by the City of Melissa of the area of land consisting of 21.3± acres of land situated in the Joab Butler Survey, Abstract No. 69, Collin County, Texas.

C. Consider the Melissa Shopping Plaza Final Engineering Site Plan, consisting of 3.17± acres of land, situated in the Andrew Thomas Survey, Abstract No. 894, City of Melissa, Collin County, Texas and generally located approximately 849 feet east of the intersection of Central Expressway and Buc-ee's Boulevard, City of Melissa, Collin County, Texas. (TL)

D. Consider authorizing the City Manager to negotiate and execute a contract with Dillon Morgan Consulting for a departmental process improvement evaluation. (TS)

Council Action:
Motion was made by Craig Ackerman and seconded by Rendell Hendrickson to Approve the Consent Agenda as noted.

Vote: 6/0/0

6. CONSIDERATION OF ITEMS WITHDRAWN FROM CONSENT AGENDA

There were no items withdrawn from the Consent Agenda.

7. REGULAR AGENDA

A. **Consider an ordinance abandoning the City's interest in a dedicated alley easement shown in the Graves Addition #1, an addition to the City of Melissa, Collin County, Texas, according to the plat thereof recorded under Volume 809, Page 43, plat records of Collin County, Texas. (TL)**

Tyra LaVerne, Interim Director of Development Services, presented the item to Council stating that Staff has received a request to abandon an alley easement located east of the intersection of Santa Fe Street and Graves Street. The property owner has committed to submitting a replat for staff review following approval of the abandonment; therefore, approval should be conditioned upon approval of the replat. All City utilities will be required to be located within existing easements and noted on the plat.

Council Action:
Motion was made by Dana Conklin and seconded by Joseph Armstrong to Approve an ordinance abandoning the City's interest in a dedicated alley easement as listed with the condition upon approval of the replat.

Vote: 6/0/0

B. Consider authorizing the City Manager to execute the Letter of Intent for a Development Agreement with S2LD. (TL)

Tyra LaVerne presented the item to Council stating that S2LD has submitted a Letter of Intent (LOI) for a Development Agreement related to the project known as The Preserve (formerly Crystal Park). The Preserve received zoning approval in February 2026. The proposed Development Agreement includes the creation of a Public Improvement District (PID) and the assignment of impact fee credits. S2LD has identified up-zoning, significant infrastructure costs, and proposed amenities, including trails and an amenity center, as factors associated with the PID request.

James Haddock and Justin Christ, S2LD, gave a presentation and answered questions for Council.

Council Action:
Motion was made by Joseph Armstrong and seconded by Preston Taylor to Authorize the City Manager to execute a Letter of Intent with S2LD.

Vote: 6/0/0

C. Consider authorizing the City Manager to execute amendments to the Melissa 75 Holdings Development Agreement. (TL)

Tyra LaVerne presented the item to Council stating that Melissa 75 Holdings, LLC entered into a Development Agreement with the City to construct a portion of Telephone Road. Due to unexpected delays with the relocation of franchise utilities, the developer is requesting an extension of this agreement. The construction is active and based on the projected construction schedule the developer is requesting to extend the date from September 1, 2024 to September 30, 2026.

Council Action:
Motion was made by Craig Ackerman and seconded by Rendell Hendrickson to Authorize the City Manager to execute amendments to the Melissa 75 Holdings Development Agreement.

Vote: 6/0/0

D. Consider a Donation Box Site Plan, generally located at 2721 Sam Rayburn Highway, City of Melissa, Collin County, Texas. (TL)

Tyra LaVerne presented the item to Council stating that the applicant is requesting approval to place a donation box on the Kroger property. This request came forward in January 2026 and Council denied the request. The applicant is requesting relief from following regulations: located within 25 feet from the front facade or primary entrance point and cannot be placed in a designated parking space. The applicant has a lease agreement with the property owner (Kroger) which dictates the placement of the donation box. The donation box is proposed to be located 567 feet from the front facade and being shown to be placed in a parking space.

No other changes to the previous request, such as maintenance plan and box dimensions, have been proposed. The Planning and Zoning Commission recommended approval by a vote of 5/0/0, with the condition that the parking space used for the donation box be properly striped and that Kroger not reduce or forfeit any required parking spaces to accommodate its placement. Kroger is required to have 492 spaces, and they are currently providing 492 spaces without the proposed donation box.

Council Action:
Motion was made by Craig Ackerman and seconded by Joseph Armstrong to Deny the request for a Donation Box Site Plan as noted.

Vote: 6/0/0

E. Consider the Trinity Office Park Final Engineering Site Plan, consisting of 2.49± acres of land, situated in the J. Emberson Survey, Abstract No. 294, City of Melissa, Collin County, Texas and generally located at the northeast corner of Lindenwood Avenue and Central Expressway, City of Melissa, Collin County, Texas. (TL)

Tyra LaVerne presented the item to Council stating that this site plan is proposing three buildings to be built in two phases. The applicant is requesting approval to deviate from the City Code regarding live screening and dumpster placements. The developer is proposing to install 10 feet tall (at the time of development) live screen adjacent to the residential development. City Code requires commercial properties to install a solid screening wall or fence between 6 and 8 feet in height along the property line separating commercial and residential uses. The City Code requires that dumpsters be located a minimum of 100 feet from a residential property line and the currently proposed dumpster location is approximately 61 feet from the residential property line.

This site plan is part of a larger development. The adjacent lot, which has been fully constructed, received approval in April 2024 with the following variances: Installation of a 10-foot-tall, fully mature and opaque living screen with irrigation at the time of construction and dumpster enclosures located approximately 44 feet from the residential property line.

John Gardner, project engineer, answered questions for Council.

Council Action:
Motion was made by Joseph Armstrong and seconded by Preston Taylor to Approve the Trinity Office Park Final Engineering Site Plan with the condition that the dumpster location be rotated and work to increase the aesthetic on the grassy area.

Vote: 6/0/0

F. Consider the Jiffy Lube Final Engineering Site Plan, consisting of 0.867± acres of land, situated in the D.E.W. Babb Survey, Abstract No. 33, City of Melissa, Collin County, Texas, and generally located approximately 308 feet southwest of the intersection of Sam Rayburn Highway and Milrany Lane, City of Melissa, Collin County, Texas. (TL)

Tyra Laverne presented the item to Council stating that the Jiffy Lube Final Engineering Site Plan has an approved SUP to allow for the land use. The Site Plan complies with all City Code and zoning with the exception of the variance request. The proposed dumpster location is approximately just over 42 feet from the residential property line. The applicant is requesting approval to deviate from the City Code requirement that dumpsters be located a minimum of 100 feet from a residential property line.

The Planning and Zoning Commission recommended approval by a vote of 5/0/0.

Will Schoonover, Shield Engineering, gave a presentation and answered questions for Council.

Council Action:
Motion was made by Craig Ackerman and seconded by Preston Taylor to Approve the Jiffy Lube Final Engineering Site Plan as noted.

Vote: 6/0/0

G. Consider awarding the Bid for Telephone Road from Melissa Road to Sunset Canyon Drive and authorizing the City Manager to complete and execute the necessary documents. (NH)

Nolan Harvey, City Engineer, presented the item to Council stating that on February 24, 2026 the City opened bids for the Telephone Road from Melissa Road to Sunset Canyon Drive project. Eight bids were received and the two low bids are as follows. Quality Excavation, LLC proposed a base bid amount of $3,608,732.91 with a schedule of 300 days. XIT Paving and Construction Inc. proposed a base bid amount of $3,697,340.30 with a schedule of 180 days. Staff worked with Teague, Nall & Perkins (TNP) to review the bids and after cross referencing, Staff recommends awarding the bid to XIT Paving and Construction Inc. The City and other cross references have had challenges with Quality Excavating, LLC in the past.

Council Action:
Motion was made by Craig Ackerman and seconded by Dana Conklin to Award the Bid for Telephone Road from Melissa Road to Sunset Canyon Drive to XIT Paving and Construction Inc.

Vote: 6/0/0

H. Consider authorizing the City Manager to negotiate and execute an agreement with WSB regarding Telephone Road Construction. (NH)

Nolan Harvey presented the item to Council stating this this would allow the City Manager to execute an agreement with WSB regarding the item 7G Telephone Road Construction.

Council Action:
Motion was made by Craig Ackerman and seconded by Dana Conklin to Authorize the City Manager to negotiate and execute an agreement with WSB regarding Telephone Road Construction.

Vote: 6/0/0

I. Consider authorizing the City Manager to execute a contract with Lake Area Sign Company for the Melissa Road South Water Tower painting project. (TS)

Due to direction from Council during the Work Session, this item was not discussed.

8. PUBLIC COMMENTS - NON-AGENDA ITEMS

There were no public comments.

9. COUNCIL DISCUSSION

There was no Council discussion.

10. <u>ADJOURN</u>

Mayor Northcut adjourned the Regular Meeting at 7:00 p.m.

ATTEST:

_____	_____
Hope Baskin, City Secretary	Jay Northcut, Mayor

Item 5.B

City of Melissa City Council Regular Meeting Staff Report

Date April 14, 2026

Subject Consider a Resolution setting a date, time and place for a public hearing on the proposed voluntary annexation by the City of Melissa of the area of land consisting of 144.54 acres of land situated in the D.E.W. Babb Survey, Abstract No. 33, Collin County, Texas. (TL)

Submitted by Tyra LaVerne, Interim Director of Development Services

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Action Requested

Approval of a resolution establishing a date, time and place for a public hearing to hear concerns for or against this request to annex a 144.54± acre tract of land into the City of Melissa.

Summary of Subject

The property owner of the subject tract generally depicted in this agenda item recently applied to voluntarily annex into the City of Melissa. The attached resolution establishes a date, time and place for a public hearing to hear concerns for or against this request to annex in accordance with State Law.

Supporting Documents

1. Location of Subject Tract.pdf

Location of Subject Tract

Honeybell Grove



Location of Subject Tract

Honeybell Grove



Item 5.D

City of Melissa City Council Regular Meeting Staff Report

Date April 14, 2026

Subject Consideration and possible action on a Facade Grant Program application for exterior improvements within the Downtown Overlay District. (JL)

Submitted by Jason Little, City Manager

Summary of Subject

Background

The City of Melissa Façade Grant Program provides reimbursement grants for eligible exterior improvements to properties located within the Downtown Overlay District (DOD). The program is intended to encourage reinvestment, enhance building aesthetics, and support the continued revitalization of the downtown area.

The program allows for reimbursement of up to 50% of eligible project costs, with a targeted maximum grant award of $15,000, subject to City Council approval. All awards are reimbursed upon completion and inspection of the approved improvements.

In accordance with program requirements, all façade grant applications must be reviewed and approved by the City Council prior to reimbursement eligibility.

Project Summary

The applicant has submitted a request for façade improvements to an existing commercial property located within the Downtown Overlay District. The proposed project includes exterior enhancements consistent with the intent of the Façade Grant Program, such as improvements visible from the public right-of-way.

City staff has reviewed the application materials, including the scope of work and cost estimates, for compliance with program requirements.

Based on staff review of the submitted application and supporting documentation:

- Eligible improvements include exterior façade enhancements consistent with program guidelines.

- Ineligible items identified:
    - Outdoor furniture as proposed, as it is not permanently affixed to the site
    - A $2,000 allowance labeled “TBD,” due to lack of sufficient detail and documentation

The Façade Grant Program specifically excludes outdoor furnishings that are not permanently affixed and requires detailed cost documentation for reimbursement eligibility.

After removing ineligible items, the total eligible project cost is $22,450.90

Budget Impact

The Façade Grant Program provides reimbursement of up to 50% of eligible project costs.

- Total Eligible Costs: $22,450.90
- Maximum Reimbursement (50%): $11,225.45

Funding for this grant is available within the approved program budget.

Staff Recommendation

Staff recommends approval of the Façade Grant application with reimbursement based on eligible expenses only, in an amount not to exceed $11,225.45 upon completion of these items.

Supporting Documents

1. Facade Grant Program packet.pdf
2. Grant Application.pdf
3. Lawn Furniture.pdf

City of Melissa Façade Grant Program

Grant overview

The Façade Grant Program will be providing awards for exterior improvements to buildings within the Downtown Overlay District ("DOD") of the City. Eligible improvements include store signage, lighting, awnings, windows, building fronts, entries, planters and other expenditures as accepted by the Melissa City Council. The Façade Grant Program is a reimbursement program. All awards shall be retained pending completion and inspection of the project.

Total Grant is targeted to not exceed $15,000 with equal matching funds by applicant, although the City Council retains the right to exceed the maximum grant depending on the proposed improvements.

Eligibility Requirements

Must be an existing building/non-residential site located in Melissa's DOD.

Existing residential structures converting to commercial use through the Adaptive Reuse provisions in the Downtown Overlay District are eligible for consideration.

Property must be free of city liens or delinquent property taxes.

Total Grant request is targeted to be a maximum of $15,000 with equal matching funds by applicant.

Applicants must secure their funding for their portion of the project cost before the start of the improvements and submit documentation in writing to the City of Melissa.

Approved projects shall be underway within 90 days of contract execution and shall be complete within six (6) months of the contract date. An extension may be granted in the event of force majeure.

All projects shall be done by contractors who meet all licensing requirements and shall comply with all applicable building codes of the City of Melissa. Project owners and/or contractors shall acquire all necessary permits and pay all necessary fees.

Eligible Improvements

For consideration of the grant, improvements are required to be on the exterior and visible to the public (street, parking area, or public park) without accessing the business itself. Improvements must also comply with zoning district design standards of applicable zone and all applicable state and local requirements.

Eligible improvements include (but are not limited to):

- Façade facelift: Painting, trim work, cladding
- New or enhanced attached signage and/or awnings
- Exterior lighting
- New storefronts
- Window replacement and window framing
- Permanent art including, but not limited to, sculptures and murals.
- Public gathering areas/outdoor seating area if possible

Improvements to the interior or on any façades not visible to the public (street, parking area, or public park) are not eligible for grant consideration.

Other ineligible improvements include roof repairs, new building or building additions other than exterior additions such as porches and entry features, and outdoor furnishing not permanently affixed to the site or building.

Facade grant money may not be used for upgrades/repairs toward non-conforming signs (such as pole signs).

Regular building maintenance such as power washing, window sealing, and landscape maintenance are ineligible for reimbursement independent of the associated eligible improvements above.

Grant awards may not be used on improvements addressing an outstanding code violation, unless improvement of the façade is within the scope of the project.

Grants may not be used for the refinance of existing loans, working capital, or for purchase of inventory or interior projects.

Application Process/Timelines

Application will be accepted and approved by City Council until all allocated funds are distributed.

An initial period of three weeks for submission of applications will be granted before formal review of applications.

The grant recipients will be notified by the City in writing upon approval.

Work must begin within 90 days of the acceptance of the grant and should be complete or significantly under progress within 6 months of the issuance of said grant.

The City will require adherence to agreed upon design standards.

The City Council of the City of Melissa has reserved the right to sole discretion in awarding the matching grants.

Payment of grant funds shall be a reimbursement after work is satisfactorily completed to the terms of the application and grant authorization. Copies of all invoices must be submitted to receive reimbursement.

Any improvements completed under the Façade Grant program shall become permanent fixtures of the building. They may not be removed by the business owner in the event of the closing or sale of the business or the sale of the building without the express written consent of the City of Melissa. This provision shall not apply if a future change is made to the building for the purpose of further renovation that will enhance the redevelopment of the downtown area.

Application Requirements

A complete application (attached) must be received and verified by city staff before a request is submitted to the City Council for consideration. Construction on improvements prior to a completed application being submitted to the City are ineligible for reimbursement and commencement of construction prior to City Council's consideration of the grant request is at the applicant's own risk.

The grant application must include a recent price quote from either an architect or licensed contractor. This quote shall be utilized only for the purpose of determining the amount of grant needed for the project and any costs incurred in obtaining the quote shall be the sole responsibility of the applicant, not the City of Melissa.

FAÇADE GRANT PROGRAM APPLICATION

1. Name of Applicant(s):
2. Name of Business:
3. Mailing Address of Applicant:
4. Project Address:
5. Does the applicant own the building? Yes No

   (If the answer to #5 is no, please provide a letter from the building owner declaring approval of the project.)

6. Estimated Project Cost: $

(Attach a detailed cost breakdown supported by one or more quotes from recognized contractors or suppliers with a written description of work to be completed. Include photo of the site to be improved and a sketch or photos of planned improvements.)

7. Total Grant Request (not to exceed 50% of project cost or $15,000) $
(Matching funds will be provided up to a targeted maximum of $15,000 for applicants, per budget year, who receive grant approval of Melissa City Council after satisfactory inspection and completion of improvement as per agreement. Work must commence within 90 days after acceptance of grant and should be complete or significantly under progress within six months of issuance of said grant.)

8. Proposed project start date:

9. Proposed project completion date:

10. What is (are) the existing use(s) of the building?

11. Will the proposed project result in a change of the use of the building?

    Yes No If Yes, please explain the change

12. The following are attached to this application:

    A written description of the proposed project

    A drawing or rendering of the proposed project

    A detailed cost breakdown of the proposed project

    Quotes from contractors or suppliers

    An approval letter from the building owner

The undersigned applicant affirms that:

1. The information in the application is true and accurate.
2. The applicant has read and understands the conditions of the Façade Grant Program.
3. The City of Melissa has reserved the right in its sole discretion to reject this application.

Applicant Signature: _____ Date:_____

Business Name:_____

Address:_____

Phone:_____

MELISSA TX

FAÇADE GRANT PROGRAM APPLICATION

1. Name of Applicant(s): Lindsey Oldham
2. Name of Business: Smallcakes Bakery
3. Mailing Address of Applicant: 4277 Waterstone Estates, mckinney
4. Project Address: 2916 Santa Fe
5. Does the applicant own the building? (Yes) No

   (If the answer to #5 is no, please provide a letter from the building owner declaring approval of the project.)

6. Estimated Project Cost: $ 28,579.78

(Attach a detailed cost breakdown supported by one or more quotes from recognized contractors or suppliers with a written description of work to be completed. Include photo of the site to be improved and a sketch or photos of planned improvements.)

7. Total Grant Request (not to exceed 50% of project cost or $15,000) $
(Matching funds will be provided up to a targeted maximum of $15,000 for applicants, per budget year, who receive grant approval of Melissa City Council after satisfactory inspection and completion of improvement as per agreement. Work must commence within 90 days after acceptance of grant and should be complete or significantly under progress within six months of issuance of said grant.)

8. Proposed project start date: ASAP

9. Proposed project completion date: 2 weeks from start date

10. What is (are) the existing use(s) of the building? Residential to Commercial

11. Will the proposed project result in a change of the use of the building?

    Yes (No) If Yes, please explain the change

12. The following are attached to this application:

A written description of the proposed project

A drawing or rendering of the proposed project

A detailed cost breakdown of the proposed project

Quotes from contractors or suppliers

An approval letter from the building owner

The undersigned applicant affirms that:

1. The information in the application is true and accurate.
2. The applicant has read and understands the conditions of the Façade Grant Program.
3. The City of Melissa has reserved the right in its sole discretion to reject this application.

Applicant Signature: _____ Date: 3-18-26

Business Name: Smallcakes Bakery

Address: 2916 Santa Fe

Phone: 469.667.6695

City Grant

Furniture for the Deck, Porch, and Yard

Total: $3814.88 + tax = $4128.88

New Windows for the property

$4750.90

Hernandez remodeling

Fence, Rocks, Deck, Siding, Gutters

$17,700

TBD Approx $2,000

Signage for the Front

Electric for the lights in the yard

LAND SURVEY

PROPERTY DESCRIPTION

Lots 6, 7, 8, 9 and 10, Block 15, of the Town of Melissa, Collin County Texas, according to the Plat thereof recorded in Volume 5, Page 119, of the Map Records, Collin County Texas.

ADDRESS: 2916 SANTA FE STREET MELISSA, TEXAS, 75454

SANTA FE STREET (VARIABLE WIDTH R.O.W.)

HARRISON STREET (30' RIGHT-OF-WAY)

S 71°14'54" E 125.00'

N 71°14'54" W 125.00'

S 18°52'18" W 125.00'

1/2" CIRS

1/2" IRF 125.00' SOUTHWEST CORNER BLOCK 15

1/2" IRF 125.00' SOUTHEAST CORNER BLOCK 15

3/8" IRF

1.6'

0.8'

1.0'

CULVERT

CULVERT

CULVERT

GRAVEL

INLET

CULVERT

SIGN

1 STORY FRAME #2916

WOOD RAMP

TABLE

TABLE

WOOD DECK

SURVEYED 1.059 ACRES (45,625 SQ. FT.)

1 STORY FRAME SHED (ON SLAB)

24.0'

20.6'

(20' ALLEY R.O.W.)

LOT 10

LOT 9

LOT 8

LOT 7

LOT 6

Flowers on Porch

New Wrap Around Deck if approved by city grant

Floers on Deck

Picnic tables

Existing gravel road

Driveway if Dirt allows

HUGE TREE

Another big tree

Parking spaces 9x20

24 Feet Turn around space

6 foot wooden fence

Border of River Rock

LEGEND

AC = AIR CONDITION
B.L. = BUILDING LINE
CATV = CABLE TV RISER
CBOX = CABLE TV BOX
CIRF = CAPPED IRON ROD FOUND
CIRS = 1/2" IRON ROD W/5633 CAP SET
(CM) = CONTROLLING MONUMENT
D.E. = DRAINAGE EASEMENT
EBOX = ELECTRIC BOX
EM = ELECTRIC METER
GM = GAS METER
IPF = IRON PIPE FOUND
IRF = IRON ROD FOUND
MNS = MAG NAIL W/SHINER "RPLS 5633"
OHL = OVERHEAD UTILITY LINES
PE = POOL EQUIPMENT
POC = POINT FOR CORNER
PP = POWER POLE
TPED = TELEPHONE PEDESTAL
( ) = PLAT/DEED CALLS
U.E. = UTILITY EASEMENT
WM = WATER METER
WOOD FENCE
CHAIN LINK FENCE
WIRE FENCE
WROUGHT IRON FENCE
EASEMENT LINE
BUILDING LINE
ASPHALT LINE

FLOOD NOTE

According to my interpretations of the City of Melissa, Texas and Incorporated Areas, Flood Insurance Rate Map Number 48085C0165J, dated 06/02/2009, the subject property lies within Flood Zone "X" and is not shown to be within a Special Flood Hazard Area. This statement does not imply that the property and/or structures thereon will be free from flooding or flood damage. On rare occasions, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This statement shall not create liability on the part of the surveyor.

NOTES

1. Directional Control shown hereon are based on NAD 83(2011), EPOCH 2010 held for the Texas Coordinate System of 1983, North Central Zone (4202).

2. The following items are from Schedule B, Commitment for Title Insurance, Fidelity National Title Insurance Company, G.F. No.: 25-E-48, issued July 10th, 2025.

This property is subject to the following restrictive covenants and/or easements:

NO SURVEY RELATED ITEMS LISTED ON SAID TITLE COMMITMENT.

N

W

E

S

20 0 20

Scale 1" = 20'

SURVEYORS CERTIFICATE

I hereby certify to Elevate Title, and Jonathan Brodie Oldham that this plat represents the result of a survey made on the ground under my direct supervision and is a true and accurate representation of the property shown hereon. There are no encroachments or protrusions except as shown hereon.

STATE OF TEXAS REGISTERED TODD FINCHER 5633 PROFESSIONAL LAND SURVEYOR

Todd Fincher, R.P.L.S. No. 5633
Signed: July 15, 2025

JOB NO.	25071019
FIELDED	J.F.
DRAFTED	M.R.
CHECKED	A.W.

ROCKSTAR



6ft pine fence stained cedar with decorative cap



River Rock Border



Decorative solar lights for the fence

SPORTSMAN GLASS CO.

916 S. McDONALD
McKINNEY, TEXAS 75069
SINCE 1954

METRO FAX: 972-569-8912

LOCAL: 972-542-3366
METRO: 972-231-2194

Customer's Phone No. 469-667-6695 Date 3-5 20 26

Name Lyndsey Oldham

Address 2916 Santa Fe

City Melissa State TX Zip 75454

ILIKENAPS@ATT.Net

SOLD BY	CASH	C.O.D	CHARGE	ON ACCOUNT	

QUANT.	DESCRIPTION	PRICE	AMOUNT
	Measure for about 7 New Windows (replacement)		
1 -	36 X 59 5/8		250 -
2 -	32 X 35 7/8	210	540 -
1	24 X 35 7/8		246 -
1 -	48 X 59 3/4		530 -
2 -	36 X 59 3/4	250	500 -
1 -	35 1/4 X 59 5/8		410 -
			250 -
1 -	24 X 35 3/4	Labor	1800 -
		TAX	224 90
RECEIVED BY _____		TOTAL	4750.90

Hernandez Roofing and Restoration Inc.
Hernandezrooofing0616@gmail.com
www.hernandezroofingandrestoration.com

Date:3-16-2026

Name:Lindsay Oldham **Address: 2963 Santa Fe Melissa Tx** **Phone:469-667-6695**	**Project Managers: Roberto Hernandez 903-818-7309** **Melvin Hernandez 903-771-8518** **Jamie Odom 903-818-7798**
Job Description • **Deck $7500** • **Gutters $2100** • **Siding Labor $600** • **Fence $6000** • **River Rock $1500**	**Total:$17,700**



$153.99 (2)

Front Porch



$550.^{00}$ (2)
Back Deck



$459.99 (2)



$386,98



$419.96
- Set of 4



$339.99(2)

Item 5.E

City of Melissa City Council Regular Meeting Staff Report

Date April 14, 2026

Subject Consider authorizing the City Manager to execute a contract with Lake Area Sign Company for the Melissa Road South Water Tower painting project. (TS)

Submitted by Terrell Smith, Assistant City Manager

Summary of Subject

Elevated water storage tanks are used to store water for fire protection and potable drinking water. In 2025, the City entered into a contract with Maguire Iron for annual inspections, routine maintenance, and interior/exterior base coating of the 750MG water storage tank located on Melissa Road. As a part of this maintenance, Maguire has prepped the water tower for painting and will complete the painting of the tower.

The updated tower design consists of the following elements:

- District 46 logo
- Melissa Cardinal logo
- Updated City of Melissa "M" logo

If approved, Maguire Iron will mobilize a crew to begin painting of the tower, and work is expected to be completed within 10-14 days.

Budget Impact

$20,000

Staff Recommendation

Authorize the City Manager or his designee to execute a change order with Maguire Iron, Inc. for the south tower painting project.

Supporting Documents

1. Melissa 750MG-Logo DQ013437-1 2026.04.02.19.02.50.pdf
2. Melissa-750MG-Cardinal Logo-Draft 8 Tank proof.pdf

MAGUIRE

PO BOX 1446
Sioux Falls, SD 57101
Phone: (605) 334-9749
info@maguirewater.com

CONTRACT FOR SERVICES

This contract made and entered into this 02 day of April , 2026 , by and between Melissa, TX - City of hereinafter called the "Owner" or "Customer" and Maguire Iron, Inc., a South Dakota Corporation with its principal office located in Sioux Falls, South Dakota, hereinafter called the "Contractor" or "Company" for and in consideration of the mutual covenants and promises hereinafter contained.

City of Melissa-Tank Logo

WITNESSETH:
Contractor agrees to make the following repairs and improvements on the Owner's water supply tank, and to furnish the necessary equipment, labor, material, as well as Workmen's Compensation Insurance and Contractor's Liability Insurance, and to do the work hereinafter stated in a good and workmanlike manner.

Misc Paint - New Logo Design with Cardinal, District and City

- Installation of new logos for the 750 KG water tank with the cardinal, City and New District logo to be applied to the tank. 3 logos total

Contract notes

- Tnemec coatings were used on the renovation of this tank. Logo coatings will be Tnemec Flourpolomer to retain color and gloss

Owner will inspect the work as it progresses and upon completion and acceptance by Owner of the above work, the sum of **$ 20,000.00** plus applicable sales, excise, and/or use tax shall become due and payable in full. Contractor may issue a partial invoice for materials, mobilization, and labor for projects exceeding $50,000.00 prior to the completion of the contracted work.

Terms: Net 30 days from acceptance and invoicing, plus applicable sales, use, excise, transfer or similar taxes required by law. A service charge of 1½% per month (annual rate of 18%) will be charged on past due accounts. During any exterior painting, Owner shall assist in removing any vehicles in the area which might receive paint damage. Contractor will exercise reasonable care and caution to avoid, but will accept no liability for damage to antenna, communication, telemetry and/or electrical system(s) which may be attached to the structure. Removal, repair and/or replacement of the antenna, communication, telemetry and/or electrical system(s) shall be the responsibility of the Owner. Contractor may apply a temporary surcharge to amounts otherwise payable under this Agreement to reflect significant cost increases for materials, supplies, and/or fuel during high inflationary periods. Owner and the authorized agents signing this contract as such agents do hereby expressly warrant that Owner has authority to make and enter into this contract and that it becomes a party hereto pursuant to a lawful resolution duly and regularly adopted by the governing board of said Owner pursuant to the applicable statutes of this State. Customer shall reimburse Company for all travel, meal and entertainment expenses incurred by Company and its employees in connection with Company's performance under the contract. To the extent that any meal or entertainment expenses incurred by Company or its employees are subject to the limitation on deductibility under IRC Section 274(n) (1) and the Regulations thereunder, Customer shall be subject to the limitation and shall reduce its deduction accordingly. **This is included in the contract amount.**

PO BOX 1446
Sioux Falls, SD 57101
Phone: (605) 334-9749
info@maguirewater.com

The owner will be responsible to the Company for the cost (at current market rates) of any work that has been performed prior to termination.

HAZARDOUS MATERIAL DISCLAIMER: *In the event that hazardous materials are on the water tank and this information is not addressed in the specification or made known to Maguire Iron, Inc. prior to the price or bid being supplied by Maguire Iron, Inc., any additional means of hazardous material abatement or disposal costs will be born upon the Owner.*

This constitutes the entire contract. No verbal agreements or additions will be honored. Any amendments or additions hereto must be in writing and executed by the duly authorized agents and officers of the parties hereto.

IN WITNESS WHEREOF, we have set our hands and seals the day and year above written.

Owner: Melissa, TX - City of

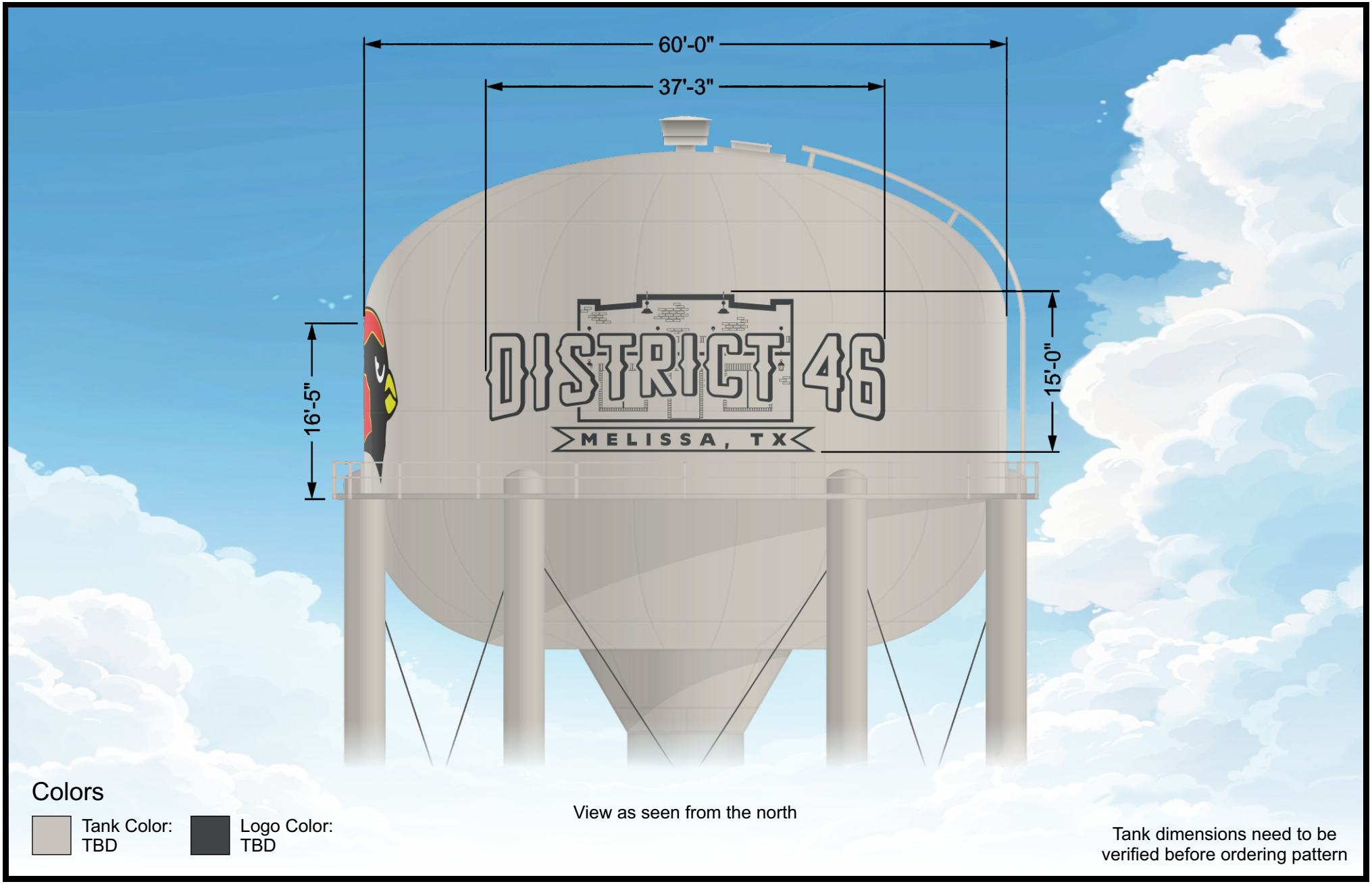
By: _____ _____
(Name) (Title)

By: _____ _____
(Name) (Title)

MAGUIRE IRON, INC.

By: *Roxana Bagwell* _____ 04/02/2026
(Authorized Agent) (Date)

Date Accepted: _____
Upon acceptance, please provide two (2) signatures and date the agreement.



Colors

Tank Color: TBD

Logo Color: TBD

View as seen from the north

Tank dimensions need to be verified before ordering pattern

LAKE AREA SIGN CO., LLC

Danny McKinney / Owner
1375 N. Beglis Pkwy
Sulphur, LA 70663
(337) 625-4179
(337) 794-1564
dannymc@lakeareasignco.com

Client: *Maguire Iron, Inc.*

Design: *Melissa, TX (Draft 8)*

Designer: *Timothy Goodeaux*

Date: *3/25/2026*

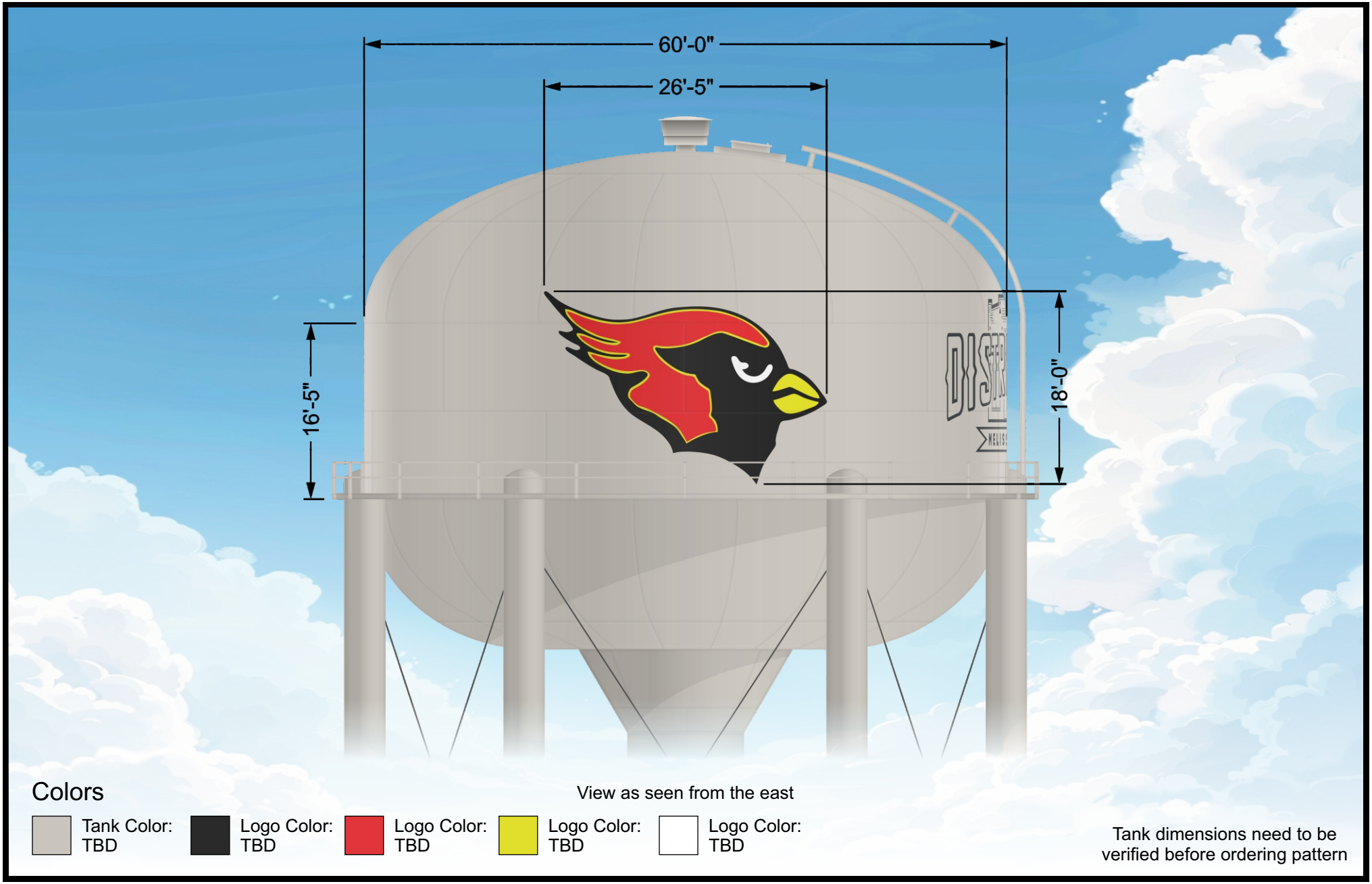
Date:_____

Signature:_____

☐ **Approved** ☐ **Resubmit**

Notice:

Colors shown are close approximations. Printer and media variations may distort colors from actual paint colors slightly. Renderings are approximate and are provided for a visual aid. Field verify tank shell height before installing patterns.



Colors

View as seen from the east

- Tank Color: TBD
- Logo Color: TBD
- Logo Color: TBD
- Logo Color: TBD
- Logo Color: TBD

Tank dimensions need to be verified before ordering pattern

LAKE AREA SIGN CO., LLC

Danny McKinney / Owner
1375 N. Beglis Pkwy
Sulphur, LA 70663
(337) 625-4179
(337) 794-1564
dannymc@lakeareasignco.com

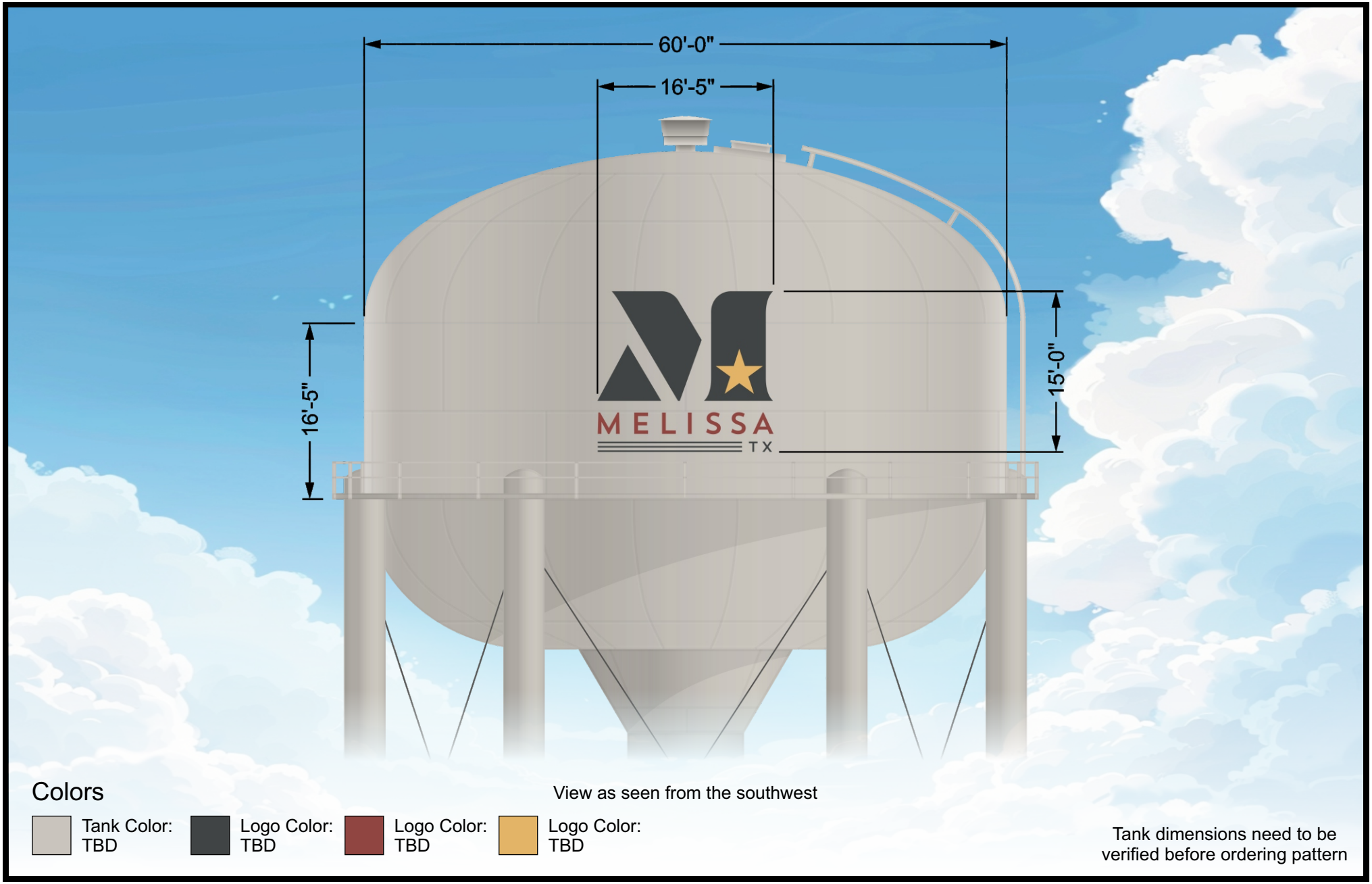
Client: *Maguire Iron, Inc.*
Design: *Melissa, TX (Draft 8)*
Designer: *Timothy Goodeaux*
Date: *3/25/2026*

Date:_____

Signature:_____

☐ **Approved** ☐ **Resubmit**

Notice:
Colors shown are close approximations. Printer and media variations may distort colors from actual paint colors slightly. Renderings are approximate and are provided for a visual aid. Field verify tank shell height before installing patterns.



Colors

Tank Color: TBD

Logo Color: TBD

Logo Color: TBD

Logo Color: TBD

View as seen from the southwest

Tank dimensions need to be verified before ordering pattern

LAKE AREA SIGN CO., LLC

Danny McKinney / Owner
1375 N. Beglis Pkwy
Sulphur, LA 70663
(337) 625-4179
(337) 794-1564
dannymc@lakeareasignco.com

Client: *Maguire Iron, Inc.*

Design: *Melissa, TX (Draft 8)*

Designer: *Timothy Goodeaux*

Date: *3/25/2026*

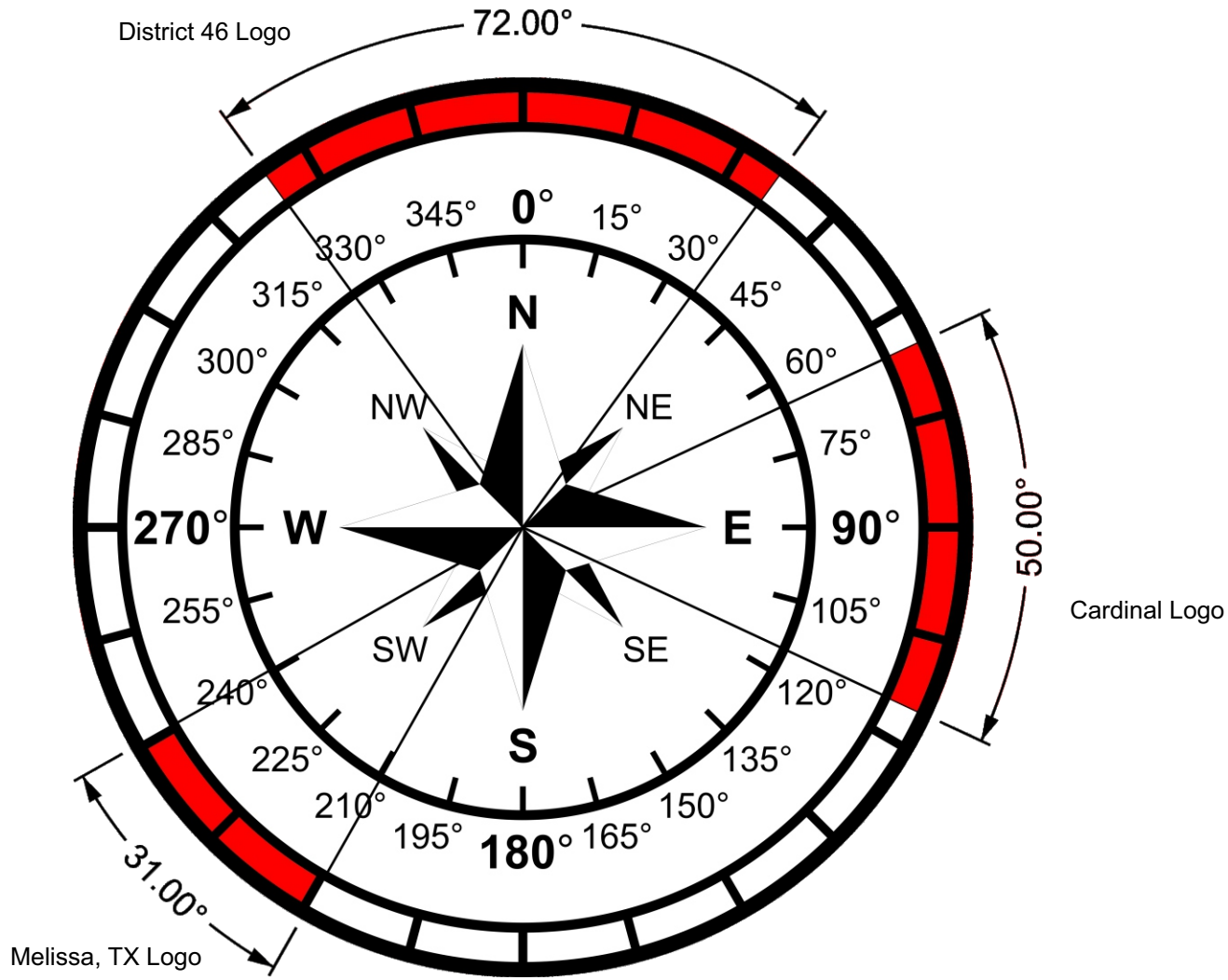
Date:_____

Signature:_____

☐ **Approved** ☐ **Resubmit**

Notice:

Colors shown are close approximations. Printer and media variations may distort colors from actual paint colors slightly. Renderings are approximate and are provided for a visual aid. Field verify tank shell height before installing patterns.



(3) Logos. Orientation: As Shown.

LAKE AREA SIGN CO., LLC

Danny McKinney / Owner
1375 N. Beglis Pkwy
Sulphur, LA 70663
(337) 625-4179
(337) 794-1564
dannymc@lakeareasignco.com

Client: *Maguire Iron, Inc.*
Design: *Melissa, TX (Draft 8)*
Designer: *Timothy Goodeaux*
Date: *3/25/2026*

Date:_____

Signature:_____

☐ **Approved** ☐ **Resubmit**

Notice:
Colors shown are close approximations. Printer and media variations may distort colors from actual paint colors slightly. Renderings are approximate and are provided for a visual aid. Field verify tank shell height before installing patterns.

Item 5.F

City of Melissa City Council Regular Meeting Staff Report

Date April 14, 2026

Subject Consider authorizing the City Manager to complete and execute an Annexation and Development Agreement with OMA. (JL)

Submitted by Jason Little, City Manager

Summary of Subject

The City has been approached by a developer regarding the annexation and development of approximately 180.7 acres located at the southeast corner of County Road 413 and County Road 471. The proposed project is a single-family residential subdivision.

The agreement before Council outlines the terms under which the property would be annexed into the City and developed in accordance with Melissa's standards. Please note that the City's Financial Advisor and PID Distrito have not reviewed this document; however, the form of the document used for this draft is a previously reviewed agreement with the same general terms. Requested action will allow the City Manager to finish the document with the external reviewers and execute upon completion, assuming the major business points below do not materially change.

Below are the major business points:

1. Contingency on Property Purchase

This agreement is tied directly to the developer acquiring the property. So if the developer does not purchase the land by the agreed deadline, or if the developer formally notifies the City they will not move forward, the agreement automatically terminates and has no effect.

This protects the City from being bound to a project that never materializes.

2. Infrastructure and City Participation

The development will require construction of water and wastewater infrastructure. In some cases, infrastructure may be built larger than needed for just this development to serve future growth ("oversizing").

The agreement outlines how those additional costs would be shared:

- Lift Station

    - City contribution: $1.1 million
- Water Lines
    - City will pay for the portion of costs associated with upsizing lines larger than 12 inches
- Wastewater Lines (Force Mains)
    - City will pay for the portion of costs associated with upsizing lines larger than 8 inches

The developer builds the infrastructure, and the City reimburses only the portion that benefits the broader system.

3. Public Improvement District (PID) Financing

The development is proposed to be financed in part through a Public Improvement District (PID).

Key parameters include:

- Maximum bond amount: $55 million
- Minimum value-to-lien ratio: 2:1
    - (Ensures the value of the homes is at least double the debt issued)
- Maximum PID tax rate: $1.25 per $100 of valuation

4. Offsite Roadway Improvements / Potential TIRZ

At this time:

- The developer is not responsible for certain offsite roadway improvements identified in the agreement.

However, if that changes and the developer agrees to construct those improvements:

- The City would support the creation of a Tax Increment Reinvestment Zone (TIRZ) over the property
- The City would enter into an agreement to reimburse 50% of eligible roadway costs through the TIRZ

This provides a mechanism to share in the cost of regional roadway improvements if they become necessary.

5. Development Standards

The development will be required to meet City standards, including building material requirements, ensuring consistency with Melissa's quality expectations for residential construction.

Staff Recommendation

Staff recommends approval of the Annexation and Development Agreement as presented.

Supporting Documents

1. 26_4_03 - Long Tract DA (37395.3)v4 clean HS.docx

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS' LICENSE NUMBER.

After Recording Return To:
City Manager
City of Melissa, Texas
3411 Barker Avenue
Melissa, Texas 75454

ANNEXATION AND DEVELOPMENT AGREEMENT

This ANNEXATION AND DEVELOPMENT AGREEMENT (the "Agreement") is made and entered into by and between the CITY OF MELISSA, TEXAS, a home-rule municipality ("Melissa" or the "City"), and OMA MELISSA SF1, LLC., a Texas limited liability company and its assigns ("Developer"). Melissa and Developer are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, Developer intends to purchase approximately (180.720±) ± acres of real property, generally located at the southeast corner of County Road 413 and County Road 471 in Collin County, Texas as more particularly described and depicted in Exhibit A (the "Property"), attached hereto and incorporated herein for all purposes, currently located in Melissa's ETJ; and

WHEREAS, Developer is the entity that shall develop the Property; and

WHEREAS, both parties having concluded that the Property is within the ETJ of Melissa the parties contemplate that Developer will execute and return a petition satisfying all legal requisites for voluntary annexation of the Property into the corporate limits of Melissa pursuant to Subchapter C-3 of Chapter 43 of the Texas Local Government Code and the terms of this Agreement, provided that Melissa agrees Developer is entitled to develop and use the Property as described herein after annexation; and

WHEREAS, Developer acknowledges and agrees that in submitting a voluntary petition for Melissa's annexation of the Property, Developer has fully investigated and is aware of the rights, duties and obligations that will apply to Developer and its successors and assigns, as owners of the Property, in the event that the Melissa City Council adopts an ordinance annexing the Property into the corporate limits of Melissa (the "Annexation Ordinance"); and

WHEREAS, Developer consents to Melissa's full purpose annexation of the Property in accordance with the terms of this Agreement and agrees that the Property is eligible for annexation in all respects under Texas law; and

WHEREAS, the parties acknowledge and agree that this Agreement was approved by the City Council and fully executed by the parties while the Property was located in Melissa's ETJ; and

WHEREAS, pursuant to Section 212.172 of the Texas Local Government Code, Melissa is authorized to make a written contract with an owner of land that is located in the extraterritorial jurisdiction of Melissa for the purposes set forth in that section; and

WHEREAS, Developer agrees that Melissa has complied with Section 43.004 of the Texas Local Government Code in that Melissa has provided Developer with the written disclosure described by Section 212.172(b-1) of the Texas Local Government Code; and

WHEREAS, the parties desire to agree on the matters set forth in this Agreement pursuant to Section 212.172 of the Texas Local Government Code for the purposes set forth in that section and pursuant to Subchapter C-3 of Chapter 43 of the Texas Local Government Code; and

WHEREAS, Developer and Melissa agree that Melissa shall be the retail service provider for both water and wastewater; and

WHEREAS, the parties intend that the Offsite Roadway Improvements (defined hereinafter) are to be constructed by others but if, and only if, the Offsite Roadway Improvements are not constructed by others, the City will consider a creation of a Tax Increment Reinvestment Zone ("TIRZ) in accordance with Chapter 311 of the Texas Tax Code, as amended (the "TIRZ Act"); and

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

WHEREAS, the parties hereby agree that at determination of Developer's responsibility of costs associated with the Offsite Roadway Improvements, as depicted in Exhibit I, and the creation of a TIRZ, the parties shall enter into a TIRZ reimbursement agreement for the reimbursement of said costs; and

WHEREAS, Developer and Melissa agree that Melissa has adopted certain standards for building products and materials and aesthetic methods in the construction, renovation, maintenance and alteration of buildings in Melissa; and

WHEREAS, Developer desires to voluntarily consent to complying with Melissa's standards for building products and materials and aesthetic methods, as referenced in Exhibit E, attached hereto and incorporated herein for all purposes (collectively, "Building Materials Standards"), in the construction, renovation, maintenance and alteration of all buildings currently existing and to be built in the future on the Property, regardless of whether the Property develops as Developer desires or intends or not or the status of annexation; and

WHEREAS, Melissa hereby designates the Property for its historical, cultural or architectural importance and significance pursuant to Section 3000.002(d) of the Texas Government Code; and

WHEREAS, the parties agree that they enter into this Agreement pursuant to Section 3000.002(d) of the Texas Government Code with the full understanding and intent that Melissa will have the right, but not the obligation, to enforce the Building Materials Standards on the

Property as of the Effective Date of this Agreement (hereinafter defined); and

WHEREAS, Melissa finds that it would be advantageous and beneficial to Melissa and its citizens to enter into this Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, Melissa and Developer agree as follows:

1. Incorporation of Recitals; Definitions. The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are incorporated into the body of this Agreement. Certain terms used in this Agreement are defined in this Section 1. Other terms used in this Agreement are defined in the recitals or in other sections of this Agreement. The following terms shall have the meanings hereinafter set forth:

Administrative Expenses means reasonable expenses incurred by the City and Developer in the establishment, administration, and operation of the PID and TIRZ.

Administrator means an employee, consultant or designee of the City who shall have the responsibilities provided in the Service and Assessment Plan, and Indenture, or any other agreement or document approved by the City related to the duties and responsibilities for the administration of the PID.

Amenity Center means a private amenity center as shown on the Exhibit B-2 that contains the elements reflected in the PD Zoning.

Annexation Ordinance means an ordinance to be adopted by the Melissa City Council, annexing the Property, or portion thereof, into the corporate limits of Melissa.

Assessment(s) means the special assessments levied on the Property on a phase-by-phase basis, under one or more Assessment Ordinances adopted on a phase-by-phase basis to reimburse Developer for a portion of the Authorized Improvements benefitting the applicable phase(s) as set forth in the Service and Assessment Plan, as well as payment of Administrative Expenses and repayment of the PID Bonds and the costs associated with the issuance of the PID Bonds.

Assessment Ordinance means an ordinance approved by the City Council under Chapter 372 establishing one or more Assessment(s).

Authorized Improvements means the water, sewer, drainage, roadway, park, trail and all other improvements allowable under Chapter 372 that are identified in the PID Documents, and for which Developer will be fully or partially reimbursed pursuant to the terms of this Agreement.

Authorized Improvements Cost means the actual cost of design, engineering, construction, acquisition, and inspection of the Authorized Improvements; Administrative Expenses; and all other costs related in any manner to the Authorized Improvements.

City Council means the governing body of the City.

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

Development Regulations mean the design specifications and construction standards permitted or imposed by this Agreement.

Effective Date means the effective date of this Agreement, which shall be the date upon which all Parties have fully executed this Agreement.

End User means any tenant, user or owner of a Fully Developed and Improved Lot, but excluding the HOA.

Fully Developed and Improved Lot means any privately-owned lot on the Property intended to be served by the Authorized Improvements and for which a final plat has been approved by the City and recorded in the Real Property Records, save and except those lots owned by the HOA.

HOA means the Vineyard Hill Estates Homeowners Association, which shall privately function as a homeowner's association for the Property, or such similar name as may be available with Texas Secretary of State, and its successors.

Home Buyer Disclosure Program means the disclosure provisions relating to property located within the public improvement district set forth in Chapter 5, Texas Property Code, which establish a mechanism to disclose to each End User the terms and conditions under which their lot is burdened by the PID.

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

Improvement Area means a portion of the Property, described in an SAP, over which Assessments will be levied. The parties intend that the Property be developed and burdened by Assessments on an Improvement Area by Improvement Area basis.

Landowner Agreement means an agreement executed by the owner(s) of the Property subject to an Assessment consenting to the creation of the PID, the levy of the Assessments, and undertaking certain other obligations relating to providing notice to subsequent owners of all or a portion of the Property, including the Home Buyer Disclosure Program, the mutually agreed form of which is attached hereto as Exhibit G.

Melissa Regulations mean all Melissa ordinances, rules, regulations and requirements, as they exist, may be amended or in the future arising, relating to or affecting the development and use of the Property.

Developer Cash Deposit means the amount needed to fund costs of Authorized Improvements that are not funded by PID Bond Proceeds. The Developer Cash Deposit shall be held by the trustee for the PID Bonds pursuant to the Indenture but are not part of the Trust Estate (as will be defined in the Indenture) at the time of the closing of the PID Bonds.

Offsite Roadway Improvements means those roadway improvements identified on Exhibit I.

PD Zoning means the planned development zoning of the Property, including the requirements attached to this Agreement as Exhibit B-1, Exhibit B-2 and Exhibit C.

PID means the _____ Public Improvement District No. __ for which the City agrees to use good faith efforts to create for the benefit of the Property pursuant to Chapter 372 and this Agreement.

PID Bonds mean assessment revenue bonds (excluding refunding bonds) issued by the City pursuant to Chapter 372 to finance the Authorized Improvements.

PID Bond Proceeds mean the funds generated from the sale of the PID Bonds net of costs of issuance, capitalized interest, reserve funds and other financing costs.

PID Documents mean, collectively, the PID Resolution, the SAP, and the Assessment Ordinance(s).

PID Reimbursement Agreement means an agreement by and between the City and Developer, the mutually agreed form of which is attached hereto as Exhibit H, by which the Parties establish the terms by which Developer may obtain reimbursements for Authorized Improvements Cost through PID Bond Proceeds or Assessments. The parties will work together in good faith to ensure that a PID Reimbursement Agreement is finalized and executed by the parties concurrently with the creation of the PID.

Public Infrastructure means all water, wastewater/sewer, detention and drainage, roadway, park and trail, and other infrastructure necessary to serve the full development of the Property and/or to be constructed and dedicated to the City under this Agreement. The term includes the Authorized Improvements.

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

Section 212.172 means Section 212.172 of the Texas Local Government Code.

Service and Assessment Plan ("SAP") means the SAP for the PID, to be adopted and amended annually, if needed, by the City Council pursuant to Chapter 372 for the purpose of assessing allocated costs against portions of the Property located within the boundaries of the PID having terms, provisions, and findings approved by the City, as required by this Agreement.

Subchapter C-3 means Subchapter C-3 of Chapter 43 of the Texas Local Government Code.

TCEQ means the Texas Commission of Environmental Quality.

Zoning Application means a completed application for zoning of the Property to permanently zone the Property, in full compliance with the PD Zoning, to be submitted by the Developer to Melissa.

Zoning Ordinance means Melissa's zoning ordinance, currently Ordinance No. 92-08, as it exists or may be amended (and any successor ordinance thereto).

2. Land Subject to Agreement. The land that is subject to this Agreement is the Property.

3. Use and Development of the Property. Pursuant to Section 212.172, the use and development of the Property from and after the Effective Date shall conform to the Melissa Regulations, notwithstanding the Property's location in Melissa's ETJ, if applicable. Developer covenants and agrees that prior to annexation of the Property, Melissa's Agricultural District (A) zoning regulations, as set forth in Melissa's Zoning Ordinance, shall apply to the Property except as modified herein. Developer acknowledges and agrees that Melissa is authorized to enforce all of Melissa's regulations and planning and zoning authority that do not interfere with the use of the Property for agriculture use, in the same manner the regulations are enforced within Melissa's corporate limits, pursuant to Section 43.035(b)(1)(B) of the Texas Local Government Code. Developer further covenants and agrees that Developer will not file, and will not permit the filing of, any type of subdivision plat, permit for development or other development document, including but not limited to a document seeking to create any special district such as a municipal utility district, fresh water supply district, water control and improvement district, public improvement district or other similar special district, for any portion of the Property with Collin County, Melissa or otherwise until such part or parcel of the Property has been properly subdivided, annexed into, and zoned by, Melissa. Developer further covenants and agrees not to construct, or allow to be constructed, any buildings on the Property that would require a building permit if the Property were in Melissa's corporate limits, until the part or parcel of the Property has been properly subdivided, annexed into and permanently zoned by Melissa. Developer agrees to obtain permits and inspections from Melissa and pay all related fees and costs to Melissa. Developer agrees that any development occurring on the Property after the Effective Date of this Agreement shall be limited to what is agreed to in this Agreement and none other.

4. Geotech/Moisture Conditioning. If the Geotech report shows no moisture conditioning is required for the right-of-way, none shall be required.

5. Offsite Marketing Signage. City agrees to allow two temporary signs to provide information related to or directions to the Project generally as provided for in the Sign Regulations Section 3.1000, Kiosk Panel Signs (the "Offsite Signs") offsite from the Property either on city-owned property or within City or Collin ounty ROW. The final location of the two Offsite Signs will be established at the time the Offsite Signs are permitted but will generally be northwest of the Property near or on properties currently owned by the City or Melissa ISD. Exhibit J shows a conceptual Offsite Sign. The Offsite Signs shall be no greater than ten (10) feet high and six (6) feet wide. The two Offsite Signs may be located within or adjacent to ROW and may be located midblock or at intersections so long as the Offsite Signs are not within a required sight triangle. The final

location is subject to administrative approval through a sign permit. There is no time restriction for the Offsite Signs. The cost of production, installation, maintenance, and relocation or removal of the Offsite Signs shall be the responsibility of the permittee. In no event shall the City of Melissa be responsible or liable for the Offsite Sign located in the right-of-way or on City-owned property.

6. Eminent Domain. The Developer agrees to use commercially reasonable efforts to obtain all third-party rights-of-way, consents, or easements, if any, required for the Public Infrastructure. If, however, the Developer is unable to obtain such third-party rights-of-way, consents, or easements within ninety (90) days of the Effective Date, the City agrees to take reasonable steps to secure same (subject to City Council authorization after a finding of public necessity) through the use of the City's power of eminent domain. The Developer shall be responsible for funding all reasonable and necessary legal proceeding/litigation costs, attorney's fees and related expenses, and appraiser and expert witness fees (collectively, "Eminent Domain Fees") paid or incurred by the City in the exercise of its eminent domain powers and shall, if requested in writing by the City, escrow with a mutually agreed upon escrow agent the City's reasonably estimated Eminent Domain Fees both in advance of the initiations of each eminent domain proceeding and as funds are needed by the City. Provided that the escrow fund remains appropriately funded in accordance with this Agreement, the City will use all reasonable efforts to expedite such condemnation procedures so that the Public Infrastructure can be constructed as soon as reasonably practicable. If the City's Eminent Domain Fees exceed the amount of funds escrowed in accordance with this paragraph, the Developer shall deposit additional funds as requested by the City into the escrow account within ten (10) days after written notice from the City. City is not required to continue pursuing the eminent domain unless and until the Developer deposits addition Eminent Domain Fees with the City. Any unused escrow funds will be refunded to the Developer with thirty (30) days after any condemnation award or settlement becomes final and non-appealable. Nothing in this subsection is intended to constitute a delegation of the police powers or governmental authority of the City, and the City reserves the right, at all times, to control its proceedings in eminent domain.

7. Annexation Application. The parties acknowledge and agree that upon Developer obtaining fee simple title of the Property, Developer will submit to Melissa, a complete annexation application, including a petition for volunatery annexation for the Property, ("Annexation Application") within thirty (30) days of the being requested to do so on the form required by Melissa. Developer shall execute and deliver to Melissa the Annexation Service Plan Agreement attached hereto as Exhibit D, and on the request of Melissa, Developer shall promptly execute all other applications and documentation required by Texas law for the annexation of the Property. Developer acknowledges and agrees that Melissa makes no warranties and/or guarantees with regard to the outcome of the Annexation Application. Developer shall pay all fees and costs associated with the Annexation Application.

8. Permanent Zoning after Annexation. Simultaneously with Developer's application for voluntary annexation, Developer shall submit to Melissa a complete Zoning Application in full compliance with the PD Zoning, state law and Melissa's usual and customary

procedures and requirements for such applications. Developer shall pay all fees and costs associated with the Zoning Application. The parties agree that the Zoning Application shall request approval of the PD Zoning consistent with and based on the proposed zoning exhibit attached hereto as Exhibit B-1, the proposed open space plan attached hereto as Exhibit B-2 and the Development Standards described in Exhibit C. The parties agree that, if the Zoning Application is approved and permanent zoning is granted by the Melissa City Council as contemplated in this Agreement, the Property will be developed in accordance with the Planned Development (PD) District regulations as set forth in the Zoning Ordinance and the proposed zoning exhibit attached hereto as Exhibit B-1, the proposed open space plan attached hereto as Exhibit B-2 and the Development Standards described in Exhibit C. The parties acknowledge and agree that this Agreement does not in any way guarantee that the Melissa City Council will grant the particular zoning requested in the Zoning Application or otherwise and that Melissa and its City Council members, Planning and Zoning Commission members, officers, employees and agents shall have no liability under this Agreement or otherwise should the Planning and Zoning Commission and/or the City Council deny the particular zoning requested in the Zoning Application or otherwise

9. Oversizing of Public Improvements.

(a) Should it be determined oversizing of Public Infrastructure, the City shall pay its proportionate share of such oversizing costs as they become due and payable under the construction contract as follows:

(1) Lift Station. The City's participation in the oversizing of the lift station shall be one million one hundred thousand and no/100 dollars ($1,100,000.00).

(2) Water Improvements. The City's participation in the oversizing of any water improvements shall include actual costs, including hard and soft costs, for any water lines exceeding twelve (12") inches.

(3) Wastewater Improvements. The City's participation in the oversizing of any wastewater improvements shall include actual costs, including hard and soft costs, for any wastewater lines exceeding eight (8") inches for a force main.

10. Building Materials Standards.

(a) In the construction, renovation, maintenance and alteration of any existing or future building on the Property, Developer shall not use or install, or permit the use or installation of, any building product or material or aesthetic method that does not comply with the Building Materials Standards, notwithstanding any conflicting provision of Chapter 3000 of the Texas Government Code, as it exists or may be amended. Developer also shall comply with any Melissa-approved façade plans for the Property, as they exist or may be amended by Melissa, notwithstanding any conflicting provision of Chapter 3000 of the Texas Government Code, as it exists or may be amended. Developer voluntarily consents and agrees to comply with this

Agreement, the Building Materials Standards and any approved façade plan(s) in the construction, renovation, maintenance and alteration of any existing or future building on the Property.

(b) Melissa designates the Property for its historical, cultural or architectural importance and significance pursuant to Section 3000.002(d) of the Texas Government Code. Developer voluntarily consents and agrees to such designation. Developer voluntarily waives any rights or protections that may exist under Chapter 3000 of the Texas Government Code, as it exists or may be amended, with respect to any existing or future building on the Property, and further agrees that Melissa's right to enforce the Building Materials Standards arise from this Agreement and not from a rule, charter provision, ordinance, order, building code or other regulation of Melissa. Developer agrees that Melissa is entitled to amend, revise, supplement and otherwise modify the Building Materials Standards in Melissa's sole discretion.

(c) This Section 6 and Exhibit E shall be automatically null, void and of no legal effect in the event that Chapter 3000 of the Texas Government Code is repealed or amended such that Melissa's authority to enforce the Building Materials Standards is not limited or preempted in any way under Texas law.

11. Creation of the PID; Levy of Assessments.

(a) Owner may deliver to Melissa after execution of this Agreement a petition requesting the creation of a PID encompassing all or a portion of the Property (the "PID Petition"). Melissa, after proper public notice and hearing, may in its discretion create the PID.

(b) The City shall use good faith efforts to initiate and approve all necessary documents and ordinances required to create the PID and to levy Assessments over the property described in the PID Petition. The Assessments shall be levied: (i) on a phase-by-phase basis against the applicable phase(s) benefitted by the applicable portion of the Authorized Improvements for which the applicable series of the PID Bonds are issued and/or the approval of a PID Reimbursement Agreement, and (ii) prior to the sale of any lot to an End User. The City shall select a Consultant and the City will approve the SAP, which shall include the Authorized Improvements and provide for the levy of the Assessments on the applicable portion of the Property. Promptly following preparation and approval of a preliminary SAP acceptable to the Parties and subject to the City Council making findings that the Authorized Improvements confer a special benefit on the Property, the City Council shall consider an Assessment Ordinance. No property to be conveyed to the City or other governmental entity shall be subject to Assessment.

(c) Following the levy of the Assessment applicable to a particular Improvement Area, Developer shall: (a) approve and accept in writing the levy of the Assessment(s) on land owned by Developer; (b) approve and accept the Home Buyer Disclosure Program related to such Improvement Area; and (c) cause the covenants running

with the land to be recorded against the portion of the Property within the applicable Improvement Area that will bind any and all current and successor developers and owners of all or any part of such Improvement Area of the Property to: (i) pay the Assessments, with applicable interest and penalties thereon, as and when due and payable hereunder and cause the purchasers of such land to take their title subject to and expressly assuming the terms and provisions of such assessments and the liens created thereby; and (ii) comply with the Home Buyer Disclosure Program. The covenants required to be recorded under this subsection shall be recorded contemporaneously with the recordation of the final plat of the applicable Improvement Area.

12. PID Bond Issuance. The Owner may request issuance of PID Bonds by filing with the City a list of the Authorized Improvements to be funded or acquired with the PID Bond Proceeds and the estimated or actual costs of such Authorized Improvements, including costs of issuance and the costs of funding all reserves, accounts and funds for the PID Bonds. Following such a request, the City may require a professional services agreement that obligates Developer to fund the costs of the City's professionals relating to the preparation for and issuance of PID Bonds, which amount shall be the City's actual costs and considered a cost of an Authorized Improvement. Prior to the City undertaking any preparations for the sale of PID Bonds: (i) the City Council shall have approved and adopted the PID Documents; (ii) owner(s) of the portion of the Property constituting all of the acreage in the portion of the PID relating to the issuance of PID Bonds shall have executed a Landowner Certificate; and (iii) Developer shall have delivered to the City a fully executed original copy of such Landowner Certificate. Notwithstanding the foregoing, the obligation of the City to issue PID Bonds is conditioned upon the adequacy of the bond security and the financial obligation of the Developer to pay: (A) the amount, if any, by which Authorized Improvements Cost exceed the net proceeds from the sale of PID Bonds, and (B) the amount, if any, of cost overruns and all private costs needed to reach final lot value. The issuance of each series of PID Bonds is further subject to all of the following conditions:

(a) The City has evaluated and determined that there will be no negative impact on the City's creditworthiness, bond rating, access to or cost of capital, or potential for liability.

(b) The City has determined that the PID Bonds assessment level, structure, terms, conditions and timing of the issuance of the PID Bonds are reasonable for the Authorized Improvements Cost to be financed and that there is sufficient security for the PID Bonds.

(c) All costs incurred by the City that are associated with the administration of the PID shall be paid out of Assessments levied against property within the PID. City administration costs shall include, without limitation, those associated with continuing disclosure, compliance with federal tax law, agent fees, staff time, regulatory reporting and legal and financial reporting requirements.

(d) The Service and Assessment Plan and the Assessment Ordinance levying assessments on all or any portion of the Property benefitted by Authorized

Improvements provide for amounts sufficient to pay all costs related to such PID Bonds.

(e) The City has formed and utilized its own financing team including, but not limited to, bond counsel, financial advisor, Administrator, and underwriters related to the issuance of PID Bonds and bond financing proceedings.

(f) The City has chosen and utilized its own continuing disclosure consultant and arbitrage rebate consultant. Any and all costs incurred by these activities will be included in the Administrative Expenses recouped from Assessments. The continuing disclosure will be divided into City disclosure and Developer disclosure, and the City will not be responsible or liable for Developer disclosure.

(g) The aggregate principal amount of PID Bonds issued and to be issued shall not exceed $55,000,000.

(h) The PID Bonds are approved by the Texas Attorney General and registered by the Comptroller of Public Accounts of the State of Texas.

(i) A series of PID Bonds may, but shall not be obligated to, include up to two years of capitalized interest for that series.

(j) Owner is current on all taxes, assessments, fees and obligations to the City and in compliance with this Agreement.

(k) Owner is not in default under this Agreement, a PID Reimbursement Agreement, any Developer Continuing Disclosure Agreement, or any other agreement with the City related to the PID.

(l) No outstanding PID Bonds are in default and no reserve funds established for outstanding PID Bonds have been drawn upon that have not been replenished.

(m) The Administrator has certified that the specified portions of the Authorized Improvements Cost to be paid from the proceeds of the PID Bonds are eligible to be paid with the proceeds of such PID Bonds.

(n) The Authorized Improvements to be financed by the PID Bonds have been or will be constructed according to the approved Development Regulations imposed by this Agreement.

(o) The PID Bonds shall not exceed a thirty (30) year amortization.

(p) The final maturity for any PID Bonds shall be not later than forty-five (45) years from the date of the first issuance of PID Bonds under this Agreement.

(q) The City has determined that the PID Bonds meet all regulatory and legal requirements applicable to the issuance of the PID Bonds.

(r) Unless otherwise agreed by the City, the PID Bonds shall be sold and may be transferred or assigned only in compliance with applicable securities laws and in minimum denominations of $100,000 or integral multiples of $1,000 in excess thereof; provided, however, that the limitation on transferability or assignment in this subparagraph shall not apply if the PID Bonds have a rating of not less that BBB- from Fitch Ratings or Standard & Poor's Ratings Services or Baa3 from Moody's Investors Service, Inc.

(s) If the applicable portion of Authorized Improvements has not already been constructed and to the extent PID Bond Proceeds are insufficient to fund such Authorized Improvements Cost, the Developer shall be responsible for making the Developer Cash Deposit to the trustee of the PID Bonds as specified in the Indenture. Developer hereby agrees to cause the completion of such Authorized Improvements in a timely manner, including in the time necessary for the City to make any necessary representations regarding federal tax exemption in any applicable PID Bond documents. Developer shall diligently pursue the completion of such Authorized Improvements on a schedule submitted to the City in writing that allows for their completion in the time required under this Agreement and applicable law.

(t) This Agreement and construction of the Authorized Improvements are anticipated to be exempt from competitive bidding pursuant to Texas Local Government Code Section 252.022(a)(9) and 252.022(a)(11) based upon current cost estimates. However, in the event that the actual costs for the Authorized Improvements do not meet the parameters for exemption from the competitive bid requirement, then either competitive bid or alternative delivery methods may be utilized by Melissa as allowed by law.

(u) Should major Authorized Improvements be constructed (i.e., Authorized Improvements that benefit more than one Improvement Area) and major Improvement Area PID Bonds be issued, the Developer must complete the major Authorized Improvements to receive funding for its costs in relation to such; however, it need not complete individual Improvement Area improvements for future Improvement Areas to receive funding for its major Improvement Area Authorized Improvement costs.

(v) No information regarding the City, including without limitation financial information, shall be included in any offering document relating to PID Bonds without the advance written consent of the City.

(w) No property owned by the City shall be subject to PID assessments.

(x) Owner agrees to provide periodic information and notices of certain events regarding Developer's development within the PID in accordance with Securities and Exchange Commission Rule 15c2-12 and any continuing disclosure agreements executed by Developer in connection with the issuance of PID Bonds.

(y) The value to lien ratio is at least 2:1 (unless the City, in its sole discretion, approves a lower value to lien ratio), when comparing the appraised value of the portion of the Property in the applicable phase to the par amount of PID Bonds proposed to be issued with respect to such phase, which value shall be confirmed by an independent third-party appraisal based on the assumption that development of the applicable portion of the Property only includes (A) the Public Infrastructure in place and to be constructed with the PID Bond Proceeds and any Developer Cash Deposit deposited with the trustee for the PID Bonds, and (B) finished lots (without vertical construction) for a phased improvement area. This is not a restriction on the amount of the Assessment levy and is solely intended to be a restriction on the issuance of PID Bonds. In the event the total overall minimum value to lien is less than 2:1 and the City, in its sole discretion, approves a lower value to lien ratio for the issuance of PID Bonds, to the extent permitted by applicable laws, the City may hold back a portion of the PID Bond proceeds not supported by the total overall 2:1 value to lien ratio until the value produced by development of the Property increases to 2:1 value to lien as evidenced by certificates of occupancy issued by the City for the number of completed homes in the PID necessary to raise the total overall value to lien to 2:1.

(z) Without the prior written consent of the City, in its sole discretion, the total Assessment being levied on a lot or parcel within the Property shall be limited to achieve a maximum PID tax rate equivalent of $1.25 per $100.00 taxable assessed valuation on the date of the levy of Assessment based upon the average home value shown in the SAP.

(aa) The applicable Improvement Area shall (except for the portion of the major Improvement Area located outside of a phase for which such series of PID Bonds are being issued), at the time of adoption of an Assessment Ordinance, be annexed into the City's corporate limits.

(bb) For the issuance of any refunding bonds issued pursuant to Section 372.027 of the Local Government Code, the amount of assessment necessary to pay the refunding bonds shall not exceed the amount of the assessments that were levied to pay the PID Bonds that are being refunded.

(cc) The Authorized Improvements will be owned, operated, and maintained by Melissa upon final acceptance by Melissa.

13. Disclosure Information. Prior to the issuance of PID Bonds by the City, the Developer shall provide all information requested by the City and the underwriter, including financial information that is reasonably necessary in order to provide potential bond investors with a true and accurate offering document for any PID Bonds. The Developer shall, at the time of providing such information, agree, represent, and warrant that the information provided for inclusion in a disclosure document for an issue of PID Bonds does not, to Developer's actual knowledge, contain any untrue statement of a material fact or omit any statement of material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and the

Developer further shall provide a certification to such effect as of the date of the closing of any PID Bonds.

14. Qualified Tax-Exempt Status.

(a) Generally. In any calendar year in which PID Bonds are issued, the Developer agrees to pay the City the actual additional costs ("Additional Costs") the City may incur in the issuance of its own revenue bonds/obligations and public securities or obligations on its own taxing power of municipal revenues (the "City Obligations"), as described in this Section, if the City Obligations are deemed not to qualify for the designation of qualified tax-exempt obligations ("QTEO"), as defined in Section 265(b)(3) of the Internal Revenue Code ("IRC") as amended, as a result of the issuance of PID Bonds by the City in any given year. The City agrees to deposit all funds for the payment of such Additional Costs received under this Section into a segregated account of the City, and such funds shall remain separate and apart from all other funds and accounts of the City until December 31 of the calendar year in which the PID Bonds are issued, at which time the City is authorized to utilize such funds for any purpose permitted by law. On or before January 15th of the following calendar year, the final Additional Costs shall be calculated. By January 31st of such year, any funds in excess of the final Additional Costs that remain in such segregated account on December 31st of the preceding calendar year shall be refunded to the Developer and any deficiencies in the estimated Additional Costs paid to the City by any developer or owner shall be remitted to the City by the respective developer or owner.

(b) Issuance of PID Bonds prior to City Obligations.

(1) In the event the City issues PID Bonds prior to the issuance of City Obligations, the City, with assistance from its financial advisor ("Financial Advisor"), shall estimate the Additional Costs based on the market conditions as they exist approximately thirty (30) days prior to the date of the pricing of the PID Bonds (the "Estimated Costs"). The Estimated Costs are an estimate of the increased cost to the City to issue its City Obligations as non QTEO. Promptly following the determination of the Estimated Costs, the City shall provide a written invoice to the Developer in an amount less than or equal to the Estimated Costs. The Developer, in turn, shall remunerate to the City the amount shown on said invoice on or before the earlier of: (i) fifteen (15) business days after the date of said invoice, or (ii) five (5) business days prior to pricing the PID Bonds. The City shall not be required to price or sell any series of PID Bonds until Developer has paid the invoice of Estimated Costs related to the PID Bonds then being issued.

(2) Upon the City's approval of the City Obligations, the Financial Advisor shall calculate the Additional Costs to the City of issuing its City Obligations as non QTEO. The City will, within five (5) business days of the issuance of the City Obligations, provide written Notice to the Developer of the amount of the Additional Costs. In the event the

Additional Costs are less than the Estimated Costs, the City will refund to Developer the difference between the Additional Costs and the Estimated Costs within fifteen (15) business days of the date of the City's Notice to the Developer required under this paragraph. If the Additional Costs are more than the Estimated Costs, Developer will pay to the City the difference between the Additional Costs and the Estimated Costs within fifteen (15) business days of the date of the City's Notice required under this paragraph. If the Developer does not pay the City the difference between the Additional Costs and the Estimated Costs within fifteen (15) business days of the date of the City's Notice required under this paragraph, Developer shall not be paid any reimbursement amounts under any PID Reimbursement Agreement(s) related to the Property until such payment of Additional Costs is made in full.

(c) Issuance of City Obligations prior to PID Bonds.

(1) In the event the City issues City Obligations prior to the issuance of PID Bonds, the City, with assistance from the Financial Advisor, shall calculate the Estimated Costs based on the market conditions as they exist 20 days prior to the date of the pricing of the City Obligations. Promptly following the determination of the Estimated Costs, the City shall provide a written invoice to Developer: (1) in an amount less than or equal to the Estimated Costs, and (2) that includes the pricing date for such City Obligations. Developer, in turn, shall remunerate to the City the amount shown on said invoice at least fifteen (15) days prior to the pricing date indicated on the invoice. If Developer fails to pay the Estimated Costs as required under this paragraph, the City, at its option, may elect to designate the City Obligations as QTEO, and the City shall not be required to issue any PID Bonds in such calendar year.

(2) Upon the City's approval of the City Obligations, the Financial Advisor shall calculate the Additional Costs to the City of issuing non QTEO City Obligations. The City will, within 5 business days of the issuance of the City Obligations, provide written Notice to Developer of the Additional Costs. In the event the Additional Costs are less than the Estimated Costs, the City will refund to Developer the difference between the Additional Costs and the Estimated Costs within fifteen (15) business days of the date of the City's Notice to Developer. If the Additional Costs are more than the Estimated Costs, Developer will pay to the City the difference between the Additional Costs and the Estimated Costs within 15 business days of the date of the City's Notice. If Developer does not pay to the City the difference between the Additional Costs and the Estimated Costs as required under this paragraph, then Developer shall not be paid any reimbursement amounts under any PID Reimbursement Agreement(s) related to the Property until such payment of Additional Costs is made in full.

(3) To the extent any developer(s) or property owner(s) (including the Developer, as applicable) has (have) paid Additional Costs for any particular calendar year, any such Additional Costs paid subsequently by a developer or property owner (including Developer, as applicable) to the City applicable to the same calendar year shall be reimbursed by the City to the developer(s) or property owner(s) (including Developer, as applicable) as necessary so as to put all developers and property owners (including Developer, if applicable) so paying for the same calendar year in the proportion set forth in Subsection (e), below, said reimbursement to be made by the City within fifteen (15) business days after its receipt of such subsequent payments of such Additional Costs.

(4) The City shall charge Additional Costs attributable to any other developer or property owner on whose behalf the City has issued debt in the same manner as described in this Section, and Developer shall only be liable for its portion of the Additional Costs under this provision, and if any Additional Costs in excess of Developer's portion has already been paid to the City under this provision, then such excess of Additional Costs shall be reimbursed to Developer. The portion owed by Developer shall be determined by dividing the total proceeds from any debt issued on behalf of Developer in such calendar year by the total proceeds from any debt issued by the City for the benefit of all developers (including Developer) in such calendar year.

15. Tax Certificate. If, in connection with the issuance of the PID Bonds, the City is required to deliver a certificate as to tax exemption (a "Tax Certificate") to satisfy requirements of the IRC, the Developer agrees to provide, or cause to be provided, such facts and estimates as the City reasonably considers necessary to enable it to execute and deliver its Tax Certificate. The Developer represents that to the extent it provides such facts and estimates, such facts and estimates will be based on its reasonable expectations on the date of issuance of the PID Bonds and will be, to the best of the knowledge of the officers of Developer providing such facts and estimates, true, correct and complete as of such date. To the extent that it exercises control or direction over the use or investment of the PID Bond Proceeds, including, but not limited to, the use of the Authorized Improvements, the Developer further agrees that it will not knowingly make any use or investment of such funds that would cause any of the covenants or agreements of the City contained in a Tax Certificate to be violated or that would otherwise have an adverse effect on the tax-exempt status of the interest payable on the PID Bonds for federal income tax purposes.

16. TIRZ. At the time of execution of this Agreement, it is the parties intend that the design and construction of the Offsite Roadway Improvements, as shown in Exhibit I, will not be the responsibility of the Developer. If it is determined and agreed to by the parties, that the Developer shall be responsible for any costs associated with the Offsite Roadway Imrpvoements, as depicted in Exhibit I, Melissa agrees to the creation of a TIRZ over the boundary of the Property, and the parties shall enter into a 50% TIRZ reimbursement agreement for the reimbursement of said costs.

17. Failure to Issue. Should the Developer be in compliance with all aspects of this Agreement and the PID Bonds for a particular Improvement Area are not issued as a result of any act or omission of the City and by no fault of Developer, and a period of ninety (90) days to cure such non-occurrence has passed after written notice by the Developer, then Developer shall be entitled to submit a petition for disannexation of the portion of the Property over which PID assessments have not been levied or the portion of the Property over which PID Bonds have not been issued; provided, however, that Developer hereby waives and agrees not to demand or request any refunds of the amount of money collected by the City in property taxes and fees from landowners within the subject area during the period that the area was a part of the City or any other refund, notwithstanding anything to the contrary in applicable state law. If PID Bonds have been issued over prior phases of the Property or assessments have been levied over prior phases of the Property, those phases shall remain within the limits of City and the PID and shall not be eligible for inclusion into such special district.

18. Term. This Agreement is an agreement authorized by Section 212.172. Unless earlier terminated in accordance with the terms herein, the term of this Agreement shall be forty-five (45) years from the Effective Date ("Term"). The Term of this Agreement shall not be affected by the fact that some or all of the Property is annexed into the corporate limits of Melissa.

19. Release. DEVELOPER HEREBY RELEASES, WAIVES AND HOLDS HARMLESS MELISSA AND ITS COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES FROM ALL DAMAGES, INJURIES, CLAIMS, OBJECTIONS, LOSSES, DEMANDS, SUITS, JUDGMENTS AND COSTS ARISING OUT OF OR RELATED TO MELISSA'S ANNEXATION OF THE PROPERTY, MELISSA'S CONSIDERATION OF ANNEXATION OF THE PROPERTY AND MELISSA'S ADOPTION OF THE ANNEXATION ORDINANCE. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

20. Default.

(a) If Developer fails to comply with any provision of this Agreement, and such failure is not cured within thirty (30) days after Melissa sends written notice of such failure to Developer, then Melissa shall have the following remedies, in addition to Melissa's other rights and remedies:

(i) to refuse to accept any portion of any public improvements on the Property or associated with the development of the Property;

(ii) to refuse to issue building permits for any building on the Property;

(iii) to refuse to issue a Certificate of Occupancy for the Property;

(iv) to require Developer, another owner of the Property, or a portion thereof, and/or a contractor thereof to immediately cease the construction, renovation, maintenance and/or alteration of a building or other structure on the Property; and/or

(v) to seek specific performance of this Agreement.

(b) If Melissa fails to comply with the terms and conditions of this Agreement and such failure is not cured within thirty (30) days after Melissa receives written notice of such failure from Developer, then Developer may seek specific performance of this Agreement as its sole and exclusive remedy. Notwithstanding any statement to the contrary herein, Melissa's failure to fulfill an obligation or intention of Melissa contained in this Agreement that creates a contractual obligation that controls, waives or supplants the City Council's legislative discretion or functions shall not be considered an event of default.

21. Limitation of Liability. Notwithstanding anything to the contrary herein, the parties agree and acknowledge that Melissa shall not, under any circumstance, be required to tender, or be liable to Developer for, any credit or reimbursement of, or payment of any monies, with regard to the matters set forth herein. Neither Melissa nor its Council Members, officers, agents, representatives or employees shall be liable or responsible for any loss or damage to persons or property resulting from any act, omission or neglect of Developer or Developer's agents, servants, employees, contractors, customers or invitees or from any defect or failure of any condition or element of the Property. Melissa and its Council Members, officers, agents, representatives and employees shall not be liable or responsible to Developer, its agents, servants, employees, contractors, customers or invitees for any damage to person or property caused by any act, omission or neglect of Developer or Developer's agents, servants, employees, contractors, customers or invitees.

22. Covenant Running with the Land. This Agreement shall be a covenant running with the land and the Property and shall be binding upon the parties hereto and each subsequent owner of the Property. The parties shall cause this Agreement to be filed in the Real Property Records of Collin County, Texas. Developer represents and warrants that the filing of this Agreement as provided herein shall provide Melissa with a superior and priority encumbrance, lien or interest in, on and to the Property as to any and all other persons or entities. Developer represents and warrants that there are no liens, attachments or other encumbrances that prohibit or affect the rights of Melissa as described herein. If such a condition does exist, however, Developer shall obtain a signature with acknowledgment from the holder of such lien, attachment or encumbrance consenting to the recording of this Agreement.

Notwithstanding anything to the contrary in this Agreement, this Agreement shall automatically terminate, be *void ab initio* and shall be of no further force or effect if the Developer does not purchase the Property by _____ or if Developer notifies the City in writing prior to _____that it will not purchase the Property.

23. Limitations of Agreement. Melissa ordinances covering property taxes, land use, zoning, utility rates, permit fees, inspection fees, impact fees, development fees, tap fees, pro-rata fees and the like are not affected by this Agreement. Further, this Agreement does not waive or limit any of the obligations of Developer to Melissa under any ordinance, whether now existing or in the future arising, except as expressly set forth herein.

24. Tree Preservation and Mitigation.

(a) Developer shall provide tree preservation and mitigation on the Property as required in Section 27-A Landscape Regulations and Tree Preservation within the Code of Ordinances through a combination of (i) preservation of existing trees on the Property, and (ii) planting of replacement trees as provided for in this Section of the Development Agreement within the Property (collectively, the "Tree Preservation Program").

(b) In consideration of the Tree Preservation Program and the development benefits provided by the Project, no tree mitigation fees or other monetary tree mitigation obligations shall be required of Developer or any builder with respect to the removal of trees on the Property, nor shall any additional tree replacement (mitigation) be required except for the planting of trees within the Project, whether within ROW, in HOA properties, or on individual lots. A tree survey utilizing a "spot check" method with at least 10% of the tree mass area surveyed to estimate the total trees present. Tree preservation shall be provided to the degree practicable but not in areas required for pad site grading, roadways, utility easements, and similar areas within the Project. Additionally, any area designated by the Developer for tree preservation shall be protected per Section 27-A.F.13(a)-(e) Guidelines for Tree Protection requirements during construction. A tree removal permit demonstrating compliance with these standards shall be required and approved administratively.

(c) The City acknowledges that the Tree Preservation Program provides sufficient mitigation for tree removals associated with development of the Project, and agrees that compliance with the Tree Preservation Program shall constitute full and complete satisfaction of all tree preservation, protection, and mitigation requirements as provide for in the Code of Ordinances and as applicable to the Property.

25. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; by electronic mail, with documentation evidencing delivery to the addressee thereof; or by delivering the same in person to such party a via hand-delivery service, or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to Melissa, addressed to it at:

City of Melissa
Attn: Jason Little, City Manager
3411 Barker Avenue
Melissa, Texas 75454
Telephone: (972) 838-2520
Email: JLittle@cityofmelissa.com

With a copy to:

Abernathy, Roeder, Boyd & Hullett, P.C.
Attention: Ryan D. Pittman
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Telephone: (214) 544-4000
Email: rpittman@abernathy-law.com

If to Developer, addressed to it at:

OMA MELISSA SF1, LLC
5151 Headquarters Drive, Suite 165
Plano Texas 75024
Email: Cameron@onemarkadvisors.com

With a copy to:

Daake Law, PLLC
Attention: Rob Daake
322 W. Walnut St., Ste. 210
Celina, Texas 75009
Telephone: 469) 989-7265
Email: rdaake@daake-law.com

26. Indemnity.

(a) DEVELOPER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS MELISSA FROM AND AGAINST ALL DAMAGES, INJURIES (INCLUDING DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, JUDGMENTS AND COSTS, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING ATTORNEY'S FEES AND EXPENSES INCURRED IN ENFORCING THIS INDEMNITY) CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENT, GROSSLY NEGLIGENT OR INTENTIONALLY WRONGFUL ACT OR OMISSION OF DEVELOPER OR ITS OFFICERS, DIRECTORS, PARTNERS CONTRACTORS, SUBCONTRACTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES, TRUSTEES, LICENSEES, INVITEES OR ANY OTHER THIRD PARTY FOR WHOM DEVELOPER IS LEGALLY RESPONSIBLE (COLLECTIVELY, "DEVELOPER") FOR PURPOSES OF THIS SECTION), REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OF MELISSA, (I) IN DEVELOPER'S PERFORMANCE OF THIS AGREEMENT; (II) ARISING OUT OF GOODS OR SERVICES PROVIDED PURSUANT TO THIS AGREEMENT; AND/OR (III) ARISING OUT OF ANNEXATION OR DEVELOPMENT OF THE PROPERTY OR ANY PORTION THEREOF (COLLECTIVELY, "CLAIMS"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "CLAIMS" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL,

BROUGHT AGAINST MELISSA BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN DEVELOPER AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT OR SEPARATION FROM EMPLOYMENT WITH THE DEVELOPER, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS' COMPENSATION INSURANCE AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE. DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND MELISSA AGAINST ALL SUCH CLAIMS.

(b) IN ITS SOLE DISCRETION, MELISSA SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY MELISSA, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY MELISSA IN WRITING. MELISSA RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, MELISSA IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY MELISSA IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER'S OBLIGATION TO DEFEND MELISSA OR AS A WAIVER OF DEVELOPER'S OBLIGATION TO INDEMNIFY MELISSA PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN MELISSA-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF MELISSA'S WRITTEN NOTICE THAT MELISSA IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, MELISSA SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND DEVELOPER SHALL BE LIABLE FOR ALL COSTS INCURRED BY MELISSA.

(c) THE RIGHTS AND OBLIGATIONS CREATED BY THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

27. Waiver and Release of Claims for Obligations Imposed by this Agreement.

(a) OWNER ACKNOWLEDGES AND AGREES THAT:

(i) THE CONVEYANCES, DEDICATIONS, EASEMENTS AND/OR PAYMENT OF MONEY REQUIRED BY THIS AGREEMENT TO BE PERFORMED BY DEVELOPERDEVELOPER, IN WHOLE OR IN PART, DO NOT CONSTITUTE A:

(A) TAKING UNDER THE TEXAS OR UNITED STATES CONSTITUTION;
(B) VIOLATION OF THE TEXAS WATER CODE, AS IT EXISTS OR MAY BE AMENDED;

(C) VIOLATION OF THE TEXAS GOVERNMENT CODE, INCLUDING CHAPTER 3000, AS IT EXISTS OR MAY BE AMENDED;

(D) NUISANCE; OR

(E) CLAIM FOR DAMAGES OR REIMBURSEMENT AGAINST MELISSA FOR A VIOLATION OF ANY FEDERAL OR STATE CONSTITUTION, STATUTE OR CASE LAW OR ANY FEDERAL, STATE OR LOCAL ORDINANCE, RULE OR REGULATION.

(ii) THE AMOUNT OF DEVELOPER'S FINANCIAL OR INFRASTRUCTURE CONTRIBUTION OR CONVEYANCE OF REAL PROPERTY OR INTERESTS THEREIN (AFTER RECEIVING ALL CONTRACTUAL OFFSETS, CREDITS AND REIMBURSEMENTS, IF ANY) AGREED TO IN THIS AGREEMENT IS ROUGHLY PROPORTIONAL TO THE DEMAND THAT SUCH DEVELOPER'S DEVELOPMENT PLACES ON MELISSA'S INFRASTRUCTURE.

(iii) THE DEVELOPER HEREBY RELEASES MELISSA FROM ANY OBLIGATION TO PERFORM OR COMMISSION A TAKINGS IMPACT ASSESSMENT UNDER CHAPTER 2007 OF THE TEXAS GOVERNMENT CODE, AS IT EXISTS OR MAY BE AMENDED.

(iv) THE DEVELOPER HEREBY AGREES THAT ANY PROPERTY WHICH IT CONVEYS TO MELISSA PURSUANT TO THIS AGREEMENT IS ROUGHLY PROPORTIONAL TO THE BENEFIT RECEIVED BY DEVELOPER FOR SUCH LAND, AND DEVELOPER HEREBY WAIVES ANY CLAIM THEREFORE THAT IT MAY HAVE. DEVELOPER FURTHER ACKNOWLEDGES AND AGREES THAT ALL PREREQUISITES TO SUCH A DETERMINATION OF ROUGH PROPORTIONALITY HAVE BEEN MET, AND THAT ANY VALUE RECEIVED BY MELISSA RELATIVE TO SAID CONVEYANCE ARE RELATED BOTH IN NATURE AND EXTEND TO THE IMPACT OF THE DEVELOPMENT OF DEVELOPER'S ADJACENT PROPERTY ON MELISSA'S INFRASTRUCTURE. DEVELOPER AND MELISSA FURTHER AGREE TO WAIVE AND RELEASE ALL CLAIMS ONE MAY HAVE AGAINST THE OTHER RELATED TO ANY AND ALL ROUGH PROPORTIONALITY AND INDIVIDUAL DETERMINATION REQUIREMENTS MANDATED BY THE UNITED STATES SUPREME COURT IN *DOLAN V. CITY OF TIGARD*, 512 U.S. 374 (1994), AND ITS PROGENY, AS WELL AS ANY OTHER REQUIREMENTS OF A NEXUS BETWEEN DEVELOPMENT CONDITIONS AND THE PROJECTED IMPACT OF THE PUBLIC INFRASTRUCTURE.

(v) DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS MELISSA FROM AND AGAINST ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO, DEVELOPER'S PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES OR TRUSTEES, BROUGHT PURSUANT TO THIS SECTION.

(b) THE DEVELOPER RELEASES MELISSA FROM ANY AND ALL CLAIMS OR CAUSES OF ACTION BASED ON EXCESSIVE OR ILLEGAL EXACTIONS.

(c) DEVELOPER WAIVES ANY CLAIM FOR DAMAGES OR REIMBURSEMENT AGAINST MELISSA FOR A VIOLATION OF ANY FEDERAL OR STATE CONSTITUTION, STATUTE OR CASE LAW OR ANY FEDERAL, STATE OR LOCAL ORDINANCE, RULE OR REGULATION.

(d) THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

28. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. Developer acknowledges and agrees that this Agreement does not confer vested rights on the Property and does not provide to Melissa "fair notice" of any "project" as defined in Chapter 245 of the Texas Local Government Code. In addition, nothing contained in this Agreement shall constitute a "permit" or an application for a "permit" as defined in Chapter 245 of the Texas Local Government Code. Developer HEREBY RELEASES, REMISES, ACQUITS AND FOREVER DISCHARGES CITY AND ITS CITY COUNCIL MEMBERS, OFFICIALS, OFFICERS, AGENTS, EMPLOYEES, ATTORNEYS AND CONTRACTORS, IN EACH OF THEIR INDIVIDUAL, CORPORATE AND GOVERNMENTAL CAPACITIES, FROM ALL CLAIMS, DEMANDS AND CAUSES OF ACTION AND/OR PROPOSED CLAIMS, DEMANDS AND CAUSES OF ACTION WHICH COULD HAVE BEEN ALLEGED RELATING TO OR ARISING OUT OF VESTED RIGHTS UNDER CHAPTER 245 OF THE TEXAS LOCAL GOVERNMENT CODE OR OTHER LAW IN CONNECTION WITH THIS AGREEMENT. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

29. Attorney's Fees. If any party files any action or brings any proceeding against another party arising from this Agreement, then the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys' fees and litigation expenses both at trial and on appeal, subject to the limitations set forth in TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.

30. Warranties/Representations. All warranties, representations and covenants made by one party to the other in this Agreement or in any certificate or other instrument delivered by one party to the other under this Agreement shall be considered to have been relied upon by the other party and will survive the satisfaction of any fees under this Agreement, regardless of any investigation made by either party.

31. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties.

32. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

33. Compliance with Laws. Developer shall, in connection with Developer's performance of this Agreement, comply with all applicable laws, rules, codes, regulations and ordinances, as they exist, may be amended or in the future arising, relating to such performance. The parties agree that no subsequent change in the law regarding annexation shall affect the

enforceability of this Agreement or Melissa's ability to annex the Property pursuant to this Agreement.

34. Consideration. This Agreement is executed by the parties without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

35. Multiple Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

36. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the Effective Date (hereinafter defined). By executing this Agreement, the parties agree that all exhibits attached hereto also shall be deemed to be executed.

37. Savings; Severability. In the event that a term, condition or provision of this Agreement is determined to be invalid, illegal, void, unenforceable or unlawful by a court of competent jurisdiction, then that term, condition or provision shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been contained in this Agreement.

38. Representations. Each party represents that it has carefully read this Agreement, knows the contents hereof, has consulted with an attorney of its choice regarding the meaning and effect hereof and is signing the same solely of its own judgment.

39. No Third-Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third-party beneficiaries by entering into this Agreement.

40. Assignment/Binding Effect.

(a) This Agreement is assignable, in whole or in part, upon the following conditions, all of which must be satisfied before any such assignment shall be valid and enforceable:

(i) the assignment of the Agreement must be evidenced by a recordable document ("Assignment"), the form of which is attached hereto as Exhibit F and incorporated herein by reference;

(ii) the Assignment must expressly contain an acknowledgment and agreement that all obligations, covenants and conditions contained in this Agreement will be assumed solely and completely by the assignee, and the contact name, address, phone number and electronic mail address of the assignee;

(iii) Developer will file any executed Assignment in the Real Property Records of Collin County, Texas; and

(iv) Developer shall provide Melissa with a file-marked copy of the Assignment within ten (10) days of filing the same, and until Melissa receives said file-marked copy of the Assignment as provided herein, Melissa shall not, under any circumstance, recognize said Assignment.

(b) This Agreement shall be binding upon and inure to the benefit of Melissa and Developer and their respective successors and assigns.

(c) This Assignment provision shall in no way modify, alter, amend, reduce or waive the provision above titled "Covenant Running with the Land" or its effectiveness. In the event there is a conflict between this Assignment provision and the Covenant Running with the Land provision, the Covenant Running with the Land provision shall control and govern.

41. Indemnification. The parties agree that the indemnity provisions set forth in this Agreement are conspicuous, and the parties have read and understood the same.

42. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

43. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, Melissa has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

44. Disclosure Provided. In accordance with Section 43.004 of the Texas Local Government Code, Melissa hereby discloses to Developer the following: (a) Developer is not required to enter into this Agreement; (b) Melissa is entitled to annex the Property in accordance with Subchapter C-3 of Chapter 43 of the Texas Local Government Code; (c) Melissa's annexation of the Property will be as described in this Agreement, subject to applicable law; (d) annexation of the Property requires the Developer's consent, as set forth in this Agreement; and (e) Melissa waives immunity from suit for the purpose of adjudicating a claim for breach of this Agreement.

45. Reference to Developer. When referring to "Owner" herein, this Agreement shall refer to and be binding upon Developer, and its officers, directors, partners, employees,

representatives, contractors, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and any other third parties for whom Developer is legally responsible.

46. Reference to Melissa. When referring to "Melissa" herein, this Agreement shall refer to and be binding upon Melissa and Melissa's Council Members, officers, agents, representatives, employees and any other authorized third parties for whom Melissa is legally responsible.

47. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

48. Form 1295 Certificate. Developer represents that it has complied with Texas Government Code, Section 2252.908 and in connection therewith, the Developer has completed a Texas Ethics Commission Form 1295 Certificate (the "Form 1295") generated by the Texas Ethics Commission's electronic filing system in accordance with the rules promulgated by the Texas Ethics Commission. The Developer 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. The City hereby confirms receipt of the Form 1295 from the Developer, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Parties agree that, except for the information identifying the City and the contract identification number, the City is not responsible for the information contained in the Form 1295 completed by the Developer. The information contained in the Form 1295 completed by the Developer has been provided solely by the Developer and the City has not verified such information.

49. Verifications.

(a) Anti-Boycott Verification. Developer hereby verifies that it and its parent company, wholly-or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, if and to the extent this Agreement is constructed to be a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made pursuant to Section 2271.002, Texas Government Code, but only to the extent such section is applicable, and to the extent such section does not contravene applicable federal law. As used in foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Developer understands "affiliate" as

used in this Subsection (a) to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

(b) Iran, Sudan and Foreign Terrorist Organizations. Developer represents that neither the the Developer, nor any of its parent company, wholly-or majority-owned subsidiaries, and other affiliates are a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:
https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf,
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made pursuant to Section 2252.152, Texas Government Code, and to the extent such section does not contravene applicable federal law and excludes Developer and each of Developer's parent company, wholly-or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Developer understands "affiliate" as used in this Section 40(b) to mean any entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

(c) Verification Regarding Energy Company Boycotts. Developer hereby verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made pursuant to Section 2274.002, Texas Government Code, as amended, and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. As used in this Section, the Developer understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 133(f), 17 C.F.R. § 230.133(f), and exists to make a profit.

(d) Verification Regarding Discrimination Against Firearm Entity or Trade Association. Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm

trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made pursuant to such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification and the following definitions:

(i) 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association;

(ii) "firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting); and

(iii) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code. As used in this Section, the Developer understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 133(f), 17 C.F.R. § 230.133(f), and exists to make a profit.

(e) The provisions of Section 49(a) through this Section 49(e) shall survive expiration or earlier termination of this Agreement until the applicable statute of limitations has run.

[*Signature pages follow*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF MELISSA, TEXAS,
a home-rule municipality

By: _____
Jason Little, City Manager
Date: _____

Attested to by:

_____
Hope Cory Baskin, City Secretary

STATE OF TEXAS §
§
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared Jason Little, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me that he is the City Manager and duly authorized representative for the CITY OF MELISSA, TEXAS, and that he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2026.

_____
Notary Public, State of Texas
My Commission Expires:_____

Developer

OMA MELISSA, SF1, LLC
a Texas limited liability company,

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared Jerry Ou, manager of J Built Custom Construction LLC, a Texas limited liability company, the manager of OMA MELISSA, SF1, LLC, a Texas limited liability company, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me that he executed the same for the purposes and consideration therein stated and in the capacity therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office this day of _____, 2025.

_____
Notary Public, State of Texas
My Commission Expires:_____

Exhibit A
Legal Description and Depiction of the Property

BEING a tract of land located in Collin County, Texas, being a part of the Jesse Stiff Survey, Abstract Number 792 and the James Fisher Survey, Abstract Number 304, being all of that called 180.883 acre tract of land described in a Special Warranty Deed to Priscilla Long as recorded in Document Number 20181029001338590, Official Public Records, Collin County, Texas(O.P.R.C.C.T.), more specifically described in Volume 1569, Page 613, O.P.R.C.C.T. and being further described as follows:

BEGINNING at a PK Nail found at the northwest corner of said 180.883 acre tract of land, said point being in the approximate centerline intersection of County Road 413 and County Road 471;

THENCE along the north line of said 180.883 acre tract of land and along the approximate centerline of said County Road 413;

South 89 degrees 50 minutes 02 seconds East, 251.80 feet to a Mag Nail set for corner;

South 89 degrees 00 minutes 02 seconds East, 1,904.47 feet to a one-half inch iron rod with yellow cap stamped "JBI" set at the northeast corner of said 180.883 acre tract;

THENCE along the east line of said 180.883 acre tract of land as follows:

South 04 degrees 11 minutes 09 seconds East, at 2.39 feet passing a one-half inch iron rod with cap stamped "GEER" found at the northwest corner of a called 5.125 acre tract of land described in a Special Warranty Deed to Gary Fremouw & Alecia Fremouw as recorded in Document Number 20111208001326520 O.P.R.C.C.T., continuing, in all a total distance of 193.58 feet to a one-half inch iron rod with cap stamped "GEER" found for corner;

South 01 degrees 07 minutes 14 seconds East, 848.50 feet to an 8-inch wood fence post found for corner at the southwest corner of a called 5.642 acre tract of land described in a Special Warranty Deed to Gary Fremouw & Alecia Fremouw as recorded in Document Number 20140404000324770, O.P.R.C.C.T.;

South 88 degrees 54 minutes 05 seconds East, 474.57 feet to a 6-inch wood fence post found for corner in the west line of a called 17.59 acre tract of land described in a Correction Instrument as to a Recorded Original Instrument as recorded in Document Number 20211216002538930, O.P.R.C.C.T.;

South 01 degrees 16 minutes 16 seconds West, 1,783.20 feet to a Mag Nail Found at the most easterly southeast corner of said 180.883 acre tract of land, said Nail being at the southwest corner of said 17.59 acre tract of land and said Nail being in the approximate centerline of County Road 471;

THENCE along the most easterly south line of said 180.883 acre tract of land as follows:

North 89 degrees 20 minutes 47 seconds West, 1,026.90 feet along the approximate centerline of said County Road 471 to a one-half inch iron rod with yellow cap stamped "JBI" set for corner in the

north line of a called 102.189 acre tract of land as described in a Warranty Deed to Steven K. Gross & wife, Roxanne P. Gross as recorded in Volume 4407, Page 3533, O.P.R.C.C.T.;

North 74 degrees 03 minutes 47 seconds West, 797.12 feet along the north line of said 102.189 acre tract of land to a five-eighths inch iron rod found for corner at an ell corner of said 180.883 acre tract of land;

THENCE along the east line of said 180.883 acre tract of land and along the west line of said 102.189 acre tract of land as follows:

South 01 degrees 13 minutes 05 seconds West, 413.36 feet to a one-half inch iron rod with yellow cap stamped "JBI" set for corner;

South 70 degrees 47 minutes 55 seconds East, 67.81 feet to a five eighths inch iron rod found for corner;

South 24 degrees 52 minutes 05 seconds West, 1,207.15 feet to a 4 inch wood fence post found for corner at the most southerly southeast corner of said 180.883 acre tract of land, said post being at the northeast corner of a called 25.11 acre tract of land described as Tract 2-Parcel B in a General Warranty Deed to Landcrowd Developers, LLC, recorded in Document Number 2022000165448, O.P.R.C.C.T.;

THENCE along the most southerly south line of said 180.883 acre tract of land and along the north line of said 25.11 acre tract of land as follows:

North 65 degrees 49 minutes 00 seconds West, 288.57 feet to a 6 inch wood fence post found for corner;

North 65 degrees 36 minutes 25 seconds West, 237.56 feet to a 6 inch wood fence post found for corner;

North 69 degrees 23 minutes 15 seconds West, 371.87 feet to a 6 inch Wood Fence Post found for corner at the southwest corner of said 180.883 acre tract of land, said post being at the northwest corner of said 25.11 acre tract of land and said post being in the east line of called 25.67 acre tract of land described as Tract 1 in said Document Number 2022000165448, O.P.R.C.C.T.;

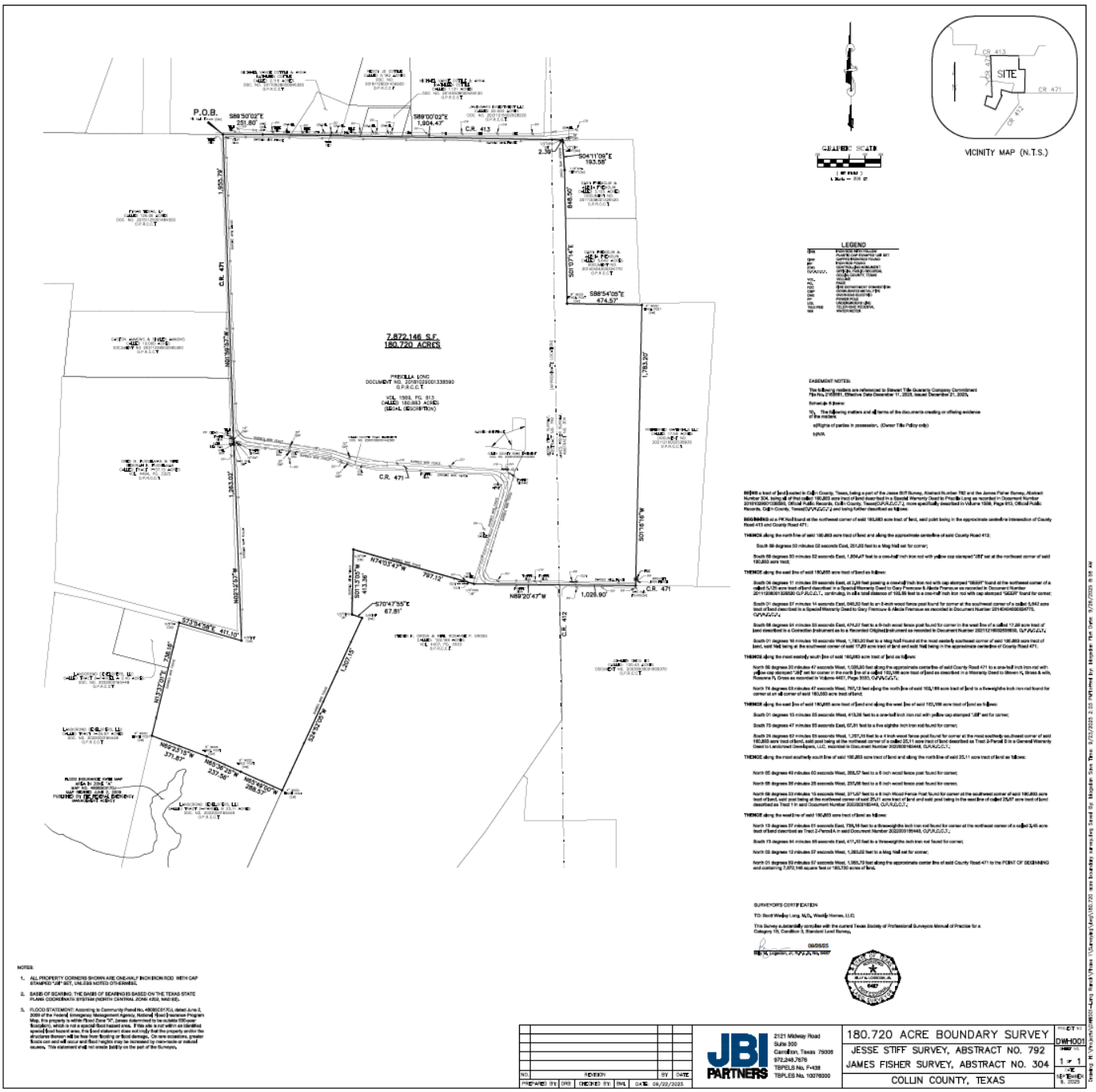
THENCE along the west line of said 180.883 acre tract of land as follows:

North 13 degrees 37 minutes 01 seconds East, 738.16 feet to a three-eighths inch iron rod found for corner at the northeast corner of a called 2.45 acre tract of land described as Tract 2-Parcel A in said Document Number 2022000165448, O.P.R.C.C.T.;

South 73 degrees 54 minutes 58 seconds East, 411.10 feet to a three-eighths inch iron rod found for corner;

North 02 degrees 12 minutes 57 seconds West, 1,263.02 feet to a Mag Nail set for corner;

North 01 degrees 59 minutes 57 seconds West, 1,955.79 feet along the approximate center line of said County Road 471 to the POINT OF BEGINNING and containing 7,872,146 square feet or 180.720 acres of land.



EASEMENT NOTES:

The following matters are referenced to Stewart Title Guaranty Company Commitment File No. 21W1891, Effective Date December 11, 2025, Issued December 21, 2025.

Schedule B Items:

10. The following matters and all terms of the documents creating or offering evidence of the matters:

a) Rights of parties in possession. (Owner Title Policy only)

b) N/A

BEING a tract of land located in Collin County, Texas, being a part of the Jesse Stiff Survey, Abstract Number 792 and the James Fisher Survey, Abstract Number 304, being all of that called 180.663 acre tract of land described in a Special Warranty Deed to Precilla Long as recorded in Document Number 20181029000338590, Official Public Records, Collin County, Texas(O.P.R.C.C.T.), more specifically described in Volume 1959, Page 813, Official Public Records, Collin County, Texas(O.P.R.C.C.T.) and being further described as follows:

BEGINNING at a PK Nail found at the northwest corner of said 180.663 acre tract of land, said point being in the approximate centerline intersection of County Road 413 and County Road 471;

THENCE along the north line of said 180.663 acre tract of land and along the approximate centerline of said County Road 413;

South 89 degrees 50 minutes 02 seconds East, 251.80 feet to a Mag Nail set for corner;

South 89 degrees 00 minutes 02 seconds East, 1,904.47 feet to a one-half inch iron rod with yellow cap stamped "1897" set at the northeast corner of said 180.663 acre tract;

THENCE along the east line of said 180.663 acre tract of land as follows:

South 04 degrees 11 minutes 06 seconds East, at 2.39 feet passing a one-half inch iron rod with cap stamped "5560" found at the northwest corner of a called 5.120 acre tract of land described in a Special Warranty Deed to Gary Fremouw & Alecia Fremouw as recorded in Document Number 20111230001328330 O.P.R.C.C.T., continuing, in all a total distance of 193.58 feet to a one-half inch iron rod with cap stamped "5560" found for corner;

South 01 degrees 07 minutes 14 seconds East, 848.50 feet to an 8-inch wood fence post found for corner at the southwest corner of a called 5.042 acre tract of land described in a Special Warranty Deed to Gary Fremouw & Alecia Fremouw as recorded in Document Number 20140404000382470, O.P.R.C.C.T.;

South 88 degrees 54 minutes 05 seconds East, 474.57 feet to a 6-inch wood fence post found for corner in the west line of a called 17.28 acre tract of land described in a Correction Instrument as to a Recorded Original Instrument as recorded in Document Number 20211216000339830, O.P.R.C.C.T.;

South 01 degrees 16 minutes 16 seconds West, 1,783.29 feet to a Mag Nail Found at the most easterly southeast corner of said 180.663 acre tract of land, said Nail being at the southwest corner of said 17.28 acre tract of land and said Nail being in the approximate centerline of County Road 471;

THENCE along the most easterly south line of said 180.663 acre tract of land as follows:

North 89 degrees 20 minutes 47 seconds West, 1,026.90 feet along the approximate centerline of said County Road 471 to a one-half inch iron rod with yellow cap stamped "1897 set for corner in the north line of a called 152.196 acre tract of land as described in a Warranty Deed to Steven K. Gross & wife, Rosanna R. Gross as recorded in Volume 4487, Page 3030, O.P.R.C.C.T.;

North 74 degrees 03 minutes 47 seconds West, 797.12 feet along the north line of said 152.196 acre tract of land to a fiveeighths inch iron rod found for corner at an ell corner of said 180.663 acre tract of land;

THENCE along the east line of said 180.663 acre tract of land and along the west line of said 152.196 acre tract of land as follows:

South 01 degrees 13 minutes 05 seconds West, 413.36 feet to a one-half inch iron rod with yellow cap stamped "1897 set for corner;

South 70 degrees 47 minutes 55 seconds East, 67.81 feet to a five eighths inch iron rod found for corner;

South 24 degrees 52 minutes 05 seconds West, 1,067.13 feet to a 4 inch wood fence post found for corner at the most southerly southeast corner of said 180.663 acre tract of land, said post being at the northeast corner of a called 25.11 acre tract of land described as Tract 2-Parcel B to a General Warranty Deed to Landcrowd Developers, LLC. recorded in Document Number 20220831854648, O.P.R.C.C.T.;

THENCE along the most southerly south line of said 180.663 acre tract of land and along the north line of said 25.11 acre tract of land as follows:

North 65 degrees 49 minutes 00 seconds West, 359.57 feet to a 6 inch wood fence post found for corner;

North 89 degrees 36 minutes 23 seconds West, 337.56 feet to a 6 inch wood fence post found for corner;

North 89 degrees 23 minutes 15 seconds West, 371.87 feet to a 6 inch Wood Fence Post found for corner at the southwest corner of said 180.663 acre tract of land, said post being at the northwest corner of said 25.11 acre tract of land and said post being in the east line of called 25.67 acre tract of land described as Tract 1 in said Document Number 20220831854648, O.P.R.C.C.T.;

THENCE along the west line of said 180.663 acre tract of land as follows:

North 13 degrees 37 minutes 01 seconds East, 236.16 feet to a threeeighths inch iron rod found for corner at the northeast corner of a called 3.45 acre tract of land described as Tract 2-Parcel A in said Document Number 20220831854648, O.P.R.C.C.T.;

South 73 degrees 54 minutes 08 seconds East, 411.10 feet to a threeeighths inch iron rod found for corner;

North 02 degrees 13 minutes 57 seconds West, 1,063.02 feet to a Mag Nail set for corner;

North 01 degrees 50 minutes 57 seconds West, 1,065.79 feet along the approximate center line of said County Road 471 to the POINT OF BEGINNING and containing 7,872,146 square feet or 180.720 acres of land.

SURVEYOR'S CERTIFICATION

TO: Scott Wesley Long, M.D., Weekly Homes, LLC;

This Survey substantially complies with the current Texas Society of Professional Surveyors Manual of Practice for a Category 1R, Condition 3, Standard Land Survey.

09/09/25

NOTES:

1. ALL PROPERTY CORNERS SHOWN ARE ONE-HALF INCH IRON ROD WITH CAP STAMPED "JBI" SET, UNLESS NOTED OTHERWISE.
2. BASIS OF BEARING: THE BASIS OF BEARINGS IS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM (NORTH CENTRAL ZONE 4202, NAD 83).
3. FLOOD STATEMENT: According to Community Panel No. 48085C0170J, dated June 2, 2009 of the Federal Emergency Management Agency, National Flood Insurance Program Map, this property is within Flood Zone "X", (areas determined to be outside 500-year floodplain), which is not a special flood hazard area. If this site is not within an identified special flood hazard area, this [land] statement does not imply that the property and/or the structures thereon will be free from flooding or flood damage. On rare occasions, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This statement shall not create liability on the part of the Surveyor.

NO.	REVISION	BY	DATE

PREPARED BY: DRS | CHECKED BY: RHL | DATE: 09/22/2025

JBI PARTNERS
2121 Midway Road
Suite 300
Carrollton, Texas 75006
972.248.7676
TBPELS No. F-438
TBPLS No. 10078300

180.720 ACRE BOUNDARY SURVEY
JESSE STIFF SURVEY, ABSTRACT NO. 792
JAMES FISHER SURVEY, ABSTRACT NO. 304
COLLIN COUNTY, TEXAS

PROJECT NO. DWH001
SHEET NO. 1 OF 1
SEPTEMBER 9, 2025

Drawing: N:\Projects\DWH001-Long Road\Plans\1\Survey\dwg\180.720 acre boundary survey.dwg Saved by: Maggie Tate Date: 9/25/2025 8:58 AM
Plotted by: Maggie Tate Date: 9/25/2025 2:00 PM

Exhibit B-1
Proposed Concept Plan Exhibit

Exhibit B-2
Proposed Open Space Plan

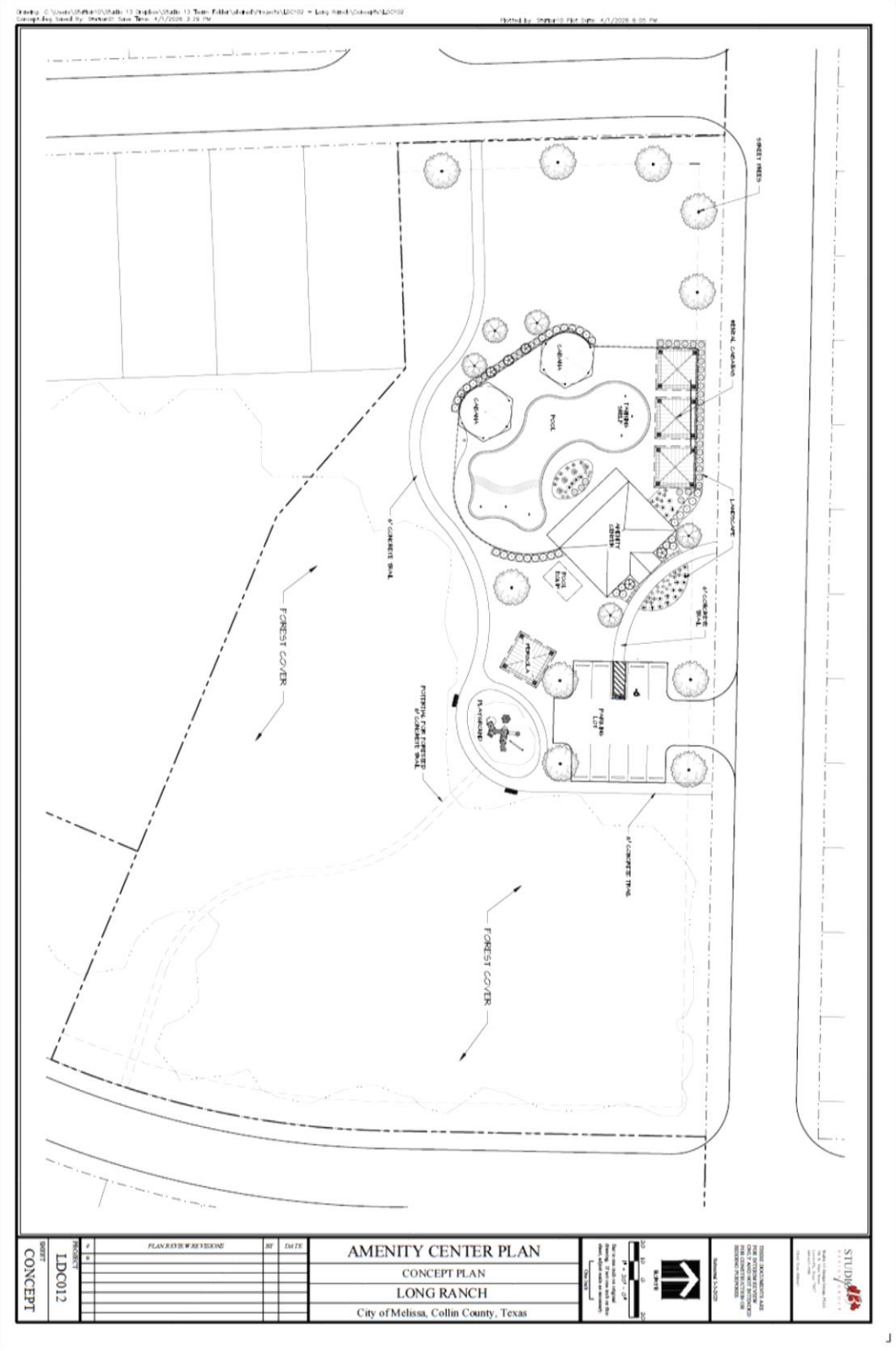


Exhibit C
Proposed Development Standards

LONG RANCH - PLANNED DEVELOPMENT REGULATIONS

1.0 Single Family Regulations

1.1 Single Family Tracts Permitted Uses: The permitted uses within the planned development are outlined below.

(A) **Single-Family Residential District:** The base zoning district for all single-family tracts will be the SF-3 district unless specified in this PD. The permitted uses shall be SF-3 Single-Family Residential District Uses, referred to herein, and the associated uses defined in sections.

(1) Additional Permitted Uses:

- Agricultural Uses – Agricultural uses whose products are grown primarily for home consumption, such as domestic gardening, berry or bush crops, tree crops, flower gardening, orchards, and aviaries.
- Community Facility Uses
  - Public and private parks
  - Recreational and open space including but not limited to playgrounds, parkways, greenbelts, ponds and lakes, botanical gardens, pedestrian paths, bicycle paths, equestrian bridle trails, nature centers, bird and wildlife sanctuaries
  - Amenity centers which may contain any of the following at the Developer's discretion, consistent with the Amenity Center Plan in Exhibit B-2:
    - Pool(s)
    - Building for office, business, leisure, and/or workout facilities
    - Shade structures
    - Open Play
    - Playground
    - Sports court(s)
    - Trail
    - Cabana
- Temporary structure for storage of building materials and equipment used for initial residential construction, when on the same or adjoining lot, for a period not to exceed the duration of the construction. This shall include temporary trailers for construction and sales activity. Building material storage will be allowed adjacent to temporary trailers or in a lot designated for storage.
- School, pre-k through 12 (public or private)
- Temporary concrete batch plant
- Temporary sales office
- Model homes

(2) Prohibited Uses:

- Manufactured and/or modular homes
- Accessory dwelling

1.2 Single Family General Area regulations:

a) The lot widths shall be measured along the arc of the primary structure setback line.
b) For Cul-de-sacs and eye-brows/elbows the minimum lot width measured at the building line may be reduced by a maximum of five (5) feet; the minimum lot width measured at the right-of-way line shall be thirty-five (35) feet.
c) Side lot lines may deviate from perpendicular to the right-of-way up to 15 degrees. Driveways shall still be perpendicular to the curb within the ROW.
d) Maximum cul-de-sac and block lengths may be up to one thousand five hundred (1,500) feet.

The following amended area regulations shall apply:

Lot Type A – 40' Lot:

Minimum Lot Area: The minimum lot area shall be four thousand four hundred (4,400) square feet.
Minimum Lot Width: The minimum lot width shall be forty (40) feet (See Section 1.2, (b)).
Minimum Lot Depth: The minimum lot depth shall be one hundred-ten (110) feet.
Minimum Front Yard: The minimum depth of the front yard shall be twenty (20) feet. Covered Front Porches may extend over the front building setback line up to five feet (5'), but Front Porches are not required. In the event a front porch is constructed, the front porch shall be considered the front façade even if it encroaches in the front yard setback. Garage may intrude at a max of 8' in front of the front façade, but still must honor the minimum 20' front setback.
Minimum Rear Yard: The minimum depth of the rear yard shall be fifteen (15) feet.
Minimum Side Yard: The minimum side yard shall be five (5) feet and the minimum side yard for a corner lot shall be ten (10) feet.
Impervious surface: A maximum eighty percent (80%) of the total lot area may be covered by the main house and accessory structures.
Garage Orientation: May face the street.

Lot Type B – 45' Lot:

Minimum Lot Area: The minimum lot area shall be four thousand nine hundred fifty (4,950) square feet.
Minimum Lot Width: The minimum lot width shall be forty five (45) feet (See Section 1.2, (b)).
Minimum Lot Depth: The minimum lot depth shall be one hundred-ten (110) feet.
Minimum Front Yard: The minimum depth of the front yard shall be twenty (20) feet. Covered Front Porches may extend over the front building setback line up to five feet (5'), but Front Porches are not required. In the event a front porch is constructed, the front porch shall be considered the front façade even if it encroaches in the front yard setback. Garage may intrude at a max of 8' in front of the front façade, but still must honor the minimum 20' front setback.
Minimum Rear Yard: The minimum depth of the rear yard shall be fifteen (15) feet.

Minimum Side Yard: The minimum side yard shall be five (5) feet and the minimum side yard for a corner lot shall be ten (10) feet.
Impervious surface: A maximum eighty percent (80%) of the total lot area may be covered by the main house and accessory structures.
Garage Orientation: May face the street.

Lot Type C – 50' Lot:

Minimum Lot Area: The minimum lot area shall be five thousand five hundred (5,500) square feet.
Minimum Lot Width: The minimum lot width shall be fifty (50) feet (See Section 1.2, (b)).
Minimum Lot Depth: The minimum lot depth shall be one hundred-ten (110) feet.
Minimum Front Yard: The minimum depth of the front yard shall be twenty (20) feet. Covered Front Porches may extend over the front building setback line up to five feet (5'), but Front Porches are not required. In the event a front porch is constructed, the front porch shall be considered the front façade even if it encroaches in the front yard setback. Garage may intrude at a max of 8' in front of the front façade, but still must honor the minimum 20' front setback.
Minimum Rear Yard: The minimum depth of the rear yard shall be fifteen (15) feet.
Minimum Side Yard: The minimum side yard shall be five (5) feet and the minimum side yard for a corner lot shall be ten (10) feet.
Impervious surface: Amaximum eighty percent (80%) of the total lot area may be covered by the main house and accessory structures.
Garage Orientation: May face the street.

1.3 The maximum number of lots permitted within the PD District shall not exceed 750 lots. The total lot mix shall follow the following lot type metrics: a maximum of 215 Lot Type A lots, a minimum of 250 Lot Type C lots, and all remaining lots will be made up of Lot Type B lots.
1.4 Front Door required: There must be a primary access door facing the public street.

1.5 Minimum House Size: Unless otherwise stated below, minimum air-conditioned space in dwelling unit shall be as follows:

Lot Type A: 1,200 square feet.
Lot Type B: 1,400 square feet.
Lot Type C: 1,400 square feet.

1.6 Residential Parking: The off-street residential parking requirement is two (2) enclosed vehicle spaces for each dwelling unit that shall be located behind the front building line.

1.7 Residential Landscape, Hardscape, Architectural Standards

1.7.1 Architectural Standards

i. Maximum building height of a Residence shall be forty feet (40').

ii. Anti-Monotony Requirements. Development of single-family detached homes shall comply with the following:

a. No front house elevation on a single-family residence shall be repeated on the same side of the street unless it is separated by a minimum of four (4) lots from the same elevation. No front house elevation on a single-family residence shall be repeated directly across the street or within two (2) lots of one another on either side of the residence and on either side of the street. No more than three (3) consecutive rear elevations may be provided on single family residences with rear elevations abutting a collector road.

b. Same Side of Street. No combination of brick color, mortar color, and sand color shall be repeated for every two residences. Street and alley intersections are acceptable separation elements.

iii. Garage Doors.

a. Garages shall conform to all City ordinance and requirements with regard to setbacks, location, and type unless otherwise specified in these Development Regulations. Should the City's ordinance not contain all or any portion of certain design or construction requirements, the Developer shall be the sole authority as to construction and design criteria or requirements.

b. Each Residence erected on a Lot shall provide off-street parking space (inclusive of garage space) for a minimum of two (2) automobiles.

iv. Roof Slopes, Colors, and Restrictions.

a. The minimum slope may not be less than a 8-in-12 slope**,** unless an accent roof which may be minimum 4-in-12, without the express written consent of the City and the ACC.

b. 30-year dimensional shingles or better shall be provided on all homes. Additionally, metal roofing may be used on roofs overhanging doors and/or windows and any accent/dormer roofs.

c. Dormers may be used and shall be compatible with the architectural style of the residence.

d. The Developer is responsible for the maintenance and repairs to the roof of his/her Residence. Repair or replacement of a roof must have the prior written consent of the City and the ACC prior to installation.

e. A minimum of 70% of the facades of the homes, exclusive of doors and windows, shall be constructed with the following materials:
    a. Brick, stone, man-made stone.

f. A maximum of 30% of the facades of the home may be constructed with 3 coat masonry stucco or cementitious siding.

v. Residential landscaping:

a. Trees: Requirements per lot type:

a. For every residential lot: At least one (1) tree of a minimum 3"-caliper in the front yard in a location determined by the builder.

b. All residential lot trees described here shall be planted by the homebuilder.

b. Shrubbery and Planting Beds: Each residential lot shall contain at least one (1) ornamental tree and have planting beds containing a minimum of fifteen one (1) gallon shrubs, six (6) three gallon shrubs, and two flats of flowers, and depending on the bed size, this number may be adjusted by the Builder upon written permission from the City and ACC.

c. Trees. Trees shall be planted in locations approved by the City or authorized under these construction and design guidelines and/or the Developer.

d. Full yard (front, side, and rear) sod and irrigation required for all lot types.

vi. FENCES:

(a) Fencing: Fencing in the front yards is not allowed.

(b) All wooden fencing shall be stained and preserved as approved by the ACC and described and set forth in the CCRs.

(c) Wood Fencing.

1. The side and rear yard areas of each Lot shall be fenced beginning at least five (5') feet from the front façade of a Residence on a Lot.
2. All fencing adjacent to public ROW, open spaces, or public view on a Lot shall be no less than six feet (6') in height from grade, and shall be constructed board-on-board, of spruce wood or better with steel posts unless as provided for in Section 6.1.
3. Posts for all wood fences must not be visible on any fence facing the street, front of a home, any Common Area, Open Space or other highly visible area.
4. Fencing for interior Lots not visible from any visibly public standpoint shall be board-on-board, spruce or better.
5. All wood fences shall adjust for grade and maintain at least one inch (1") gap between the ground and wood to prevent rotting or decay. Vertical posts spacing should be no more than eight feet (8') on center or less and set in concrete post footings of a minimum of 24" deep for six foot (6') high fences. All fencing shall include a top cap or trim and be stained with the color specified above.

d. Wrought Iron / Tubular Steel / Decorative Metal Fencing.

(i) The use of wrought iron, tubular steel, and/or decorative metal fencing shall comply with the City's ordinance in regard to location, material, height, and style. Generally, wrought iron, tubular steel, and/or decorative metal fencing is required for the portion of any Lot's boundary that is adjacent to an Amenity, Open Space, Greenbelt, or other Open Areas and shall be installed by the Developer. The Developer will use the City's ordinance and building and zoning standards as the design rule for wrought iron / tubular steel fencing.

(ii) Wrought iron, tubular steel, and/or decorative metal fencing, to be installed by the Developer, shall be black and of a type designed to be rust proof and suitable for Texas weather.

(iii) Minimum height shall be no less than six (6) feet.

(iv) Wrought iron, tubular steel, and/or decorative metal fencing, installed by the Developer, shall be required along the boundary line of any Lot adjacent to an Amenity, Open Space, Greenbelt, or other Open Areas. The Developer shall be responsible for constructing fencing on any Amenity, Open Space, Greenbelt, or other Open Areas not adjacent to single family lots.

5.0 Open Space Regulations

5.1 Open Space may consist of any pervious areas including landscape reserves, detention/ drainage facilities and easements, natural floodplain, and public or private parks and plazas. Any detention areas may be counted towards the open space requirement and shall be landscaped and/or amenitized (sidewalks, benches, etc.) on a minimum of two (2) sides. Open space must be maintained through a property ownership association. Open space requirements shall be as listed below:

5.2 Park/Open Space Requirements

(1) Single Family Open Space Requirements

a. The Developer shall provide a minimum 27.0 acre park and open space to be maintained by the HOA within the development in lieu of the City Parkland Dedication and Parkland Improvements requirements as provided for in Section 11.1.

6.0 Screening Regulations

6.1 Residential: The screening requirement for all residential uses shall be a six (6) foot solid masonry wall for lots backing or siding to a Major Arterial, Minor Arterial, Major Collector, and Minor Collector and conform to City of Melissa's Planned Development Regulations.

7.0 Subdivision Regulation

7.1 Development shall meet the standards as required in the City of Melissa Subdivision Ordinance, except as amended herein.

8.0 Cluster Mailbox Standards

8.1 Location: Cluster mailboxes shall be for only as many addressed are required by post office and shall be in strategic HOA lots off public ROW.

9.0 Trail Standards

9.1 Where the trail crosses floodplain, no bridges/culverts shall be required. However, when the trails cross a creek, either a low water crossing, culverts, or pedestrian bridge must be installed.

9.2 Trails shall be constructed as depicted on the Trail Plan. Trails shall be constructed during the construction of the phase they are located in. All required trails shall be constructed prior to the next phase being constructed unless a segment is delayed due to a construction conflict anticipated with the next phase in order to prevent damage to new trails.

9.3 Trails shall be not less than six (6) feet in width and constructed with concrete. Contained (with a hard edge) granite gravel, wood chip or other similar material may be occasionally utilized to compliment the trail surroundings.

10.0 Tree Mitigation

10.1(a) Developer shall provide tree preservation and mitigation on the Property as required in Section 27-A Landscape Regulations and Tree Preservation within the Code of Ordinances through a combination of (i) preservation of existing trees on the Property, and (ii) planting of replacement trees as required in Section ____ of the Development Agreement within the Property (collectively, the "Tree Preservation Program").

(b) In consideration of the Tree Preservation Program and the development benefits provided by the Project, no tree mitigation fees or other monetary tree mitigation obligations shall be required of Developer or any builder with respect to the removal of trees on the Property, nor shall any additional tree replacement (mitigation) be required except for the planting of trees within the Project, whether within ROW, in HOA properties, or on individual lots. A tree survey utilizing a "spot check" method with at least 10% of the tree mass area surveyed to estimate the total trees present. Tree preservation shall be provided to the degree practicable but not in areas required for pad site grading, roadways, utility easements, and similar areas within the Project. Additionally, any area designated by the Developer for tree preservation shall be protected per Section 27-A.F.13(a)-(e) Guidelines for Tree Protection requirements during construction. A tree removal permit demonstrating compliance with these standards shall be required and approved administratively.

(c) The City acknowledges that the Tree Preservation Program provides sufficient mitigation for tree removals associated with development of the Project, and agrees that compliance with the Tree Preservation Program shall constitute full and complete satisfaction of all tree preservation, protection, and mitigation requirements as provide for in the Code of Ordinances and as applicable to the Property.

11.0 Parkland Dedication and Improvements

11.1 The open space, private parkland, and amenities shown on the Concept Plan and Development Agreement, shall be deemed to fully satisfy the City of Melissa's parkland dedication and improvement requirements, now and at the time of development.

12.0 Street Lights

12.1 Street lights shall be installed on divided thoroughfares where Developer is constructing one full roadway section edge. For the avoidance of doubt, Developer shall only be obligated to construct street lights on the portions of the roadways constructed by Developer which are adjacent to the Development for exterior roadways. Street lighting will be constructed by Developer for interior roadways.

13.0 Offsite Marketing Signage

13.1 Offsite Marketing Signage. City agrees to allow two temporary signs to provide information related to or directions to the Project generally as provided for in the Sign Regulations Section 3.1000, Kiosk Panel Signs (the "Offsite Signs") offsite from the Property either on city-owned property or within City or Collin ounty ROW. The final location of the two Offsite Signs will be established at the time the Offsite Signs are permitted but will generally be northwest of the Property near or on properties currently owned by the City or Melissa ISD. Exhibit K shows a conceptual Offsite Sign. The Offsite Signs shall be no greater than ten (10) feet high and six (6) feet wide. The two Offsite Signs may be located within or adjacent to ROW and may be located midblock or at intersections so long as the Offsite Signs are not within a required sight triangle. The final location is subject to administrative approval through a sign permit. There is no time restriction for the Offsite Signs. The cost of production, installation, maintenance, and relocation or removal of the Offsite Signs shall be the responsibility of the permittee. In no event shall the City of Melissa be responsible or liable for the Offsite Sign located in the right-of-way or on City-owned property.

Exhibit D
Annexation Service Plan Agreement

[to be inserted]

Exhibit E
Building Materials Standards

As used in this Agreement, the term "Building Materials Standards" shall include all minimum standards for building products and materials and aesthetic methods in the construction, renovation, maintenance and alteration of buildings as set forth or referenced in the following:

1. Melissa's Zoning Ordinance, Ordinance No. 92-04, as it exists or may be amended by Melissa in its sole discretion (and any successor ordinance thereto).

2. The Planned Development Ordinance applicable to the Property, as it exists or may be amended (and any successor ordinance thereto).

3. Melissa's Ordinance adopting the International Energy Conservation Code and all local amendments thereto, as it exists or may be amended by Melissa in its sole discretion (and any successor ordinance thereto).

4. Melissa's Ordinance adopting the International Fuel Gas Code and all local amendments thereto, as it exists or may be amended by Melissa in its sole discretion (and any successor ordinance thereto).

5. Melissa's Ordinance adopting the International Mechanical Code and all local amendments thereto, as it exists or may be amended by Melissa in its sole discretion (and any successor ordinance thereto).

6. Melissa's Ordinance adopting the International Plumbing Code and all local amendments thereto, as it exists or may be amended by Melissa in its sole discretion (and any successor ordinance thereto).

7. Melissa's Ordinance adopting the National Electrical Code and all local amendments thereto, as it exists or may be amended by Melissa in its sole discretion (and any successor ordinance thereto).

8. Melissa's Ordinance adopting the International Residential Code and all local amendments thereto, as it exists or may be amended by Melissa in its sole discretion (and any successor ordinance thereto).

9. Melissa's Ordinance adopting the International Property Maintenance Code and all local amendments thereto, as it exists or may be amended by Melissa in its sole discretion (and any successor ordinance thereto).

10. Melissa's Ordinance adopting the International Fire Code and all local amendments thereto, as it exists or may be amended by Melissa in its sole discretion (and any successor ordinance thereto).

11. Melissa's Ordinance adopting the International Building Code and all local amendments thereto, as it exists or may be amended by Melissa in its sole discretion (and any successor ordinance thereto).

12. Any other existing, future or successor ordinance, rule or regulation adopted by the Melissa City Council that establishes a standard for a building product, material or aesthetic method in construction, renovation, maintenance or other alteration of a building that is more stringent than a standard for the product, material, or aesthetic method under a national model code published within the last three code cycles that applies to the construction, renovation, maintenance, or other alteration of the building.

Exhibit F
Form of Assignment

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS' LICENSE NUMBER.

After Recording Return to:
City of Melissa
Attention: City Manager
3411 Barker Avenue
Melissa, Texas 75454

ASSIGNMENT AND ASSUMPTION AGREEMENT
REGARDING DEVELOPMENT AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT ("Assignment") is made and entered into by and between _____, a _____ ("Assignor"), and _____, a _____ ("Assignee"). Assignor and Assignee are sometimes referred to collectively as the "parties" or individually as a "party."

WHEREAS, contemporaneously with the execution of this Assignment, Assignee acquired from Assignor the following tract of land: Lot ___, Block __ of ____ Addition, an addition to the City of Melissa, Texas, according to the plat thereof recorded in _____, Official Public Records of Collin County, Texas (the "Assignee Property"); and

WHEREAS, Assignor (referred to as "Owner" in the Development Agreement) and the City of Melissa, Texas ("Melissa") (referred to as "Melissa" in the Development Agreement) entered into that certain Development Agreement dated _____, filed for record under Instrument No. _____ in the Real Property Records of Collin County, Texas ("Development Agreement"). The Development Agreement is incorporated herein in its entirety for all purposes; and

WHEREAS, the Development Agreement pertains to and encumbers the Property, as described in the Development Agreement, of which the Assignee Property is a portion; and

WHEREAS, pursuant to Section __ of the Development Agreement, Assignor desires to assign to Assignee the Assigned Rights/Obligations (hereinafter defined) as "Owner" under the Development Agreement, and Assignee desires to accept such assignment and assume all of the Assigned Rights/Obligations of Assignor as "Owner" under the Development Agreement pursuant and subject to the terms and provisions hereof.

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars ($10.00), the foregoing, the covenants and conditions contained in this Assignment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Recitals Incorporated. The recitals set forth above are made a part of this Assignment as if set forth herein verbatim.

2. Assignment. Assignor hereby grants, sells, assigns, transfers and conveys to Assignee all of Assignor's rights, titles, interests, powers, duties, obligations, responsibilities, requirements, conditions and all other matters in, to and under the Development Agreement, as "Owner" under the Development Agreement (collectively, "Assigned Rights/Obligations"). Assignee hereby accepts such assignment and, from and after the Effective Date (hereinafter defined) of this Assignment, agrees to be bound by, perform and assume the Assigned Rights/Obligations.

3. Effect on Other Portions of Development Agreement. This Assignment is further intended to assign, among other things, all rights, obligations, liabilities, duties, representations, warranties, remedies and waivers of Assignor, including, without limitation, all the general and/or miscellaneous provisions, under the Development Agreement to Assignee, said assignment having the same effect as if Assignee was the original "Owner" under the Development Agreement.

4. Covenant Running with the Land. This Assignment shall be a covenant running with the land and Assignee Property and shall be binding upon Assignee and Assignor and their respective successors and assigns, as authorized by Section __ of the Development Agreement. Assignee shall, in accordance with Section __ of the Development Agreement, file an approved and executed original of this Assignment in the Real Property Records of Collin County, Texas, and provide Melissa with a file-marked copy of the Assignment within ten (10) days of filing the same.

5. Indemnity of Assignor. ASSIGNEE COVENANTS AND AGREES TO INDEMNIFY AND HOLD HARMLESS ASSIGNOR FROM AND AGAINST ANY AND ALL LIABILITIES, DAMAGES, CLAIMS, CAUSES OF ACTION, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, AND INTENDED BY WAY OF EXAMPLE ONLY, REASONABLE ATTORNEY'S FEES, DISBURSEMENTS AND AMOUNTS PAID IN SETTLEMENT OF CLAIMS) ARISING OUT OF ASSIGNEE'S FAILURE TO PERFORM THE OBLIGATIONS, DUTIES AND RESPONSIBILITIES ASSUMED BY ASSIGNEE IN SECTIONS 2 AND 3 ABOVE.

6. Indemnity of Assignee. ASSIGNOR COVENANTS AND AGREES TO INDEMNIFY AND HOLD HARMLESS ASSIGNEE FROM AND AGAINST ANY AND ALL LIABILITIES, DAMAGES, CLAIMS, CAUSES OF ACTION, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, AND INTENDED BY WAY OF EXAMPLE ONLY, REASONABLE ATTORNEY'S FEES, DISBURSEMENTS AND AMOUNTS PAID IN SETTLEMENT OF CLAIMS) ARISING OUT OF ASSIGNOR'S FAILURE TO PERFORM THE OBLIGATIONS, DUTIES, RESPONSIBILITIES, REQUIREMENTS AND CONDITIONS OF THE "OWNER" UNDER THE DEVELOPMENT AGREEMENT THAT ARE NOT ASSUMED BY ASSIGNEE PURSUANT TO SECTIONS 2 AND 3 ABOVE.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States Mail, addressed to the Party to be notified, postage pre-paid and registered or certified with return receipt

requested; by electronic mail, with documentation evidencing the addressee's receipt thereof; or by delivering the same in person to such party a via hand-delivery service, or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to Assignor:

_____
_____
_____
_____
Telephone: _____
Email: _____

If to Assignee:

_____
_____
_____
_____
Telephone: _____
Email: _____

8. Entire Agreement. This Assignment contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

9. Multiple Counterparts. This Assignment may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

10. Authority to Execute. The individuals executing this Assignment on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Assignment to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Assignment in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Assignment and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the Effective Date.

11. Representations. Each signatory represents this Assignment has been read by the party for which this Assignment is executed and that such party has had an opportunity to confer with its counsel.

12. Waiver. Waiver by either party of any breach of this Assignment, or the failure of either party to enforce any of the provisions of this Assignment, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance of this Assignment.

13. Binding Effect. All the covenants, terms and conditions of this Assignment shall be binding upon and shall inure to the benefit of the parties and their respective heirs, executors, legal representatives, successors and assigns.

14. Reference to Assignor. When referring to "Assignor" herein, this Assignment shall refer to and be binding upon Assignor, and its officers, directors, partners, employees, representatives, contractors, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and/or any other third parties for whom Assignor is legally responsible.

15. Reference to Assignee. When referring to "Assignee" herein, this Assignment shall refer to and be binding upon Assignee, and its officers, directors, partners, employees, representatives, contractors, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and/or any other third parties for whom Assignee is legally responsible.

16. Governing Law/Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Assignment. The parties agree that this Assignment is performable in Collin County, Texas, and that exclusive venue shall lie in Collin County, Texas.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Assignment and caused this Assignment to be effective when all the parties have signed it. The date this Assignment is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

_____,
a _____

By: _____
_____, _____
Date: _____

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me that he is the _____ of _____, a Texas limited liability company, and that he executed the same for the purposes and consideration therein stated and, in the capacity, therein stated as the act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office on this ____ day of _____, 20__.

_____
Notary Public, State of Texas
My Commission Expires: _____

[ASSIGNEE]

By:_____

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me that he is the _____ and duly authorized representative of _____, a _____, and that he executed the same for the purposes and consideration therein stated and in the capacity therein stated as the act and deed of _____.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office this _____ day of _____, 20__.

_____
Notary Public, State of Texas
My Commission Expires:_____

Exhibit G
Form of Landowner Agreement

LANDOWNER AGREEMENT

This **LANDOWNER AGREEMENT** (the "Agreement"), is entered into as of , 20 , between the City of Melissa, Texas (the "City"), a home-rule municipality of the State of Texas (the "City"), [NAME(S) OF LANDOWNERS] (collectively, the "Landowner").

RECITALS:

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

WHEREAS, Landowner owns the Assessed Property described by a metes and bounds description attached as **Exhibit I** to this Agreement (the "Landowner's Parcel") and which is incorporated herein for all purposes, comprising all of the non-exempt, privately-owned land which is located within [Improvement Area #[__]] of the Vineyard Hill Estates Public Improvement District (the "District") in the [corporate limits] of the City; and

WHEREAS, contemporaneously herewith, the City Council has adopted an assessment ordinance (including all exhibits and attachments thereto, the "Assessment Ordinance") relating to the [Improvement Area #[ ]] Authorized Improvements and has approved the Vineyard Hill Estates Public Improvement District Service and Assessment Plan (as updated and amended, the "Service and Assessment Plan") and which is incorporated herein for all purposes, and has levied an assessment on the [Improvement Area #[__]] Assessed Property in [Improvement Area #[__]] of the District that will be pledged as the security for payment of bonds or other obligations to pay the costs of constructing the [Improvement Area #[__]] Authorized Improvements; and

WHEREAS, the Declaration of Covenants, Conditions and Restrictions attached to this Agreement as **Exhibit II** references the statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of residential property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended (the "PID Act"), in the form attached to the Service and Assessment Plan to the purchaser.

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

APPROVAL OF AGREEMENTS

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

I.
AGREEMENTS OF LANDOWNER

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

(i) the creation and boundaries of the District, the boundaries of the Landowner's Parcel, which are located within [Improvement Area #[__]] of the District, and the location and development of the [Improvement Area #[__]] Authorized Improvements on the Landowner's Parcel and on the property within and outside the District;

(ii) the determinations and findings as to the benefits by the City Council in the Service and Assessment Plan and the Assessment Ordinance; and

(iii) the Assessment Ordinance and the Service and Assessment Plan.

B. Acceptance and Approval of [Improvement Area #[__]] Assessments and Lien on Property. Landowner consents to, agrees to, acknowledges and accepts the following:

(i) the Assessments levied on [Improvement Area #[__]] of the District (the "[Improvement Area #[__]] Assessments") as shown on the [Improvement Area #[__]] Assessment Roll, as the Assessment Roll may be updated or amended from time to time;

(ii) the [Improvement Area #[__]] Authorized Improvements specially confer a benefit on [Improvement Area #[ ]] of the District, and the Landowner's Parcel, in an amount at least equal to the [Improvement Area #[ ]] Assessment levied on the [Improvement Area #[__]] Assessed Property, including the Landowner's Parcel, within [Improvement Area #[__]] of the District, as such [Improvement Area #[__]] Assessment is shown on the [Improvement Area #[__]] Assessment Roll;

(iii) each [Improvement Area #[__]] Assessment is final, conclusive and binding upon Landowner and any subsequent owner of any of the [Improvement Area #[ ]] Assessed Property, including the Landowner's Parcel, regardless of whether such landowner may be required to prepay a portion of, or the entirety of, such [Improvement Area #[__]] Assessment upon the occurrence of a mandatory prepayment event as provided in the Service and Assessment Plan;

(iv) the obligation to pay the [Improvement Area #[__]] Assessment levied on the [Improvement Area #[__]] Assessed Property owned by the Landowner and any subsequent owner of any of the [Improvement Area #[__]] Assessed Property when due and in the amount required by and stated in the Service and Assessment Plan and the Assessment Ordinance;

(v) each [Improvement Area #[__]] Assessment or reassessment, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the Parcels constituting the [Improvement Area #[__]] Assessed Property, superior to all other liens and monetary claims except liens or monetary claims for state, county, school district, or municipality ad valorem taxes, and is a personal liability of and charge against the owner of any [Improvement Area #[__]] Assessed Property regardless of whether such owner is named;

(vi) the [Improvement Area #[__]] Assessment lien on the [Improvement Area #[__]] Assessed Property is a lien and covenant that runs with the land and is effective from the date of the Assessment Ordinance and continues until the [Improvement Area #[__]] Assessment is paid and may be enforced by the governing body of the City in the same manner that an ad valorem tax lien against real property may be enforced by the City;

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

(viii) the owner of any [Improvement Area #[ ]] Assessed Property may pay at any time the entire [Improvement Area #[__]] Assessment, with interest that has accrued on the [Improvement Area #[__]] Assessment, on any parcel in the [Improvement Area #[__]] Assessed Property;

(ix) the Annual Installments of the [Improvement Area #[__]] Assessments may be adjusted, decreased and extended; and, the Landowner and any subsequent owner of any [Improvement Area #[ ]] Assessed Property shall be obligated to pay their respective revised amounts of the Annual Installments, when due, and without the necessity of further action, assessments or reassessments by the City, the same as though they were expressly set forth herein; and

(x) Landowner has received, or hereby waives, all notices required to be provided to it under Texas law, including the PID Act, in connection with the creation of the District and the adoption and approval by the City Council of the Assessment Ordinance, the Service and Assessment Plan, and the Assessment Rolls.

C. Mandatory Prepayment of [Improvement Area #[__]] Assessments. Landowner agrees and acknowledges that Landowner or subsequent landowners may have an obligation to prepay an [Improvement Area #[__]] Assessment upon the occurrence of a mandatory prepayment event, at the sole discretion of the City and as provided in the Service and Assessment Plan, as amended or updated.

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

(i) the Declaration of Covenants, Conditions and Restrictions in the form attached hereto as **Exhibit II** shall be terms, conditions and provisions running with the Landowner's Parcel and shall be recorded (the contents of which shall be consistent with the Assessment Ordinance and the Service and Assessment Plan as reasonably determined by the City), in the records of the County Clerk of Collin County, as a lien and encumbrance against such [Improvement Area #[__]] Assessed Property, and Landowner hereby authorizes the City to so record such documents against the [Improvement Area #[ ]] Assessed Property owned by Landowner;

(ii) in the event of any subdivision, sale, transfer or other conveyance by the Landowner of the right, title or interest of the Landowner in the Landowner's Parcel or any part thereof, the Landowner's Parcel, or any such part thereof, shall continue to be bound by all of the terms, conditions and provisions of such Declaration of Covenants, Conditions and Restrictions and any purchaser, transferee or other subsequent owner shall take such [Improvement Area #[ ]] Assessed Property or portion thereof, subject to all of the terms, conditions and provisions of such Declaration of Covenants, Conditions and Restrictions; and

(iii) Landowner shall comply with, and shall contractually obligate (and, upon the City's request, promptly provide written evidence of such contractual provisions to the City) any party who purchases any [Improvement Area #[__]] Assessed Property owned by Landowner, or any portion thereof, for the purpose of constructing residential properties that are eligible for "homestead" designations under State law, to comply with, the Homebuyer Education Program described on **Exhibit III** to this Agreement. Such compliance obligation shall terminate as to each Lot if, and when, (i) a final certificate of occupancy for a residential unit on such Lot is issued by the City, and (ii) there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of constructing and/or selling residences to individual home buyers (a "Builder") but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder.

Notwithstanding the provisions of this Section, upon the Landowner's request and the City's consent, in the City's sole and absolute discretion, the Declaration of Covenants, Conditions and Restrictions may be included with other written restrictions running with the land on property within [Improvement Area #[__]] of the District, provided they contain all the material provisions and provide the same material notice to prospective property owners as included in the Service and Assessment Plan.

II.
OWNERSHIP AND CONSTRUCTION OF [IMPROVEMENT AREA #[__]] AUTHORIZED IMPROVEMENTS

A. Ownership and Transfer of [Improvement Area #[__]] Authorized Improvements. Landowner acknowledges that the [Improvement Area #[__]] Improvements and the Major Improvements and the land (or easements, as applicable) needed therefor shall be dedicated, conveyed, leased, or otherwise provided to or for the benefit of the City as provided in the Development Agreement (hereinafter defined) or Service and Assessment Plan. Landowner agrees to execute such conveyances and/or dedications as may be required by the City to evidence same.

B. Grant of Easement and License, Construction of [Improvement Area #[__]] Authorized Improvements.

(i) Any subsequent owner of the Landowner's Parcel shall, upon the request of the City or Landowner, grant and convey to the City or Landowner and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the [Improvement Area #[__]] Authorized Improvements on the property owned by the Landowner within the District, to stage on the property owned by the Landowner within the District construction trailers, building materials and equipment to be used in connection with such construction of the [Improvement Area #[__]] Authorized Improvements and to provide for passage and use over and across parts of the property within the District as shall be reasonably necessary during the construction of the [Improvement Area #[__]] Authorized Improvements. Any subsequent owner of the Landowner's Parcel may require that each contractor constructing the [Improvement Area #[__]] Authorized Improvements cause such owner of any of the Landowner's Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of the Landowner's Parcel. The right to use and enjoy any easement and license provided above shall continue until the construction of the [Improvement Area #[__]] Authorized Improvements is complete; provided, however, any such license or easement shall automatically terminate upon the recording of the final plat for the Landowner's Parcel in the real property records of Collin County, Texas.

(ii) Landowner hereby agrees that any right or condition imposed by the Annexation and Development Agreement, effective as of , 2025, by and among Vineyard Hill Estates, L.L.C., a Texas limited liability company and the City (the "Development Agreement"), or other agreement, with respect to the [Improvement Area #[__]] Assessments has been satisfied, and that Landowner shall not have any rights or remedies against the City under the Development Agreement or under any law or principles of equity concerning the [Improvement Area #[__]] Assessments, with respect to the formation of the District, approval of the Service and Assessment Plan and the City's levy and collection of the [Improvement Area #[__]] Assessments.

III.
COVENANTS AND WARRANTIES; MISCELLANEOUS

A. Special Covenants and Warranties of Landowner.

Landowner represents and warrants to the City as follows:

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

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

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

(iv) Landowner is, subject to all matters of record in the Collin County, Texas Real Property Records, the sole owner of the Landowner's Parcel.

(v) The Landowner's Parcel is not subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the [Improvement Area #[__]] Assessments and the priority of the lien related to the [Improvement Area #[ ]] Assessments as described in this Agreement, or (iii) the construction of the [Improvement Area #[ ]] Authorized Improvements on property within [Improvement Area #[__]] of the District which are to be owned by the City, as generally described on the current plats of the property within the District (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

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

B. Waiver of Claims Concerning [Improvement Area #[__]] Authorized Improvements. The Landowner, with full knowledge of the provisions, and the rights thereof pursuant to such provisions, of applicable law, waives any claims against the City and its successors, assigns and agents, pertaining to the installation of the [Improvement Area #[__]] Authorized Improvements.

C. Notices.

Any notice or other communication to be given to the City or Landowner under this Agreement shall be given by delivering the same in writing to:

To the City:	City of Melissa Attn: Jason Little, City Manager 3411 Barker Avenue Melissa, Texas 75454 Email: JLittle@cityofmelissa.com
With a copy to:	Attn: City Attorney Abernathy, Roeder, Boyd & Hullett, P.C. Attention: Ryan D. Pittman 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Telephone: (214) 544-4000 Email: rpittman@abernathy-law.com
And to:	McCall, Parkhurst & Horton L.L.P. Attn: Sam Gill 717 North Harwood, Suite 900 Dallas, TX 75201 sgill@mphlegal.com
To the Landowner:	Attn: Vineyard Hill Estates, LLC 3128 Hudson Xing, Ste E3 McKinney Texas 75070-6557
With a copy to:	One Mark Advisors, LLC 5151 Headquarters Drive, Suite 165 Plano Texas 75024 Email: _____

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

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

D. Parties in Interest.

This Agreement is made solely for the benefit of the City and the Landowner and is not assignable, except, in the case of Landowner, in connection with the sale or disposition of all or substantially all of the parcels which constitute the Landowner's Parcel. However, the parties expressly agree and acknowledge that the City, the Landowner, each current owner of any parcel which constitutes the Landowner's Parcel, and the holders of or trustee for any bonds or other obligations secured by [Improvement Area #[ ]] Assessment revenues of the City or any part thereof to finance the costs of the [Improvement Area #[ ]] Authorized Improvements, are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the parties hereto. This Agreement shall be recorded in the real property records of Collin County, Texas.

E. Amendments.

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

F. Effective Date.

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

G. Termination.

This Agreement shall terminate and be of no further force and effect as to the [Improvement Area #[ ]] Assessed Property upon payment in full of the [Improvement Area #[ ]] Assessment(s) against such [Improvement Area #[ ]] Assessed Property.

H. Immunity.

It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

I. Anti-Boycott Verification.

The Landowner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made pursuant to Section 2271.002, Texas Government Code. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Landowner understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section I shall survive termination of this Agreement until the statute of limitations has run.

J. Verification Pursuant to Chapters 2252 and 2270 of the Texas Government Code.

The Landowner represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code. The foregoing representation is made pursuant to Section 2252.152, Texas Government Code and excludes the Landowner and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Landowner understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section J shall survive termination of the Agreement until the statute of limitations has run.

K. Verifications Pursuant to Chapter 2276, Texas Government Code.

The Landowner hereby verifies that it and its parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made pursuant to Section 2276.002, Texas Government Code, as amended. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code. The Landowner understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section K shall survive termination of the Agreement until the statute of limitations has run.

L. Verification Pursuant to Chapter 2274, Texas Government Code.

The Landowner hereby verifies that it and its parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any,

(1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and

(2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association during the term of this Agreement.

The foregoing verification is made pursuant to Section 2274.002, Texas Government Code, as amended. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" shall have the meaning assigned to such term in Section 2274.001(3), Texas Government Code, "firearm entity" shall have the meaning assigned to such term in Section 2774.001(6), Texas Government Code, and "firearm trade association" shall have the meaning assigned to such term in Section 2274.001(7), Texas Government Code. The Landowner understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section L shall survive termination of the Agreement until the statute of limitations has run.

[Signature pages to follow]

EXECUTED by the City and Landowner on the Effective Date.

Date:

CITY OF MELISSA, TEXAS

By: _____
Mayor

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of _____, 20__, by Angeline Juenemann, Mayor of the City of Melissa, Texas on behalf of said City.

_____
Notary Public, State of Texas

(SEAL)

_____
Name printed or typed

Council Expires:_____

[Signature Page Landowner Agreement]

LANDOWNER Date: _____, 20__

[NAME OF LANDOWNER],
a _____

By:
Name: _____
Title: _____

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 20__, by _____, _____ of [NAME OF LANDOWNER], on behalf of said company.

_____
Notary Public, State of Texas

[Signature Page Landowner Agreement]

[ADD ADDITIONAL SIGNATURE PAGES FOR ADDITIONAL LANDOWNERS AS NEEDED]

LANDOWNER AGREEMENT - EXHIBIT I
METES AND BOUNDS DESCRIPTION OF LANDOWNER'S PARCEL

LEGAL DESCRIPTION

LANDOWNER AGREEMENT - EXHIBIT II

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This **DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS** (as it may be amended from time to time, this "Declaration") is made as of _____, 20__, by [NAMES OF LANDOWNER(S)] (collectively, the "Landowner").

RECITALS:

A. The Landowner holds record title to that portion of the real property located in Collin County, Texas, which is described in the attached **Exhibit I** (the "Landowner's Parcel") located within the Vineyard Hill Estates Public Improvement District.

B. The City Council of the City of Melissa (the "City Council") upon a petition requesting the establishment of a public improvement district covering the property within the District to be known as the Vineyard Hill Estates Public Improvement District (the "District") by the then record owners taxable real property representing more than fifty percent (50%) of the appraised value of the real property liable for assessment (as determined by the most recent certified appraisal roll for Collin County) in the area requested to be included in the District and the record owners of taxable real property that constitute more than fifty percent (50 %) of all of the area of all taxable real property that are liable for assessment within the area requested to be included in the District, created such District, in accordance with the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "PID Act").

C. The City Council has adopted an assessment ordinance relating to the financing of certain public improvements (including all exhibits and attachments thereto, the "Assessment Ordinance") and has approved the Vineyard Hill Estates Public Improvement District Service and Assessment Plan included as an exhibit to the Assessment Ordinance (as amended from time to time, the "Service and Assessment Plan"), and has levied the assessments (the "Assessments") on property in [Improvement Area #[__]] (as defined in the Service and Assessment Plan) of the District.

D. The statutory notification required by Texas Property Code, Section 5.014, as amended, in the form set forth in the Service and Assessment Plan, to be provided by the seller of residential property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended, to the purchaser, is incorporated into this Declaration.

DECLARATIONS:

NOW, THEREFORE, the Landowner hereby declares that the Landowner's Parcel is and shall be subject to, and hereby imposes on the Landowner's Parcel, the following covenants, conditions and restrictions:

1. Acceptance and Approval of Assessments and Lien on Property:

(a) Landowner accepts each Assessment levied on the Landowner's Parcel owned by such Landowner.

(b) The Assessment (including any reassessment, the expense of collection, and reasonable attorney's fees, if incurred) is (a) a first and prior lien (the "Assessment Lien") against the property assessed, superior to all other liens or claims except for liens or claims for state, county, school district or municipality ad valorem property taxes whether now or hereafter payable, and (b) a personal liability of and charge against the owners of the property to the extent of their ownership regardless of whether the owners are named. The Assessment Lien is effective from the date of the Assessment Ordinance until the Assessments are paid in full and may be enforced by the City in the same manner as an ad valorem property tax levied against real property that may be enforced by the City. The owner of any assessed property may pay, at any time, the entire Assessment levied against any such property. Foreclosure of an ad valorem property tax lien on property within [Improvement Area #[__]] of the District will not extinguish the Assessment or any unpaid but not yet due Annual Installments (as defined in the Service and Assessment Plan) of the Assessment, and will not accelerate the due date for any unpaid and not yet due Annual Installments of the Assessment.

It is the clear intention of all parties to this Declaration, that the Assessments, including any Annual Installments of the Assessments (as such Annual Installments may be adjusted, decreased or extended), are covenants that run with the Landowner's Parcel and specifically binds the Landowner, its successors and assigns.

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

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

(a) any and all defects, irregularities, illegalities or deficiencies in the proceedings establishing the District and levying and collecting the Assessments or the annual installments of the Assessments;

(b) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the levy of Assessments by the City Council concerning the Assessments;

(c) any and all defects, irregularities, illegalities or deficiencies in, or in the adoption of, the Assessment Ordinance by the City Council;

(d) any and all actions and defenses against the adoption or amendment of the Service and Assessment Plan, the City's finding of a 'special benefit' pursuant to the PID Act and the Service and Assessment Plan, and the levy of the Assessments; and

(e) any right to object to the legality of any of the Assessments or the Service and Assessment Plan or to any of the previous proceedings connected therewith which occurred prior to, or upon, the City Council's levy of the Assessments.

3. **Amendments:** This Declaration may be terminated or amended only by a document duly executed and acknowledged by the then-current owner(s) of the Landowner's Parcel and the City. No such termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the parties by whom approval is required as set forth above and recorded in the Real Property Records of Collin County, Texas.

4. **Third Party Beneficiary:** The City is a third-party beneficiary to this Declaration and may enforce the terms hereof.

5. **Notice to Subsequent Purchasers:** Upon the sale of a dwelling unit within the District, the Landowner will execute and provide notices in the forms set forth in the Service and Assessment Plan (as may be updated from time to time) to any purchaser of a parcel of real property located in [Improvement Area #[ ]] of the District.

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

[Signature page to follow]

[NAME OF LANDOWNER],
a

By: _____
Name: _____
Title: _____

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 20__, by _____, _____ of [NAME OF LANDOWNER], on behalf of said company.

_____
Notary Public, State of Texas

[ADD ADDITIONAL SIGNATURE PAGES FOR ADDITIONAL LANDOWNERS AS NEEDED]

[ADD EXHIBIT I TO DECLARATION]

LANDOWNER AGREEMENT - EXHIBIT III

HOMEBUYER EDUCATION PROGRAM

As used in this **Exhibit III**, the recorded Notice to Subsequent Purchasers in the form attached to the Vineyard Hill Estates Public Improvement District Service and Assessment Plan and referenced in Section 5 of the Declaration of Covenants, Conditions and Restrictions in **Exhibit II** of this Agreement are referred to as the "Recorded Notices."

1. Any Landowner who is a Builder shall execute and provide the Recorded Notices upon the sale of a dwelling unit within the District.

2. Any Landowner who is a Builder shall provide evidence of compliance with Paragraph 1 above, signed by such residential homebuyer, to the City upon the City's request.

3. Any Landowner who is a Builder shall prominently display signage in its model homes, if any, substantially in the form of the Recorded Notices.

4. If prepared and provided by the City, any Landowner who is a Builder shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.

5. Any Landowner who is a Builder shall include Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective homebuyers.

Exhibit H
PID Reimbursement Agreement

REIMBURSEMENT AGREEMENT
[NAME OF PID] Public Improvement District

This Reimbursement Agreement (this "Agreement") is entered into by [One Mark Advisors, L.L.C., a South Dakota limited liability company, and Vineyard Hill Estates, L.L.C., a Texas limited liability company] (collectively, the "Developer"), and the City of Melissa, Texas, a Home-rule municipality in Collin County, Texas (the "City"), effective as of _____, 2025 (the "Effective Date") in relation to the [NAME OF PID] Public Improvement District (the "PID"), created pursuant to Chapter 372, Texas Local Government Code, as amended (the "Act"). The Developer and the City are individually referred to herein as a "Party" and collectively as the "Parties."

SECTION 1.
RECITALS

WHEREAS, the Developer and the City have entered into a Development Agreement, as defined in Section 2, relating to the development of the property within the PID and the financing of public improvements within the PID; and

WHEREAS, on _____, 2025, the City Council passed and approved the PID Creation Resolution, as defined in Section 2, authorizing the creation of the PID pursuant to the authority of the Act, covering approximately 65.62 acres within the City's extraterritorial jurisdiction, which land is described in the PID Creation Resolution; and

WHEREAS, the PID is being developed in phases or improvement areas, and special assessments for each improvement area will be levied against the Assessed Parcels, as defined in Section 2, within such improvement area to pay the costs of PID Projects, as defined in Section 2, that confer a special benefit on the Assessed Parcels within such phase; and

WHEREAS, prior to the issuance of PID Bonds, as defined in Section 2, the Developer has paid and may continue to pay for the Actual Costs, as defined in Section 2, of the PID Projects benefitting the property within the PID;

WHEREAS, this Agreement is a "reimbursement agreement" authorized by Section 372.023(d)(1) of the PID Act;

WIIEREAS, the recitals are true and correct and are part of this Agreement for all purposes and each Party has relied upon such recitals in entering into this Agreement; and

NOW THEREFORE, for and in consideration of the mutual obligations of the Parties set forth herein, the Parties agree as follows:

SECTION 2.
DEFINITIONS

Certain terms used in this Agreement are defined in this Section 2. Other terms used in this Agreement are defined in the recitals or in other sections of this Agreement. Unless the context requires otherwise, the following terms shall have the following meanings:

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

"Actual Cost(s)" means with respect to PID Projects, the actual costs paid or incurred by or on behalf of the Developer, including: (1) the costs incurred by the Developer, or on behalf of the Developer (either directly or through affiliates) or the City for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such PID Projects; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such PID Projects; (3) the costs incurred by or on behalf of the Developer for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) all labor, bonds, and materials, including equipment and fixtures, by contractors, builders, and materialmen in connection with the acquisition, construction, or implementation of the PID Projects; (5) all related permitting, and public approval expenses, architectural, engineering, legal and consulting fees, and governmental fees and charges; and (6) costs to implement, administer, and manage the above-described activities.

"Annual Collection Costs" means the actual or budgeted costs and expenses related to the operation of the PID, including, but not limited to, costs and expenses for: (1) City staff, including any third-party PID administrator; (2) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (3) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (4) preparing and maintaining records with respect to Assessment Rolls and annual service plan updates; (5) paying and redeeming PID Bonds; (6) investing or depositing Assessments and Annual Installments; (7) complying with the Service and Assessment Plan, the Act, and any Bond Indenture, with respect to the PID Bonds, including the City's continuing disclosure and arbitrage rebate requirements; and (8) the paying agent/registrar and Trustee in connection with PID Bonds, including their respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

"Annual Installment" means the annual installment payment of an Assessment, as calculated by the PID administrator and approved by the City Council, that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) additional interest related to PID Bonds, if applicable, as may be further defined in the SAP.

"Assessed Parcel(s)" means any parcel within the PID against which an Assessment is levied.

"Assessment(s)" means an assessment levied against Assessed Parcels pursuant to the provisions of the Act for payment of PID Project Costs, including the payment of PID Bonds. Annual Collection Costs, interest on PID Bonds and Assessments, and obligations under this Agreement, as may be further defined in the SAP.

"Assessment Ordinance" means the ordinance(s) adopted by the City Council levying Assessments on an Assessed Parcel within the PID to pay PID Project Costs, PID Bonds, administrative costs of the PID, interest on PID Bonds and Assessments, and obligations under this Agreement, as may be further defined in the SAP.

"Assessment Revenues" means the revenues received by the City from the collection of Assessments, including Prepayments, Annual Installments, and Foreclosure Proceeds, as may be further defined in the SAP.

"Assessment Roll" means any assessment roll for the Assessed Parcel within the District, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the Act, including updates prepared in connection with the issuance of PID Bonds or any annual service plan update, as may be further defined in the SAP.

"Bond Indenture" means the indenture of trust pursuant to which a series of PID Bonds are issued.

"Bond Proceeds" mean the proceeds derived from the issuance and sale of a series of PID Bonds that are deposited into the PID Project Fund under the Bond Indenture and made available to pay PID Project Costs including costs of issuance of the PID Bonds and design, engineering, construction and inspection costs in accordance with this Agreement and any Bond Indenture or SAP.

"Budgeted Cost" means the estimated cost for a PID Project as provided for in the SAP.

"Certificate for Payment" means a certificate (substantially in the form of Exhibit 1 or as otherwise approved by the Developer and the City Representative) executed by a representative of the Developer and approved by the City Representative, delivered to the City Representative, specifying the work performed and the amount charged (including materials and labor costs) for PID Project Costs, and requesting payment of such amount from the appropriate account or funds. Each certificate shall include supporting documentation in the standard form for City construction projects and evidence that the PID Projects covered by the certificate have been inspected by the City.

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

"City Representative" means the person authorized by the City Council to undertake the actions referenced herein.

"Closing Disbursement Request" means a request in the form of Exhibit 2 or as otherwise approved by the Parties and the trustee named in the applicable Bond Indenture.

"Default" is defined in Section 4.6.1.

"Delinquent Collection Costs" means costs related to the foreclosure on an Assessed Parcel and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under the SAP, including penalties and reasonable attorney's fees actually paid, but excluding amounts representing interest and penalty interest, as may be further defined in the SAP.

"Development Agreement" means that certain Annexation and Development Agreement, effective as of _____, 2025, by and between the Developer and the City, pertaining to the construction and installation of certain PID Projects, as described therein and benefitting the PID.

"Developer Advances" mean advances made by the Developer to pay PID Project Costs.

"Developer Continuing Disclosure Agreement" means the Continuing Disclosure Agreement of the Developer executed contemporaneously with the issuance and sale of a series of PID Bonds.

"Failure" is defined in Section 4.6.1.

"Final Completion" means completion of a PID Project in compliance with existing City standards under the City's ordinances and the Development Agreement.

"Foreclosure Proceeds" means the proceeds, including interest and penalty interest, received by the City from the enforcement of the Assessments against any Assessed Parcels, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

"Improvement Area" means a specifically defined and designated portion of the PID that is developed as a separate phase. Each Improvement Area shall be identified in the SAP.

"Maturity Date" with respect to any Improvement Area, is the date one year after the final scheduled and non-delinquent Annual Installment for an Assessment in the Improvement Area is collected.

"PID" means the [NAME OF PID] Public Improvement District created by the PID Creation Resolution.

"PID Bonds" means the bonds issued pursuant to the provisions of the Act in one or more series to fund PID Project Costs or to reimburse the Developer for PID Project Costs.

"PID Creation Resolution" means Resolution No. _____ passed and approved by the City Council on _____, 2025, authorizing the creation of the PID.

"PID Pledged Revenue Fund" means the Pledged Revenue Fund, as defined in a Bond Indenture, established or to be established by the City (and segregated from all other funds of the City) into which the City deposits Assessment Revenue securing the applicable series of PID Bonds issued and still outstanding, as described in the Bond Indenture.

"PID Project Fund" means the Project Fund, as defined in a Bond Indenture, including all accounts and subaccounts created within such fund, established or to be established by the City (and segregated from all other funds of the City) into which the City deposits Bond Proceeds of the applicable series of PID Bonds in the amounts and as described in the Bond Indenture.

"PID Reimbursement Fund" means the fund established by the City under this Agreement (and segregated from all other funds of the City) into which the City deposits Assessment Revenue if not deposited into the PID Pledged Revenue Fund.

"PID Projects" means the public improvements or services authorized by Section 372.003 of the Act to be constructed or acquired by or on behalf of the Developer within the PID and

described and defined in the SAP, whether the SAP defines such public improvements or services as PID Projects or utilizes another term.

"PID Project Costs" mean the Actual Costs of the PID Projects.

"Prepayment" means the payment of all or a portion of an Assessment before the due date thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Assessment.

"Plans" means the plans, specifications, schedules, and related construction contracts for the PID Projects approved pursuant to the applicable standards, ordinances, procedures, policies, and directives of the City, the Development Agreement, and other applicable agreement between the Parties related to the property in the PID.

"Reimbursement Agreement Balance" is defined herein.

"Reimbursement Agreement Balance Certificate" means a certificate (substantially in the form of Exhibit 3 or as otherwise approved by the Developer and the City Representative) acknowledged and agreed to by the Parties at the time each Certificate for Payment is approved by the City or at the time each payment is made to the Developer from the PID Project Fund or PID Reimbursement Fund, as set forth in Section 3.3 herein, in order to keep an accounting of the Reimbursement Agreement Balance for each Improvement Area.

"Service and Assessment Plan" or "SAP" means the service and assessment plan and any updates thereto approved by the City Council, prepared in relation to the property within the PID.

"Trustee" is defined herein.

SECTION 3.
FUNDING PROJECT COSTS

3.1 Fund Deposits.

3.1.1 Unless and until PID Bonds are issued for an Improvement Area, the City shall bill, collect, and immediately deposit all Assessment Revenue from an Improvement Area into a separate account for the Improvement Area in the PID Reimbursement Fund, which PID Reimbursement Fund is hereby created and established as a fund under this Agreement and which fund shall be held by the City and separate and apart from all other City funds and accounts. After the issuance and delivery of PID Bonds for the PID Projects for an Improvement Area, the City shall bill, collect, and immediately deposit all Assessment Revenue in the manner set forth in the applicable Bond Indenture. The City shall also deposit Bond Proceeds in the manner set forth in the applicable Bond Indenture. Annual Installments shall be billed and collected by the City (or by any person, entity, or governmental agency permitted by law) in the same manner and at the same time as the City ad valorem taxes are billed and collected. Funds in the PID Project Fund shall only be used in accordance with the applicable Bond Indenture. Funds in the PID Reimbursement Fund shall only be used to pay all or any portion of the Reimbursement Agreement Balance in accordance with this Agreement.

3.1.2 The City hereby confirms, covenants, and agrees that for so long as amounts are due to the Developer under this Agreement and/or for so long as PID Bonds are outstanding, that the City will do the following in the manner and to the maximum extent permitted by applicable law, subject to any conflicting provisions in any Bond Indenture: (a) take and pursue all reasonable actions necessary to cause the Assessments to be collected; (b) take and pursue all reasonable actions necessary to cause the liens related to the Assessments to be enforced continuously, including diligently prosecuting an action in district court to foreclose for delinquent or nonpayment of Assessments, including Annual Installments; and (c) take and pursue all reasonable actions necessary to cause no reduction, abatement or exemption of the Assessments. Notwithstanding the foregoing, the City shall not be required under any circumstances to (a) establish per annum interest rates on Assessments higher than the per annum interest rate(s) under this Agreement on the unpaid principal balance of the Reimbursement Agreement Balance for the applicable Improvement Area, or (b) purchase or make payment for the purchase of the delinquent Assessments or the corresponding Assessed Parcel. The City shall not be required under any circumstances to expend any funds for Delinquent Collection Costs or Annual Collection Costs in connection with its covenants and agreements under this Section or otherwise other than funds for such purpose on deposit in the applicable account of the PID Reimbursement Fund. Notwithstanding its collection efforts, if the City fails to receive all or any part of the Assessment Revenue and, as a result, is unable to make transfers from the PID Reimbursement Fund for payments to the Developer as required under this Agreement, such failure and inability shall not constitute a Failure or Default by the City under this Agreement. A Bond Indenture shall control in the event of any conflicts with this Agreement.

3.2 Payment of PID Project Costs.

3.2.1 As provided in the Development Agreement, the Developer shall make Developer Advances to pay all PID Project Costs for an Improvement Area prior to the issuance of PID Bonds to reimburse the Developer for any such Developer Advances.

3.2.2 Bond Proceeds (i) may be used to reimburse the Developer for Developer Advances for PID Project Costs or to pay for PID Project Costs directly, and (ii) shall be used in the manner provided in the applicable Bond Indenture.

3.2.3 As evidence of Developer Advances required in connection with the issuance of a series of PID Bonds, the Developer shall submit to the City for approval all information related to such costs that would be required by a Closing Disbursement Request at least fifteen (15) business days prior to the closing of the PID Bonds. The lack of Bond Proceeds or other funds in the PID Project Fund for an Improvement Area or in the PID Reimbursement Fund shall not diminish the obligation of the Developer to pay all PID Project Costs for such Improvement Area.

3.3 Payment of Reimbursement Agreement Balance.

3.3.1 Unless and until PID Bonds are issued, the City agrees to pay the Developer solely from funds on deposit in the applicable account in the PID Reimbursement Fund, and the Developer shall be entitled to receive payments from the City, from such source for amounts shown on the Certificate for Payment for an Improvement Area (which amounts include only PID Project

Costs paid by or at the direction of the Developer) (any unpaid amount owed the Developer for all Certificates of Payment is referred to as the "Reimbursement Agreement Balance" for each Improvement Area), which amount shall not exceed the aggregate amount of Assessments levied within the applicable Improvement Area. Prior to the issuance of PID Bonds for an Improvement Area, the Developer shall submit a Certificate for Payment for all PID Project Costs for an Improvement Area only upon Final Completion of all PID Projects for that Improvement Area. After the issuance of PID Bonds for an Improvement Area, the Developer may submit a Certificate for Payment (no more frequently than monthly) for direct payment or reimbursement of PID Project Costs for an Improvement Area from Bond Proceeds or from the PID Reimbursement Fund, provided that reimbursement payments from the applicable account in the PID Reimbursement Fund shall not commence until after Final Completion of all PID Projects for the Improvement Area. Upon the issuance of PID Bonds, the City agrees to pay the Developer first from funds on deposit in the applicable PID Project Fund and then from funds on deposit in the applicable account in the PID Reimbursement Fund, if any, all in accordance with the terms, requirements and limitations of the Development Agreement. Notwithstanding anything in this Agreement to the contrary, the maximum amount that the Developer may be reimbursed under this Agreement for any Improvement Area shall be equal to the amount of Bond Proceeds on deposit in the applicable PID Project Fund plus amounts in the applicable account in the PID Reimbursement Fund, if any, plus simple interest on the unpaid principal balance of the Reimbursement Agreement Balance for an Improvement Area at a rate not to exceed the rates permitted under subsections (e)(1) and (e)(2) of Section 372.023 of the Act, as further identified in the SAP, or if PID Bonds are issued for an Improvement Area, then the interest rate on such PID Bonds; provided, however, that the interest rate for the unpaid balance of any Reimbursement Agreement Balance as set forth in this paragraph shall not exceed the rates permitted under subsections (e)(1) and (e)(2) of Section 372.023 of the Act. Interest on the unpaid principal balance of the Reimbursement Agreement Balance for an Improvement Area shall begin to accrue on the date that all PID Projects in or benefitting the Improvement Area have reached Final Completion and (i) the City has accepted all completed PID Projects for the Improvement Area by recording of the final plat in association with which the applicable PID Projects were constructed, or (ii) if such PID Projects are not constructed in association with development of an Improvement Area within the boundaries of a specific recorded final plat for the Improvement Area, either (y) the City Engineer or other authorized City representative provides written notice to the Developer of acceptance for City ownership and maintenance of the completed PID Projects for the Improvement Area or (z) the document conveying to City an easement in which such PID Project is located is recorded.

Within thirty (30) days after each Certificate for Payment is approved by the City or any payment is made to the Developer from the PID Reimbursement Fund or PID Project Fund, the Parties agree to use best efforts in completing and executing a "Reimbursement Agreement Balance Certificate" (substantially in the form of attached hereto as Exhibit 3), in order to keep an accounting of the Reimbursement Agreement Balance for each Improvement Area. The failure of the Parties to executed such certificate shall not constitute a "Failure" or result in a "Default" by the Parties.

3.3.2 The obligation of the City to pay the Reimbursement Agreement Balance for an Improvement Area is payable solely from the applicable account in the PID Reimbursement Fund or from Bond Proceeds on deposit in the applicable PID Project Fund. No other City funds,

revenue, taxes, income, or property shall be used even if the Reimbursement Agreement Balance for an Improvement Area is not paid in full by the Maturity Date. Payments from the PID Reimbursement Fund shall be applied in accordance with this Agreement. Each payment from an account in the PID Reimbursement Fund shall be accompanied by an accounting that certifies the Reimbursement Agreement Balance for an Improvement Area as of the date of the payment and that itemizes all deposits to and disbursements from the account since the last payment. If there is a dispute over the amount of any payment, the City shall nevertheless pay the undisputed amount, and the Parties shall use all reasonable efforts to resolve the disputed amount before the next payment is made.

3.4 PID Bonds. The City, in its sole, legislative discretion, may issue PID Bonds, in one or more series, when and if the City Council determines it is financially feasible for the purposes of paying all or a portion of the Reimbursement Agreement Balance for an Improvement Area. PID Bonds issued for such purpose will be secured by and paid solely as authorized by the applicable Bond Indenture. Upon the issuance of a series of PID Bonds for such purpose, the Developer's right to receive payments each year in accordance herewith shall be subordinate to the deposits required under the applicable Bond Indenture related to any outstanding PID Bonds. The failure of the City to issue PID Bonds shall not constitute a "Failure" by the City or otherwise result in a "Default" by the City. The Developer has a duty to construct related PID Projects and shall not be relieved of such duty even if it is anticipated that there will be insufficient funds in a PID Project Fund to pay PID Project Costs for an Improvement Area. The issuance of PID Bonds is a discretionary action by the City Council and is further conditioned upon the adequacy of the bond security and other applicable conditions, including but not limited to conditions for issuance of PID Bonds set forth in the Development Agreement and Developer's compliance with any such conditions.

3.5 Disbursements and Transfers at and after Bond Closing.

3.5.1 If PID Bonds for an Improvement Area are issued after Final Completion of all PID Projects for such Improvement Area, and upon the presentation of the Certificate for Payment previously delivered upon Final Completion of such PID Projects and a Closing Disbursement Request for the Improvement Area and approval of each by the City, the City will cause the Trustee under the Bond Indenture to pay from the Bond Proceeds at closing of the PID Bonds approved amounts from the appropriate account to the City, the Developer, or their designees, as applicable. In order to receive such a disbursement, the Developer shall execute a Closing Disbursement Request substantially in the form attached hereto as Exhibit 2 to be delivered to the City no less than fifteen (15) business days prior to the scheduled closing date for the PID Bonds for payment in accordance with the provisions of the Bond Indenture. In order to receive disbursements from the applicable fund under the Bond Indenture at the closing of the PID Bonds, if PID Bonds are issued, or from the PID Reimbursement Fund, the Developer shall execute a Certificate for Payment upon Final Completion of all PID Projects for the applicable Improvement Area (and no less than sixty (60) days prior to City Council authorization of PID Bonds, if PID Bonds are being issued) to be delivered to the City for payment in accordance with the provisions of the Bond Indenture, if applicable, and/or this Agreement.

3.5.2 If PID Bonds for an Improvement Area are issued prior to Final Completion of all PID Projects for such Improvement Area, and upon the presentation of a Certificate for

Payment for PID Project Costs for such Improvement Area and a Closing Disbursement Request for the Improvement Area and approval of each by the City, subject to any limitations and requirements in the Development Agreement, the City will cause the Trustee under the Bond Indenture to pay from the Bond Proceeds at closing of the PID Bonds approved amounts from the appropriate account to the City, the Developer, or their designees, as applicable. In order to receive such a disbursement at closing of the PID Bonds, the Developer shall execute a Closing Disbursement Request substantially in the form attached hereto as Exhibit 2 to be delivered to the City no less than fifteen (15) business days prior to the scheduled closing date for the PID Bonds for payment in accordance with the provisions of the Bond Indenture. In order to receive disbursements from the applicable fund under the Bond Indenture at the closing of the PID Bonds, if PID Bonds are issued, or from the PID Reimbursement Fund, the Developer shall execute a Certificate for Payment for PID Project Costs for the applicable Improvement Area (and no less than sixty (60) days prior to City Council authorization of PID Bonds, if PID Bonds are being issued) to be delivered to the City for payment in accordance with the provisions of the Bond Indenture, if applicable, and/or this Agreement. After closing of the PID Bonds, in order to receive disbursements from the applicable fund under the Bond Indenture, or from the PID Reimbursement Fund, the Developer shall execute and submit (no more frequently than monthly) a Certificate for Payment for PID Project Costs for the applicable Improvement Area to be delivered to the City for payment in accordance with the provisions of the Bond Indenture, if applicable, and/or this Agreement.

3.5.3 Upon receipt of a Certificate for Payment (along with all accompanying documentation reasonably required by the City) from the Developer, the City shall conduct a review in order to confirm that such request is complete, to confirm that the work for which payment is requested was performed in accordance with all applicable governmental laws, rules and regulations and applicable plans therefor with the terms of this Agreement, the Development Agreement and any other agreement between the Parties related to property in the PID, and to verify and approve PID Project Costs of such work specified in such Certificate for Payment. The City shall also conduct such review as is required to confirm the matters certified in the Certificate for Payment. The Developer agrees to cooperate with the City in conducting each such review and to provide the City with such additional information and documentation as is reasonably necessary for the City to conclude each such review. Within fifteen (15) business days following receipt of any Certificate for Payment, the City shall either: (a) approve the Certificate for Payment and (i) forward it to the trustee designated under the Bond Indenture (the "Trustee") for payment or (ii) pay such amount from the PID Reimbursement Fund; or, (b) provide the Developer with written notification of disapproval of all or part of a Certificate for Payment, specifying in detail the basis for any such disapproval. If the City timely disapproves the Certificate for Payment by delivering a detailed notice to the Developer, then payment with respect to the disputed portion(s) of the Certificate for Payment shall not be made until the Developer and the City settle the dispute. The Parties agree to meet promptly and resolve the dispute within 60 days from the date of the initial submittal of the Certificate for Payment. If PID Bonds are issued, the City shall deliver the approved or partially approved Certificate for Payment to the Trustee for payment, and the Trustee shall make the disbursements as soon as practicable thereafter.

3.6 Obligations Limited. The obligations of the City under this Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the City or constitute a debt or other obligation of the City payable from any source other than

the applicable account in the PID Reimbursement Fund or the applicable PID Project Fund. Unless approved by the City at its sole discretion, no other City funds, revenues, taxes, or income of any kind other than the funds on deposit in the applicable account in the PID Reimbursement Fund or the applicable PID Project Fund shall be used to pay: (a) the PID Project Costs; (b) the Reimbursement Agreement Balance for an Improvement Area, even if the applicable Reimbursement Agreement Balance is not paid in-full on or before the Maturity Date; or (c) debt service on any applicable PID Bonds. None of the City or any of its elected or appointed officials or any of its officers, employees, consultants, or representatives shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Agreement or their acts or omissions under this Agreement.

3.7 Obligation to Pay. If the Developer is then in current compliance with its obligations under the Development Agreement and any other agreement between the Parties related to the property in the PID, the Developer Continuing Disclosure Agreement if applicable, and this Agreement, and is not delinquent in payment of the Assessments and paying property taxes, then following the inspection and approval of all PID Projects of an Improvement Area for which the Developer seeks reimbursement of the PID Project Costs by submission of a Certificate for Payment or City approval of a Closing Disbursement Request, the obligations of the City under this Agreement to pay disbursements (whether to the Developer or to any person designated by the Developer) identified in any Closing Disbursement Request or in any Certificate for Payment are unconditional and not subject to any defenses or rights of offset except as may be provided in any Bond Indenture.

3.8 Construction of PID Projects. All PID Projects shall be constructed by or at the direction of the Developer in accordance with the Plans, Development Agreement, applicable City ordinances and regulations, this Agreement and any other applicable agreement between the Parties related to property in the PID. The Developer shall perform, or cause to be performed, all of its obligations and shall conduct, or cause to be conducted, all operations with respect to the construction of PID Projects in a good and workmanlike manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer has sole responsibility of ensuring that all PID Projects are constructed in a good and workmanlike manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall, at all time, employ adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction, and installation of all PID Projects to be acquired and accepted by the City from the Developer. If any PID Projects are or will be on land owned by the City, the City hereby grants to the Developer a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance by the City) thereof. Inspection and acceptance of PID Projects will be in accordance with applicable City ordinances and regulations.

3.9 Security for PID Projects. Prior to the completion and conveyance to the City of any PID Project, the Developer shall provide or cause to be provided a maintenance bond relating to the PID Projects, which maintenance bond shall be for a term of two (2) years from the date of

final acceptance of the applicable PID Project. Any surety company through which a bond is written shall be a surety company duly authorized to do business in the State of Texas, provided that legal counsel for the City has the right to reject any surety company regardless of such company's authorization to do business in Texas. Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanics or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto so long as such delay in performance shall not subject the PID Projects to foreclosure, forfeiture, or sale. In the event that any such lien and/or judgment with respect to the PID Projects is contested, the Developer shall be required to post or cause the delivery of a surety bond or letter of credit, whichever is preferred by the City, in an amount reasonably determined by the City, not to exceed one hundred percent (100%) of the disputed amount.

3.10 Ownership and Transfer of PID Projects. All PID Projects shall be owned by the City upon acceptance of them by the City. The Developer shall take any action reasonably required by the City to transfer, convey, or otherwise dedicate or ensure the dedication of land, right-of-way, or easements for the PID Projects to the City for public use. The Developer shall convey the PID Projects to the City by deed or other appropriate instrument of conveyance, with full warranties, free and clear of any liens, claims, encumbrance, options, charges, assessments, restrictions, laminations or reservations, including liens for ad valorem taxes for past and current years, and payments due to construction contractors, laborers, or materialmen, unless otherwise waived by the City. The Developer may also convey the PID Projects to the City by plat or other instrument on behalf of or benefiting the City. For any land transferred to the City as a PID Project, the Developer shall furnish to the City a preliminary title report for such land, prior to the City accepting the PID Project and prior the City providing any reimbursement to the Developer. The report shall be made available for City review and approval at least fifteen (15) business days prior to the scheduled transfer of title. The City shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, would materially affect the common use and enjoyment subscribed to such PID Projects. If the City objects to any preliminary title report, the City shall not be obligated to accept title to the applicable land until the Developer has cured the objections to the reasonable satisfaction of the City. The Developer shall also assign, in writing, all of its contractors' and materialmen's warranties relating to the PID Projects. All documents or instruments of conveyance, transfer, or assignment hereunder shall be in a form and content acceptable to the City's attorneys. The Developer, at the time of reimbursement by the City, shall deliver to the City a release of all liens upon the bonded PID Projects securing the costs of construction of the bonded PID Projects advanced by a third-party lender. Any conveyance of PID Projects to the City by plat shall not be considered effective until the City has provided a letter of acceptance for such PID Projects. Any conveyance of PID Projects to the City by deed or similar instrument shall not be considered effective until such deed or other instrument is recorded in the property records of Collin County.

3.11 Correction of Defects. Prior to the conveyance of the PID Projects to the City, the Developer shall correct or cause the correction of any existing engineering or construction defects then existing in the PID Projects or for satisfaction of any unpaid claim for materials or labor. The City shall be under no obligation to contest or challenge any claim for labor or materials; provided, however, that in the event the Developer fails to promptly correct any such defect or satisfy any such claim, the City may elect to do so and, in such event, shall have full rights of subrogation.

Subject to any applicable statutes of limitation, the Developer shall pay the City for the City's costs in satisfying any claim including, but not limited to, construction costs, engineering fees, attorneys' fees, building or construction permits, filing fees or court costs. After conveyance of the PID Projects to the City, the City shall look solely to the maintenance bond provided by the Developer pursuant to Section 3.10 of this Agreement to correct any defect in the PID Projects.

3.12 Survival or Representations. All representations, warranties and agreements of the City and the Developer hereunder shall survive the conveyance of the PID Projects to the City.

3.13 Improvement Area Reimbursement Agreements. The Developer and the City may enter into one or more reimbursement agreements for a particular Improvement Area to establish the terms by which Developer may obtain reimbursements for PID Project Costs for the Improvement Area through the Bond Proceeds or Assessments, in which case any such reimbursement agreement shall control over this Agreement, and this Agreement shall have no effect with respect thereto.

SECTION 4.
ADDITIONAL PROVISIONS

4.1 Term. The term of this Agreement shall begin on the Effective Date and shall continue until the earlier to occur of: (i) the expiration of [__] years from the Effective Date; (ii) the last Maturity Date relating to any Improvement Area; (iii) the date on which the Reimbursement Agreement Balance for all Improvement Areas is paid in full; (iv) the date of issuance of the last series of PID Bonds for the last Improvement Area to be developed in the PID; or (v) termination pursuant to a Default. This Agreement shall terminate with respect to any particular Improvement Area upon the earlier to occur of : (i) the Maturity Date for that Improvement Area; (ii) the date on which the Reimbursement Agreement Balance for the Improvement Area is paid in full; or (iii) the date of issuance of the last series of PID Bonds for the Improvement Area. Upon termination of this Agreement with respect to an Improvement Area, the amount of the Reimbursement Agreement Balance for that Improvement Area that has not been paid, plus the accrued and unpaid interest thereon (collectively, the "Unpaid Balance") shall be canceled and for all purposes of this Agreement shall be deemed to have been conclusively and irrevocably PAID IN FULL, and such Unpaid Balance shall no longer be deemed to be payable.

4.2 No Competitive Bidding. Construction of the PID Projects shall not require competitive bidding pursuant to Section 252.022(a)(9), Texas Local Government Code, as amended. All plans and specifications, but not construction contracts, shall be reviewed and approved, in writing, by the City prior to the Developer selecting the contractor.

4.3 Independent Contractor. The PID Projects shall be constructed in a good and workmanlike manner and all material used in such construction shall be fit for the their intended purpose. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City.

4.4 Audit. The City Representative shall have the right, during normal business hours and upon three (3) business days' prior written notice to the Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer with respect

to any of the PID Projects. For a period of two (2) years after completion of the PID Projects, books shall be maintained in accordance with customary real estate accounting principles.

4.5 Record Drawings. Upon completion of construction of the PID Projects, the Developer shall provide the City will final record drawings of the PID Projects approved by the City Engineer.

4.5 Representations and Warranties.

4.5.1 The Developer represents and warrants to the City that: (a) the Developer has the authority to enter into and perform its obligations under this Agreement; (b) the Developer has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement; (c) the person executing this Agreement on behalf of the Developer has been duly authorized to do so; (d) this Agreement is binding upon the Developer in accordance with its terms: (e) the Developer is current on all taxes, assessments, fees and obligations to the City; (f) the Developer is not in default under the Development Agreement or any other agreement with the City related to the PID; and (g) the execution of this Agreement and the performance by the Developer of its obligations under this Agreement do not constitute a breach or event of default by the Developer under any other agreement, instrument, or order to which the Developer is a party or by which the Developer is bound.

4.5.2 The City represents and warrants to the Developer that: (a) the City has the authority to enter into and perform its obligations under this Agreement; (b) the person executing this Agreement on behalf of the City has been duly authorized to do so; (c) this Agreement is binding upon the City in accordance with its terms; and (d) the execution of this Agreement and the performance by the City of its obligations under this Agreement do not constitute a breach or event of default by the City under any other agreement, instrument. or order to which the City is a party or by which the City is bound.

4.6 Default/Remedies.

4.6.1 If either Party fails to perform an obligation imposed on such Party by this Agreement (a "Failure") and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a "Default." If a Failure is monetary, the non-performing Party shall have ten (10) business days within which to cure. If the Failure is non-monetary, the non-performing Party shall have thirty (30) days within which to cure. However, if the non-monetary Failure is of such a nature that it cannot reasonably be expected to be cured within thirty (30) days, then the Party who failed to perform shall have such time as is necessary to cure the default, so long as the failing Party commences the cure within thirty (30) days and diligently pursues such cure to completion.

4.6.2 If the Developer is in Default, the City shall have available all remedies at law or in equity, including, without limitation, specific performance, damages, and termination of this Agreement. The City shall not terminate this Agreement unless it delivers to the Developer a second notice expressly providing that the City will terminate within thirty (30) additional days. Termination or non-termination of this Agreement upon a Developer Default shall not prevent the City from suing the Developer for specific performance, damages, injunctive relief or other

available remedies with respect to obligations that expressly survive termination. In the event the Developer fails to pay any of the expenses or amounts or perform any obligation specified in this Agreement, then to the extent such failure constitutes a Default hereunder, the City may, but shall not be obligated to do so, pay any such amount or perform any such obligations and the amount so paid and the reasonable out of pocket costs incurred by the City in said performance shall be due and payable by the Developer to the City within thirty (30) days after the Developer's receipt of an itemized list of such costs.

4.6.3 Subject to Section 3.6, if the City is in Default, the Developer shall have available all remedies at law or in equity; provided, however, that no Default by the City shall entitle the Developer to terminate this Agreement and that any financial obligation of the City will only be payable from Assessments Revenues collected for the payment of Annual Collection Costs and Delinquent Collection Costs. Any amounts or remedies due pursuant to this Agreement are not subject to acceleration.

4.7 Remedies Outside the Agreement. Nothing in this Agreement constitutes a waiver by the City of any remedy the City may have outside this Agreement against the Developer or any other person or entity involved in the design, construction, or installation of the PID Projects. The obligations of the Developer hereunder shall be those of a Party hereto and not as an owner of property in the PID. Nothing herein shall be construed as affecting the City's or the Developer's rights or duties to perform their respective obligations under other agreements, use regulations, or subdivision requirements relating to the development property in the PID.

4.8 Applicable Law; Venue. This Agreement is being executed and delivered and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply, the substantive laws of the State of Texas shall govern the interpretation and enforcement of this Agreement. In the event of a dispute involving this Agreement, venue shall lie in any court of competent jurisdiction in Collin County, Texas.

4.9 Notice. Any notice referenced in this Agreement must be in writing and shall be deemed given at the addresses shown below: (a) when delivered by a nationally recognized delivery service such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person is the named addressee; or (b) 72 hours after deposited with the United States Postal Service, Certified Mail, Return Receipt Requested.

To the City:

City of Melissa
Attn: Jason Little, City Manager
3411 Barker Avenue
Melissa, Texas 75454
Email: JLittle@cityofmelissa.com

With a copy to:

Abernathy, Roeder, Boyd & Hullett, P.C.
Attention: Ryan D. Pittman

1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Telephone: (214) 544-4000
Email: rpittman@abernathy-law.com

To the Developer:

One Mark Advisors, LLC
5151 Headquarters Drive, Suite 165
Plano Texas 75024

Any Party may change its address by delivering notice of the change in accordance with this section.

4.10 Conflicts; Amendment. In the event of any conflict between this Agreement and any other instrument, document, or agreement by which either Party is bound, the provisions and intent of the Bond Indenture controls. This Agreement may only be amended by written agreement of the Parties.

4.11 Severability. If any provision of this Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions.

4.12 Non-Waiver. The failure by a Party to insist upon the strict performance of any provision of this Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Agreement.

4.13 Third Party Beneficiaries. Nothing in this Agreement is intended to or shall be construed to confer upon any person or entity other than the City and the Developer, any rights under or by reason of this Agreement. All provisions of this Agreement shall be for the sole and exclusive benefit of the City and the Developer.

4.14 Counterparts. This Agreement may be executed in multiple counterparts, which, when taken together, shall be deemed one original.

4.15 Employment of Undocumented Workers. During the term of this Agreement, the Developer agrees not to knowingly employ any undocumented workers and if convicted of a violation under 8 U.S.C. Section 1324a (f), the Developer shall repay the amount of any reimbursement payment or other funds received by the Developer from City from the date of this Agreement to the date of such violation within 120 days after the date the Developer is notified by City of such violation, plus interest at the rate of 4% compounded annually from the date of violation until paid. The Developer is not liable for a violation of this section by a subsidiary, affiliate, or franchisee of the Developer or by a person with whom the Developer contracts.

4.16 Form 1295 Certificate of Interested Parties. Prior to its execution of this Agreement, the Developer agrees to file with the City pursuant to Texas Government Code

2252.908 a signed and completed Texas Ethics Commission ("TEC") Form 1295 and a certification of filing with TEC.

4.17 Recitals. The recitals set forth in Section 1: (a) are part of this Agreement for all purposes; (b) are true and correct; and (c) each Party has relied upon such recitals in entering into this Agreement.

4.18 Assignability. Prior to the commencement date of the reimbursement payments to the Developer for the first Improvement Area, the Developer may not, without the prior written consent of the City, convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part, any right, title, or interest under this Agreement. On or after such reimbursement commencement date, the Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with prior written notice to) the City, the Developer's right, title, or interest under this Agreement including, but not limited to, any right, title, or interest of the Developer in and to payment of any Reimbursement Agreement Balance (any of the foregoing, a "Transfer," and the person or entity to whom the Transfer is made, a "Transferee"). The rights of the Developer to assignment are conditioned upon the Transferee agreeing, in writing, to assume the rights, title or interest being assigned and to be bound by the terms and conditions of this Agreement to the extent they apply to the rights, title or interest being assigned. An assignment by the Developer pursuant to this Section shall be effective upon delivery to the City of a copy of the fully executed assignment, which shall include the information required by Section 4.9 hereof and unambiguous provisions regarding any apportionment between the Developer and the Transferee of the right to receive payment of a Reimbursement Agreement Balance for an Improvement Area or any other payment. The City may rely on any notice of a Transfer or executed assignment received from the Developer without obligation to investigate or confirm the validity or occurrence of such Transfer. The Developer waives all rights or claims against the City for any such funds provided to a third party as a result of a Transfer for which the City has received notice, and the Developer's sole remedy shall be to seek the funds directly from the third party. If the City determines in its sole discretion that the executed assignment received from the Developer does not unambiguously provide for the apportionment between the Developer and the Transferee of the right to receive payments of a Reimbursement Agreement Balance or any other amount, the City will make such payments solely to the Developer until such time as the executed assignment is amended to unambiguously provide for such apportionment and the Transferee or other third party's sole remedy shall be to seek the funds directly from the Developer. No conveyance, transfer, assignment, mortgage, pledge or other encumbrance shall be made by the Developer or any successor or assignee of the Developer that results in the City being an "obligated person" within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission without the express written consent of the City. The City shall not be required to make payments pursuant to this Agreement to more than two parties. Any assignment by a Transferee of its rights, title or interest under this Agreement shall be subject to the requirements of the Developer under this Section.

4.19 Captions. The captions used in connection with the paragraphs of this Agreement are for convenience only and shall not be deemed to construe or limit the meaning of the language contained in this Agreement or used as interpreting the meanings and provisions hereof.

4.20 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within ten (10) Business Days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance shall give notice to the other Party, including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. Any suspension of obligation(s) because of any force majeure shall terminate automatically sixty (60) days following the provision of the notice described by this section, unless otherwise separately agreed by the Parties or unless the Party whose obligation was suspended by the force majeure is prohibited by law to perform such obligation, in which case said Party shall perform such obligation(s) as soon as reasonably practical after the legal impediment to such performance has ended. The term "force majeure," as used herein, shall include, without limitation, acts of God; strikes, lockouts, or other industrial disturbances; acts of public enemy; order of any kind of the Government of the United States or the State of Texas or any civil or military authority; insurrections; riots; epidemics and pandemics causing a disaster declaration by the State of Texas; landslides; lightning; earthquakes; fires; hurricanes; storms; floods; washouts; droughts; restraint of government and people; civil disturbances; explosions; breakage or accidents to machinery; pipelines or canals; partial or total failure of water supply and inability to provide water necessary for operation of the sewer system, or to receive waste; and any other inabilities of the Party, whether similar to those enumerated or otherwise, which are not within the control of the Party, which the Party could not have avoided by the exercise of due diligence and care. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of such Party, and that the above requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demand of the opposing Party when such settlement is unfavorable to it in the judgment of such Party.

4.21 Anti-Boycott Verification. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made pursuant to Section 2271.002, Texas Government Code. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section 4.21 shall survive termination of this Agreement until the statute of limitations has run.

4.22 Verification Pursuant to Chapters 2252 and 2270 of the Texas Government Code. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code. The foregoing representation is made pursuant to Section 2252.152, Texas Government Code and excludes the Developer and its parent company, wholly- or majority-owned

subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section 4.22 shall survive termination of the Agreement until the statute of limitations has run.

4.23. Verifications Pursuant to Chapter 2276, Texas Government Code. The Developer hereby verifies that it and its parent companies, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made pursuant to Section 2276.002, Texas Government Code, as amended. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section 4.23 shall survive termination of the Agreement until the statute of limitations has run.

4.24 Verification Pursuant to Chapter 2274, Texas Government Code. The Developer hereby verifies that it and its parent companies, wholly- or majority- owned subsidiaries, and other affiliates, if any,

(1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and

(2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association during the term of this Agreement.

The foregoing verification is made pursuant to Section 2274.002, Texas Government Code, as amended. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" shall have the meaning assigned to such term in Section 2274.001(3), Texas Government Code, "firearm entity" shall have the meaning assigned to such term in Section 2774.001(6), Texas Government Code, and "firearm trade association" shall have the meaning assigned to such term in Section 2274.001(7), Texas Government Code. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section 4.24 shall survive termination of the Agreement until the statute of limitations has run.

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

Exhibit 1: Form of Certificate for Payment

Exhibit 2: Form of Closing Disbursement Request

Exhibit 3: Form of Reimbursement Agreement Balance Certificate

[*Execution pages follow.*]

CITY:

CITY OF MELISSA, TEXAS

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

Attest:

By: _____
Hope Cory Baskin, City Secretary

DEVELOPER:

a _____

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

Exhibit 1

FORM OF CERTIFICATE FOR PAYMENT

The undersigned is an agent for [NAME OF DEVELOPER] ("Developer"), and requests payment from the City of Melissa, Texas (the "City") out of the [*PID Project Fund (as defined in the Bond Indenture) / PID Reimbursement Fund*] in the amount of $_____ for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of certain PID Projects providing a special benefit to property within Improvement Area #[__] of the [NAME OF PID] Public Improvement District. Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Reimbursement Agreement, [NAME OF PID] Public Improvement District, effective _____, 2025 (the "Reimbursement Agreement"). In connection with the above referenced payment, Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of Developer, is qualified to execute this Certificate for Payment Form on behalf of Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced PID Projects has not been the subject of any prior payment request submitted for the same work to the City or, if previously requested, no disbursement was made with respect thereto.

3. The amount listed below is a true and accurate representation of the PID Project Costs associated with the creation, acquisition, or construction of said PID Projects and such costs: (a) are in compliance with the Reimbursement Agreement; and (b) are consistent with the Service and Assessment Plan.

4. Developer is in compliance with the terms and provisions of the Development Agreement, Developer Continuing Disclosure Agreement, Reimbursement Agreement and the Service and Assessment Plan.

5. Developer has timely paid all ad valorem taxes and annual installments of special assessments it owes or an entity, Developer controls, owes, located in the [NAME OF PID] Public Improvement District and has no outstanding delinquencies for such assessments.

6. All conditions set forth in the Agreement [and the Bond Indenture] for the payment hereby requested have been satisfied.

7. The work with respect to the PID Projects referenced below has been completed, and the City has inspected such PID Projects.

8. Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested are as follows:

a. X amount to Person or Account Y for Z goods or services.
b. Payment / Wire Instructions

Attached hereto are invoices, cancelled checks, detailed receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments. Also attached hereto are **"bills paid" affidavits and supporting documentation** in the standard form for City construction projects.

Pursuant to the Reimbursement Agreement, after receiving this payment request, the City has inspected the PID Projects (or completed segment) and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations.

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

[remainder of page left blank intentionally]

DEVELOPER:

_____,
a _____

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

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certificate for Payment, acknowledges the Certificate for Payment, acknowledges that the PID Projects covered by the certificate have been inspected by the City, and otherwise finds the Certificate for Payment to be in order. After reviewing the Certificate for Payment, the City approves the Certificate for Payment and directs [_____, as Trustee for the PID Bonds, to make such payments from the PID Project Fund][payment from the PID Reimbursement Fund] to Developer or to any person designated by Developer.

CITY OF MELISSA, TEXAS

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

Exhibit 2

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for [NAME OF DEVELOPER] ("Developer") and requests payment to Developer (or to the person designated by Developer) from the applicable account of the PID Project Fund from _____ (the "Trustee") in the amount of _____ ($) to be transferred from the applicable account of the PID Project Fund upon the delivery of the PID Bonds for costs incurred in the establishment, administration, and operation of [NAME OF PID] Public Improvement District (the "District") and costs associated with the issuance of PID Bonds, as follows.

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Indenture of Trust by and between the City and the Trustee dated as of _____ (the "Indenture") relating to the [_____] (the "PID Bonds").

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

1. The undersigned is a duly authorized officer of Developer, is qualified to execute this Closing Disbursement Request on behalf of Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced establishment, administration, and operation of the District at the time of the delivery of the PID Bonds have not been the subject of any prior payment request submitted to the City.

3. The amount listed for the below costs is a true and accurate representation of the PID Project Costs associated with the establishment, administration and operation of the District at the time of the delivery of the PID Bonds, and such costs are in compliance with the Service and Assessment Plan.

4. Developer is in compliance with the terms and provisions of the Reimbursement Agreement, the Bond Indenture, and the Service and Assessment Plan.

5. All conditions set forth in the Indenture and the Reimbursement Agreement for the payment hereby requested have been satisfied.

6. Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested hereunder shall be made as directed below:

[Information regarding Payee, amount, and deposit instructions attached]

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

DEVELOPER:

,

a

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

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request and directs payment to be made from the PID Project Fund upon delivery of the PID Bonds.

CITY OF MELISSA, TEXAS

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

Exhibit 3

FORM OF REIMBURSEMENT AGREEMENT BALANCE CERTIFICATE

The undersigned are duly authorized officers of each of [NAME OF DEVELOPER] ("Developer") and the City of Melissa, Texas (the "City" and, together with the Developer, the "Parties") and are qualified to execute this certificate pursuant to that certain Reimbursement Agreement, [NAME OF PID] Public Improvement District, between the Developer and the City, effective _____, 2025 (the "Reimbursement Agreement"), in order to keep an accounting of the Reimbursement Agreement Balance (defined therein). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Reimbursement Agreement.

The Parties acknowledge and agree that as of the date of execution of this certificate the schedule(s) set forth below contain a true and correct record of the accounting of the then current Reimbursement Agreement Balance for each Improvement Area.

[*Form of Schedule for Each Improvement Area*]

Improvement Area #[__] Reimbursement Agreement Balance

Certificate for Payment No.	Date Approved By City	Reimbursement Amount ($)	Interest Rate (%)	Date Interest Accrues From	Payments Made from PID Reimbursement Fund ($)	Payments Made from PID Project Fund ($)	Date of Payment	Current Balance ($)
Totals:								

[*Signature Pages Follows*]

I hereby agree and acknowledge that the above schedule(s) represent a true and correct accounting of the Reimbursement Agreement Balance for the Improvement Area(s) shown above as of the date set forth below.

DEVELOPER:

_____,
a _____

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

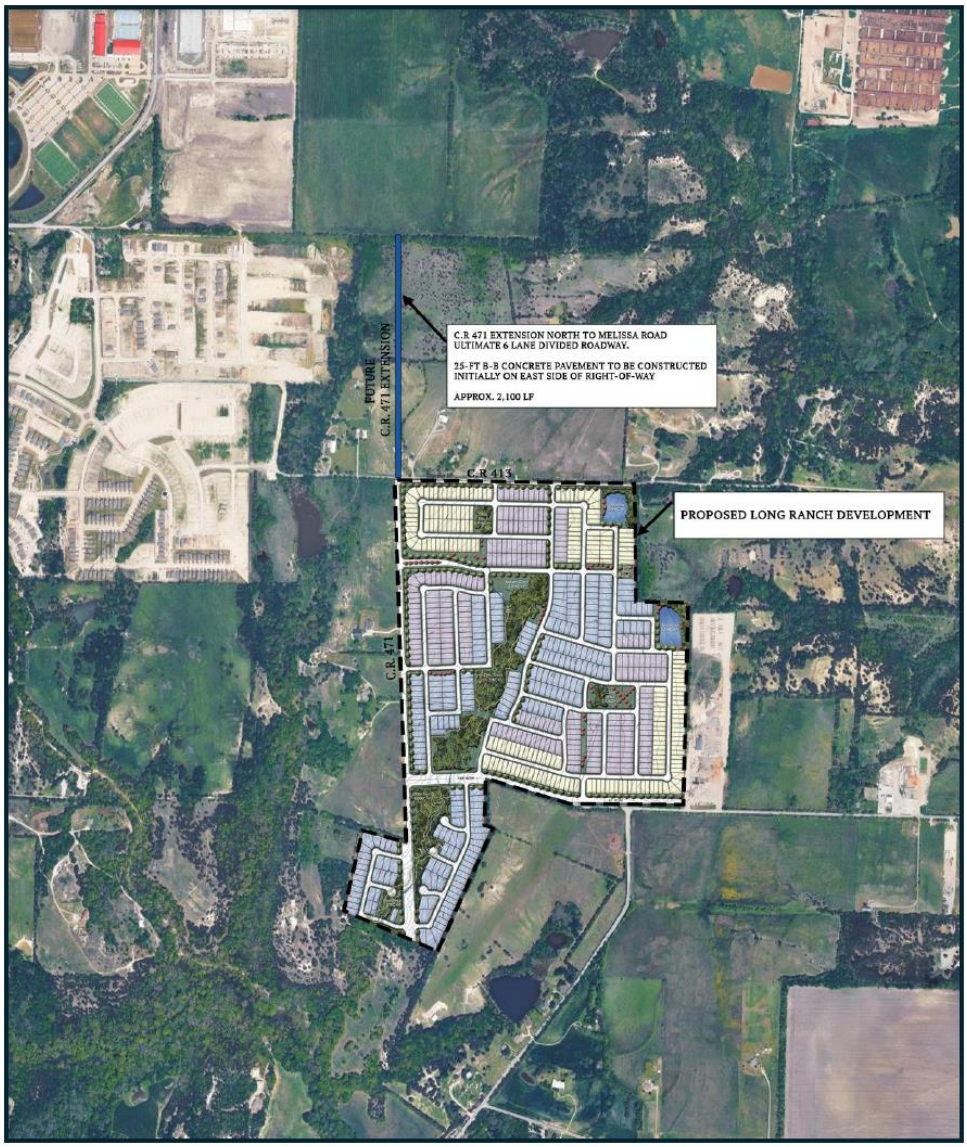
I hereby agree and acknowledge that the above schedule(s) represent a true and correct accounting of the Reimbursement Agreement Balance for the Improvement Area(s) shown above as of the date set forth below.

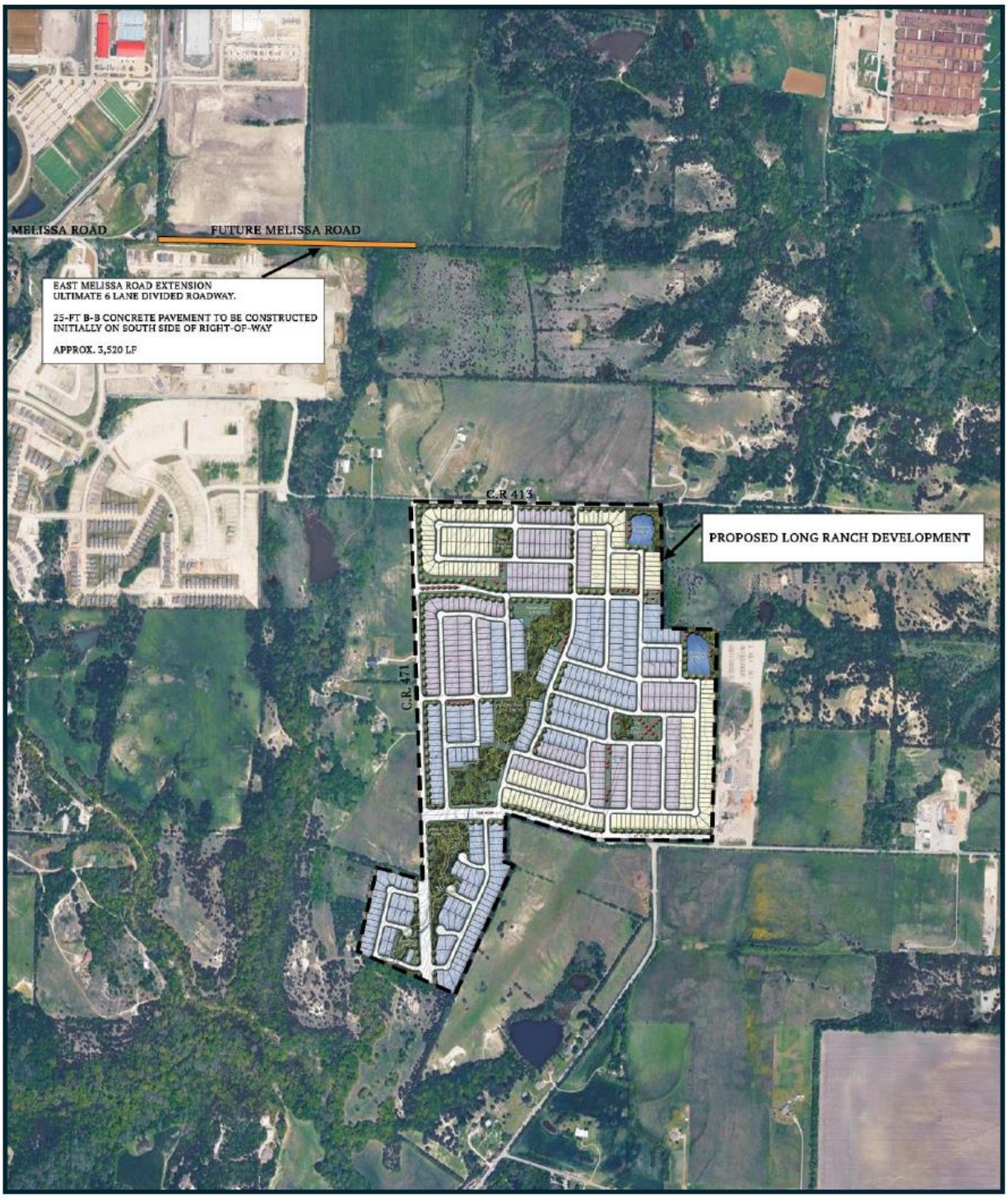
CITY OF MELISSA, TEXAS

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

Exhibit I

Offsite Roadway Improvements





DATE	TITLE	
4/3/26	FUTURE MELISSA ROAD EXTENSION	ONE MARK ADVISORS

Exhibit J
Offsite Marketing Signage

Item 7.B

City of Melissa City Council Regular Meeting Staff Report

Date April 14, 2026

Subject Conduct a public hearing and consider an Ordinance annexing, on application of the landowner, an area of land consisting of 21.3± acres of land in the aggregate, situated in the Joab Butler Survey, Abstract No. 69, Collin County, Texas and generally located at the southeast corner of Sam Rayburn Highway and McKinney Street, City of Melissa, Collin County, Texas. (TL)

Submitted by Tyra LaVerne, Interim Director of Development Services

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Action Requested

Consider an ordinance annexing, on application of the landowner, 21.3± acres of land.

Summary of Subject

The property owner for the subject tract generally depicted in this agenda item recently applied to voluntarily annex into the City of Melissa. The ordinance will finalize this annexation in accordance with State Law.

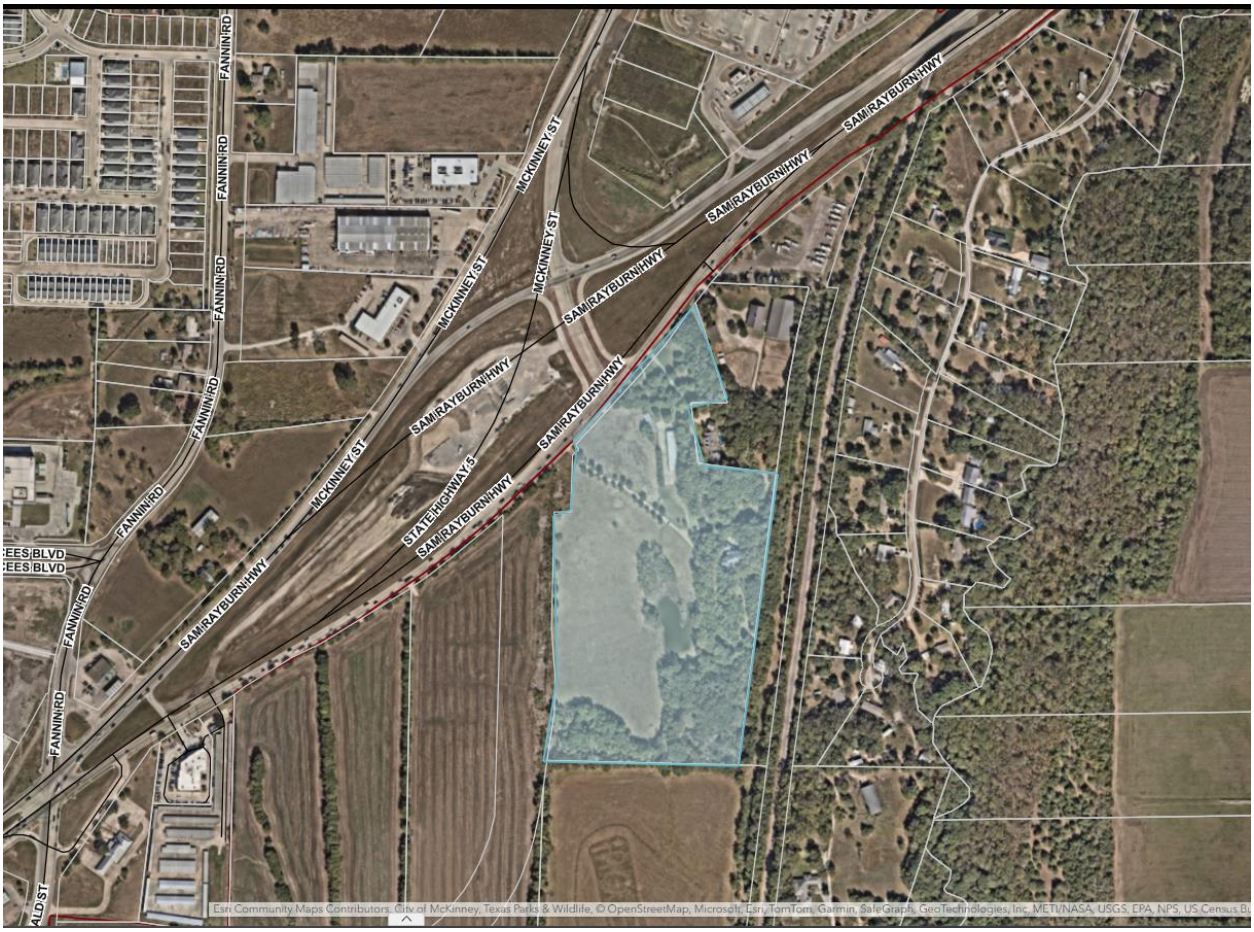
Staff Recommendation

Approval or disapproval is a policymaker decision.

Supporting Documents

1. Location of Subject Tract.docx
2. Annexation Ordinance - 121 Business Exchange (21.3 acres)(5025483.1) (1).docx

Location of Subject Tract



CITY OF MELISSA, TEXAS **ORDINANCE NO. _____**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MELISSA, TEXAS, ANNEXING, ON APPLICATION OF THE LANDOWNER, AN AREA OF LAND CONSISTING OF 21.2923± ACRES, SITUATED IN THE JAOB BUTLER SURVEY, ABSTRACT NO. 69, COLLIN COUNTY, TEXAS; EXTENDING THE BOUNDARY LIMITS OF THE CITY OF MELISSA TO INCLUDE SAID AREA OF LAND WITHIN THE CITY OF MELISSA CITY LIMITS; PROVIDING THAT THE OWNERS AND INHABITANTS OF THE SUBJECT AREA OF LAND SHALL BE ENTITLED TO THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS OF THE CITY OF MELISSA AND SHALL BE BOUND BY THE ACTS AND ORDINANCES NOW IN EFFECT AND HEREINAFTER ADOPTED; AUTHORIZING EXECUTION OF THE ANNEXATION SERVICE PLAN AGREEMENTS; PROVIDING FOR A PENALTY FOR A VIOLATION OF THIS ORDINANCE AND MELISSA'S ZONING ORDINANCE, ORDINANCE NO. 11-04-09, AND ANY AMENDMENTS THERETO, WITH A MAXIMUM FINE OF $2,000; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; AND PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.

WHEREAS, Michael Justice, trustee of the Mike Justice Irrevocable Trust dated October 22, 2021, and Nedra Dianna Justice, trustee of the Nedra Dianna Justice Irrevocable Trust dated October 22, 2021 (collectively, "Landowner"), have represented and warranted to the City of Melissa, Texas ("Melissa") that Landowner is the sole owner of real property within that certain area of land consisting of 21.2923± acres, situated in the Jaob Butler Survey, Abstract No. 69, Collin County, Texas, more particularly described in Exhibit A, attached hereto and incorporated herein for all purposes (collectively, "Property"); and

WHEREAS, Landowner submitted an application to Melissa, requesting voluntary annexation of the Property into the city limits of Melissa; and

WHEREAS, the City Council of the City of Melissa, Texas ("City Council") has found that it would be advantageous and beneficial to Melissa and its citizens to annex the Property under the authority of Chapter 43 of the Texas Local Government Code and the Melissa City Charter; and

WHEREAS, the City Council finds that Melissa has complied with all requirements for the consideration and adoption of this Ordinance pursuant to Chapter 43 of the Texas Local Government Code; and

WHEREAS, the City Council also finds that the Property is within the extraterritorial jurisdiction of Melissa and is adjacent and contiguous to the existing city limits of Melissa; and

WHEREAS, the Landowner and Melissa have negotiated and are prepared to enter into a written annexation service plan agreement, copies of which is attached hereto as Exhibit B, in accordance with Section 43.0672 of the Texas Local Government Code; and

WHEREAS, the City Council finds that the field notes close the boundaries of the Property; and

WHEREAS, the City Council has conducted a public hearing at which persons interested in the annexation were given an opportunity to be heard regarding the proposed annexation; and

WHEREAS, the City Council finds that all legal notices, hearings, procedures and publishing requirements for annexation have been performed and completed in the manner and form required by law.

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

SECTION 1: Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2: Annexation Service Plan Agreement. The City Manager or his designee is hereby authorized and directed to execute, on behalf of Melissa, the annexation service plan agreement between Melissa and the Landowner, a copy of which is attached hereto as Exhibit B.

SECTION 3: Property Annexed. The Property described as follows and all public streets, roadways and alleyways located within or contiguous to the same are hereby annexed to Melissa, to-wit:

> BEING real property consisting of 21.2923± acres, situated in the Jaob Butler Survey, Abstract No. 69, Collin County, Texas, more particularly described in Exhibit A.

SECTION 4: Rights/Privileges/Inhabitants Bound by Ordinances and Regulations. From and after the passage of this Ordinance, the Property shall be a part of Melissa, and the inhabitants thereof shall be entitled to all the rights and privileges of all the citizens of Melissa and shall be bound by all of the ordinances and regulations enacted pursuant to and in conformity with the City Charter and the laws of the State of Texas.

SECTION 5: Official Map and Boundaries Amended. The official map and boundaries of Melissa are hereby amended to include the Property as part of Melissa. A certified copy of this Ordinance shall be filed by the City Secretary in the County Clerk's Office of Collin County, Texas.

SECTION 6: Unlawful Use. It shall be unlawful for any person, firm, entity or corporation to use the Property in a manner other than as authorized by this Ordinance and Melissa's Zoning Ordinance, as they exist or may be amended, and it shall be unlawful for any person, firm, entity or corporation to construct on the Property any building that is not in conformity with the permissible uses under this Ordinance and the Zoning Ordinance, as they exist or may be amended.

SECTION 7: Penalty. Any person, firm, entity or corporation violating any provision of this Ordinance or the Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding Two

Thousand and 00/100 Dollars ($2,000.00). Each continuing day's violation shall constitute a separate offense. The penal provisions imposed under this Ordinance shall not preclude Melissa from filing suit to enjoin the violation. Melissa retains all legal rights and remedies available to it pursuant to local, state and federal law.

SECTION 8: Savings/Repealing Clause. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 9: Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause and phrase thereof regardless of the fact that any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 10: Effective Date. This Ordinance shall become effective from and after its adoption and publication as required by the City Charter and by law.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MELISSA, TEXAS on this ___ day of _____, 2026.

_____
Jay Northcut, Mayor

ATTEST TO:

_____
Hope Baskin, City Secretary

Dates of Publication:_____, *Anna-Melissa Tribune*

Exhibit A
Legal Description of the Property

PROPERTY DESCRIPTION

BEING a tract of land situated in the Joab Butler Survey, Abstract No. 69, City of Melissa ETJ, Collin County, Texas, and being a portion of a called 26.54-net acre tract of land, described in a Special Warranty Deed to Michael Justice, Trustee of the Mike Justice Irrevocable Trust dated October 22, 2021, recorded in Instrument No. 20211222002576520 of the Official Public Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a corner on the northwesterly line of said 26.54-net acre tract, and being the northeast corner of a called PARCEL P00057090, described in a deed to the State of Texas, recorded in Instrument No. 2023000023685 of the Official Public Records of Collin County, Texas, same also being on the southeasterly right of way line of State Highway 121, a variable width right of way, and being the beginning of a non-tangent curve to the left with a radius of 3,889.71 feet, a central angle of 04°38'11", and a chord bearing and distance of North 40°05'21" East, 314.66 feet;

THENCE in a northerly direction, along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, with said non-tangent curve to the left, an arc distance of 314.75 feet to a point for corner;

THENCE North 37°46'26" East, along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, a distance of 288.63 feet to a point at the beginning of a tangent curve to the right with a radius of 3,889.71 feet, a central angle of 00°52'37", and a chord bearing and distance of North 38°12'44" East, 59.53 feet;

THENCE in a northerly direction, along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, with said tangent curve to the right, an arc distance of 59.53 feet to the northwest corner of a called 3.024-acre tract of land, described in a deed to Darren K. Millender and wife, Chantel D. Millender, recorded in Instrument No. 20151119001459720 of the Official Public Records of Collin County, Texas;

THENCE South 19°53'30" East, departing the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, along the westerly line of said 3.024-acre tract, a distance of 374.94 feet to the southwest corner of said 3.024-acre tract, same being on the northerly line of a called 1.651-acre tract of land, described in a deed to Darren K. Millender and Chantel D. Millender, recorded in Instrument No. 20130826001207090 of the Official Public Records of Collin County, Texas;

THENCE South 88°17'00" West, along the northerly line of said 1.651-acre tract, a distance of 21.69 feet to a point for corner;

THENCE South 87°35'27" West, continuing along the northerly line of said 1.651-acre tract, a distance of 110.47 feet to the northwest corner of said 1.651-acre tract;

THENCE South 09°07'04" East, along the westerly line of said 1.651-acre tract a distance of 216.61 feet to the southwest corner of said 1.651-acre tract;

THENCE South 85°05'48" East, along the southerly line of said 1.651-acre tract, a distance of 280.00 feet to the southeast corner of said 1.651-acre tract, same being on the easterly line of

aforesaid 26.54-net acre tract and being on a westerly line of Lot 1, Block 1 of Spat Melissa RV Park, an addition to Collin County, as recorded in Volume 2023, Page 479 of the Plat Records of Collin County, Texas ;

THENCE South 06°22'29" West, along the easterly line of said 26.54-net acre tract and the westerly line of said Lot 1, a distance of 1,050.19 feet to the southeast corner of said 26.54-net acre tract and the southwest corner of said Lot 1, same being on the northerly line of a called 37.81-acre tract of land, described in a deed to Jojo's Run, LLC – Miller Medcalf Series, recorded in Instrument No. 20160311000289810 of the Official Public records of Collin County, Texas;

THENCE South 89°59'11" West, along the southerly line of said 26.54-net acre tract and the northerly line of said 37.81-acre tract, a distance of 690.64 feet to the southeast corner of aforesaid PARCEL P00057090;

THENCE in a northerly direction, departing the southerly line of said 26.54-net acre tract and the northerly line of said 37.81-acre tract, along the easterly line of said PARCEL P00057090, the following:

North 07°17'47" East, a distance of 169.23 feet to a point for corner;

North 00°33'17" East, a distance of 125.40 feet to a point for corner;

North 05°19'05" West, a distance of 175.92 feet to a point for corner;

North 00°33'17" East, a distance of 416.61 feet to a point for corner;

South 89°26'43" East, a distance of 60.00 feet to a point for corner;

North 00°33'17" East, a distance of 201.74 feet to a point for corner;

North 46°33'28" East, a distance of 33.05 feet to a point for corner;

North 43°26'32" West, a distance of 20.66 feet to the **POINT OF BEGINNING** and containing 927,492 square feet or 21.2923 acres of land.

Bearings based upon the easterly lines of PARCEL P00057090, described in a deed to the State of Texas, recorded in Instrument No. 2023000023685 of the Official Public Records of Collin County, Texas.

This document was prepared under 22 TAC §138.95, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

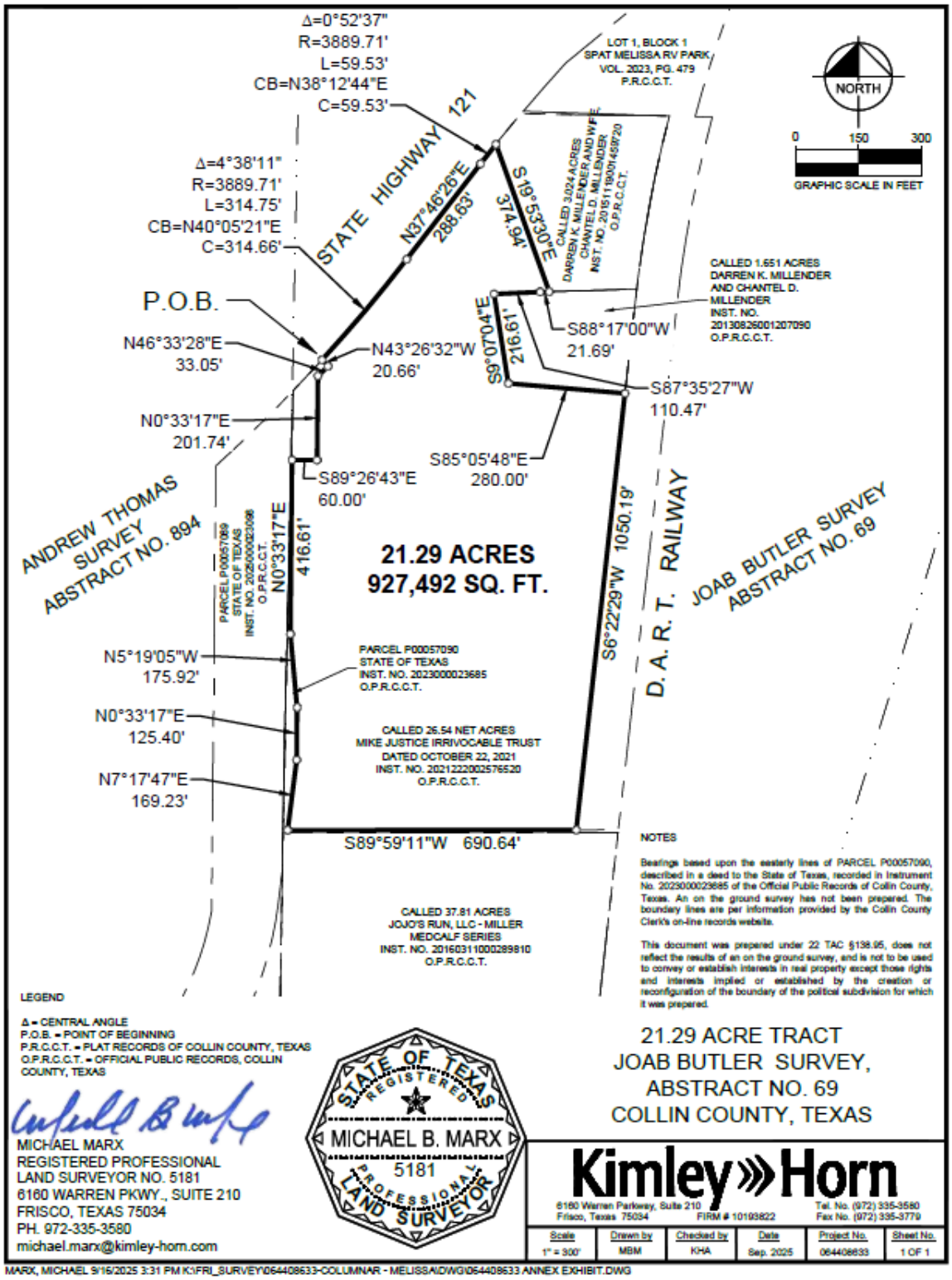

Δ=0°52'37"
R=3889.71'
L=59.53'
CB=N38°12'44"E
C=59.53'
STATE HIGHWAY 121
Δ=4°38'11"
R=3889.71'
L=314.75'
CB=N40°05'21"E
C=314.66'
N37°46'26"E
288.63'
S19°53'30"E
374.94'
LOT 1, BLOCK 1
SPAT MELISSA RV PARK
VOL. 2023, PG. 479
P.R.C.C.T.
CALLED 3.024 ACRES
DARREN K. MILLENDER AND WIFE
CHANTEL D. MILLENDER
INST. NO. 20151119001459720
O.P.R.C.C.T.
NORTH
0 150 300
GRAPHIC SCALE IN FEET
CALLED 1.651 ACRES
DARREN K. MILLENDER
AND CHANTEL D.
MILLENDER
INST. NO.
20130826001207090
O.P.R.C.C.T.
P.O.B.
N46°33'28"E
33.05'
N43°26'32"W
20.66'
S9°07'04"E
216.61'
S88°17'00"W
21.69'
S87°35'27"W
110.47'
N0°33'17"E
201.74'
S85°05'48"E
280.00'
S89°26'43"E
60.00'
ANDREW THOMAS
SURVEY
ABSTRACT NO. 894
PARCEL P00057090
STATE OF TEXAS
INST. NO. 2023000023685
O.P.R.C.C.T.
N0°33'17"E
416.61'
21.29 ACRES
927,492 SQ. FT.
S6°22'29"W 1050.19'
D. A. R. T. RAILWAY
JOAB BUTLER SURVEY
ABSTRACT NO. 69
N5°19'05"W
175.92'
PARCEL P00057090
STATE OF TEXAS
INST. NO. 2023000023685
O.P.R.C.C.T.
N0°33'17"E
125.40'
CALLED 26.54 NET ACRES
MIKE JUSTICE IRRIVOCABLE TRUST
DATED OCTOBER 22, 2021
INST. NO. 20212220025765 20
O.P.R.C.C.T.
N7°17'47"E
169.23'
S89°59'11"W 690.64'
CALLED 37.81 ACRES
JOJO'S RUN, LLC - MILLER
MEDCALF SERIES
INST. NO. 20160311000289810
O.P.R.C.C.T.
NOTES
Bearings based upon the easterly lines of PARCEL P00057090, described in a deed to the State of Texas, recorded in Instrument No. 2023000023685 of the Official Public Records of Collin County, Texas. An on the ground survey has not been prepared. The boundary lines are per information provided by the Collin County Clerk's on-line records website.
This document was prepared under 22 TAC §138.95, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.
LEGEND
Δ = CENTRAL ANGLE
P.O.B. = POINT OF BEGINNING
P.R.C.C.T. = PLAT RECORDS OF COLLIN COUNTY, TEXAS
O.P.R.C.C.T. = OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS
STATE OF TEXAS
REGISTERED
MICHAEL B. MARX
5181
PROFESSIONAL
LAND SURVEYOR
MICHAEL MARX
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 5181
6160 WARREN PKWY., SUITE 210
FRISCO, TEXAS 75034
PH. 972-335-3580
michael.marx@kimley-horn.com
21.29 ACRE TRACT
JOAB BUTLER SURVEY,
ABSTRACT NO. 69
COLLIN COUNTY, TEXAS
Kimley»Horn
6160 Warren Parkway, Suite 210
Frisco, Texas 75034
FIRM # 10193822
Tel. No. (972) 335-3580
Fax No. (972) 335-3779
Scale 1" = 300'
Drawn by MBM
Checked by KHA
Date Sep. 2025
Project No. 064408633
Sheet No. 1 OF 1
MARX, MICHAEL 9/15/2025 3:31 PM K:\FRI_SURVEY\064408633-COLUMNAR - MELISSA\DWG\064408633 ANNEX EXHIBIT.DWG

Exhibit B
Annexation Service Plan Agreement

[*15 pages attached hereto*]

City of Melissa City Council Regular Meeting Staff Report

Date April 14, 2026

Subject Conduct a public hearing and consider an ordinance amending Melissa's Zoning Ordinance, Ordinance No. 92-08, as amended, to rezone 21.3± acres of land in the aggregate, heretofore zoned Agricultural District ("A") zoning classification; provided that the property, generally located at southeast corner of Sam Rayburn Highway and McKinney Street, City of Melissa, Collin County, Texas, is rezoned and placed in the Planned Development District/General Commercial District and Light Industrial District ("PD/C-2/I-1"). (TL)

Submitted by Tyra LaVerne, Assistant Director of Development Services

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Action Requested

Conduct a public hearing and consider a request to rezone from Agricultural District ("A") to Planned Development District/General Commercial District and Light Industrial District ("PD/C-2/I-1").

Summary of Subject

The applicant is requesting approval of a Planned Development (PD) to allow development of an Office/Warehouse/Distribution Center. The proposal also includes the formation of an approximately 2-acre commercial/retail tract to be developed in the future in accordance with General Commercial (C-)2 zoning district guidelines.

The Office/Warehouse/Distribution Center use is defined as:

“A building primarily devoted to storage, warehousing, and distribution of goods, merchandise, supplies, and equipment. Accessory uses may include retail and wholesale sales areas, sales offices and display areas for products sold and distributed from the storage and warehousing areas.”

This use is permitted within the Light Industrial (I-1) zoning district.

The attached Zoning Exhibit shows four (4) proposed buildings on the I-1 portion, ranging from 58,240 square feet to 87,360 square feet. Building elevations are also included with the application materials.

The subject property is currently located within the City’s Extraterritorial Jurisdiction (ETJ). An annexation request associated with this proposal is scheduled to be considered on the same City Council agenda as this zoning request. Approval of the zoning request is contingent upon approval of

the annexation.

Unless otherwise modified by the PD, development standards are proposed to follow the City of Melissa Code of Ordinances. The Zoning Packet includes additional details regarding the proposed PD standards. The applicant is requesting the following exceptions:

- A reduced parking ratio for Warehouse, Wholesale, Manufacturing, and Other Industrial Type Uses from one (1) parking space per 1,000 square feet of gross floor area to one (1) parking space per 2,000 square feet of gross floor area.
- A reduced landscape buffer along future SH 5 from 25 feet to 10 feet.
- A reduced right-of-way dedication along the southern boundary of the site from two-thirds (2/3) of the ultimate roadway section to one-half (1/2) of the ultimate roadway section.

The applicant has submitted a letter, included as an attachment to this report, outlining their requested exceptions.

The Planning and Zoning Commission recommended approval by a vote of 5/0/0.

Comprehensive Plan Comments

The City of Melissa's Future Land Use Plan Map ("FLUPM") shows the subject acreage as "Commercial Areas".

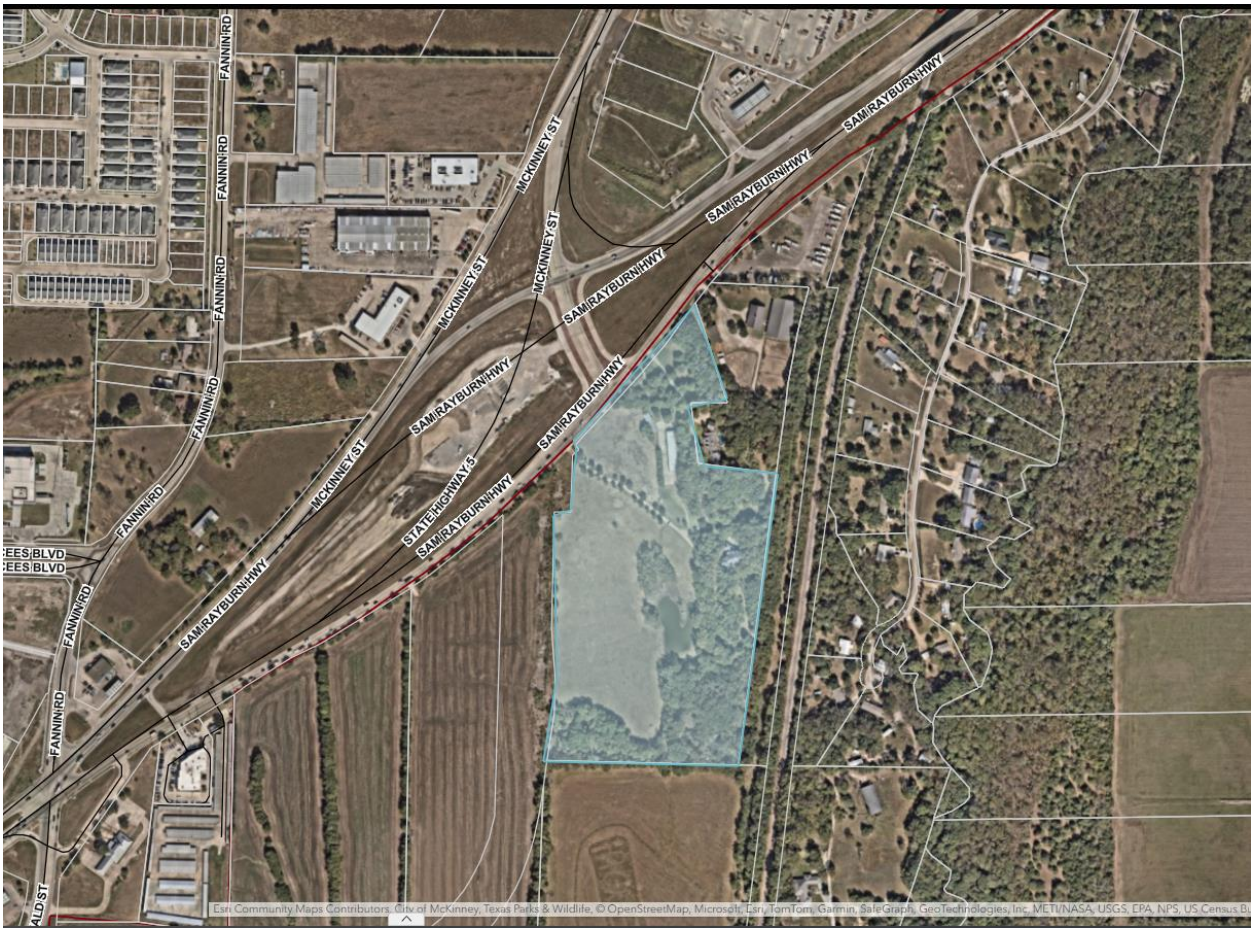
Staff Recommendation

Approval or disapproval of land use will be a policymaker decision.

Supporting Documents

1. Location of Subject Tract.docx
2. Zoning Packet_Sam Rayburn and McKinney_21.3 acres.pdf

Location of Subject Tract



Melissa City Hall
3411 Barker Avenue
Melissa, TX 75454

Planned Development Zoning Application

I. Applicant Information

Applicant: Kimley-Horn Date: 09/16/2025

Address: 2600 N. Central Expressway, Richardson, TX 75080

Phone: 469-917-1190 Fax: _____

Contact: Annamarie Taylor E-mail: Annamarie.Taylor@Kimley-Horn.com

II. Land Use Information

Zoning Ordinance Section 7

All land, buildings, structures or appurtenances thereon located within the City of Melissa, Texas which are hereafter occupied, used, erected, altered, removed, placed, demolished or converted, shall be occupied, used, erected, altered, removed, placed, demolished or converted in conformance with the zoning regulations prescribed for the zoning district in which such land or building is located as hereinafter provided.

Note: Applicant should reference the Zoning Ordinance Sections 8 thru 19 to properly identify existing and proposed zoning, as well as all permitted uses and setbacks.

Project Name & Location: 121 Exchange Business Park Acres: 21.3

Existing Zoning: _____ (Ref. Zoning Ordinance) Proposed Zoning: PD (I-1/C-2) (Ref. Zoning Ordinance)

☐ I hereby request that this zoning application be placed on the agenda for action at the first available Planning & Zoning Commission meeting even if staff comments have not been addressed and the zoning is not in compliance with City code. I realize this will likely result in a disapproval of my application and I will be required to pay new filing fees.

I HEREBY CERTIFY THAT I AM THE SOLE CURRENT OWNER OF RECORD OF THE PROPERTY DESCRIBED ABOVE. THAT THIS APPLICATION IS BEING SUBMITTED WITH MY CONSENT AND THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT. IF I AM NOT THE SOLE CURRENT OWNER OF RECORD OF THE REAL PROPERTY INVOLVED, I HAVE ATTACHED NOTARIZED WRITTEN EVIDENCE OF AUTHORIZATION FROM THE CURRENT OWNER(S) OF RECORD. I ACKNOWLEDGE THAT ANY INVALID INFORMATION MAY BE CAUSE FOR DENIAL OF THIS APPLICATION. I AM THE OWNER OR AGENT AUTHORIZED TO MAKE THE STATEMENTS AND REPRESENTATIONS HEREIN ON THE BEHALF OF THE OWNER.

Printed Name: Nedra Dionna Justice **Title:** Owner

Signature: Nedra Dionna Justice

Revised 11/07/2024 MD

COMMERCIAL TRACT

BEING a tract of land situated in the Joab Butler Survey, Abstract No. 69, City of Melissa ETJ, Collin County, Texas, and being a portion of a called 26.54-net acre tract of land, described in a Special Warranty Deed to Michael Justice, Trustee of the Mike Justice Irrevocable Trust dated October 22, 2021, recorded in Instrument No. 20211222002576520 of the Official Public Records of Collin County, Texas, and being more particularly described as follows:

COMMENCING at a corner on the northwesterly line of said 26.54-net acre tract, and being the northeast corner of a called PARCEL P00057090, described in a deed to the State of Texas, recorded in Instrument No. 2023000023685 of the Official Public Records of Collin County, Texas, same also being on the southeasterly right of way line of State Highway 121, a variable width right of way, and being the beginning of a non-tangent curve to the left with a radius of 3,889.71 feet, a central angle of 03°41'04", and a chord bearing and distance of North 40°33'55" East, 250.09 feet;

THENCE in a northerly direction, in a northerly direction, along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, with said non-tangent curve to the left, an arc distance of 250.14 feet to the **POINT OF BEGINNING** of the herein described tract, and being the beginning of a non-tangent curve to the left with a radius of 3,889.71 feet, a central angle of 00°57'06", and a chord bearing and distance of North 38°14'49" East, 64.61 feet;

THENCE in a northerly direction, continuing along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, with said non-tangent curve to the left, an arc distance of 64.61 feet to a point for corner;

THENCE North 37°46'26" East, continuing along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, a distance of 288.63 feet to a point at the beginning of a tangent curve to the right with a radius of 3,889.71 feet, a central angle of 00°52'37", and a chord bearing and distance of North 38°12'44" East, 59.53 feet;

THENCE in a northerly direction, along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, with said tangent curve to the right, an arc distance of 59.53 feet to the northwest corner of a called 3.024-acre tract of land, described in a deed to Darren K. Millender and wife, Chantel D. Millender, recorded in Instrument No. 20151119001459720 of the Official Public Records of Collin County, Texas;

THENCE South 19°53'30" East, departing the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, along the westerly line of said 3.024-acre tract, a distance of 374.94 feet to the southwest corner of said 3.024-acre tract, same being on the northerly line of a called 1.651-acre tract of land, described in a deed to Darren K. Millender and Chantel D. Millender, recorded in Instrument No. 20130826001207090 of the Official Public Records of Collin County, Texas;

THENCE South 88°17'00" West, along the northerly line of said 1.651-acre tract, a distance of 21.69 feet to a point for corner;

THENCE South 87°35'27" West, continuing along the northerly line of said 1.651-acre tract, a distance of 110.47 feet to the northwest corner of said 1.651-acre tract;

THENCE South 09°07'04" East, along the westerly line of said 1.651-acre tract a distance of 216.61 feet to the southwest corner of said 1.651-acre tract;

THENCE North 49°10'23" West, departing the southwest corner of said 1.651-acre tract, crossing aforesaid 26.54-net acre tract, a distance of 143.05 feet to an angle point;

THENCE North 48°57'18" West, continuing across said 26.54-net acre tract a distance of 232.32 feet to the **POINT OF BEGINNING** and containing 2.17 acres of land, more or less.

Bearings based upon the easterly lines of PARCEL P00057090, described in a deed to the State of Texas, recorded in Instrument No. 2023000023685 of the Official Public Records of Collin County, Texas.

This document was prepared under 22 TAC §138.95, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

INDUSTRIAL TRACT

BEING a tract of land situated in the Joab Butler Survey, Abstract No. 69, City of Melissa ETJ, Collin County, Texas, and being a portion of a called 26.54-net acre tract of land, described in a Special Warranty Deed to Michael Justice, Trustee of the Mike Justice Irrevocable Trust dated October 22, 2021, recorded in Instrument No. 20211222002576520 of the Official Public Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a corner on the northwesterly line of said 26.54-net acre tract, and being the northeast corner of a called PARCEL P00057090, described in a deed to the State of Texas, recorded in Instrument No. 2023000023685 of the Official Public Records of Collin County, Texas, same also being on the southeasterly right of way line of State Highway 121, a variable width right of way, and being the beginning of a non-tangent curve to the left with a radius of 3,889.71 feet, a central angle of 03°41'04", and a chord bearing and distance of North 40°33'55" East, 250.09 feet;

THENCE in a northerly direction, in a northerly direction, along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, with said non-tangent curve to the left, an arc distance of 250.14 feet to a point for corner;

THENCE South 48°57'18" East, departing the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, crossing said 26.54-acre tract, a distance of 232.32 feet to an angle point;

THENCE South 49°10'23" East, continuing across said 26.54-acre tract, a distance of 143.05 feet to the southwest corner of a called 1.651-acre tract of land, described in a deed to Darren K. Millender and Chantel D. Millender, recorded in Instrument No. 20130826001207090 of the Official Public Records of Collin County, Texas;

THENCE South 85°05'48" East, along the southerly line of said 1.651-acre tract, a distance of 280.00 feet to the southeast corner of said 1.651-acre tract, same being on the easterly line of aforesaid 26.54-net acre tract and being on a westerly line of Lot 1, Block 1 of Spat Melissa RV Park, an addition to Collin County, as recorded in Volume 2023, Page 479 of the Plat Records of Collin County, Texas ;

THENCE South 06°22'29" West, along the easterly line of said 26.54-net acre tract and the westerly line of said Lot 1, a distance of 1,050.19 feet to the southeast corner of said 26.54-net acre tract and the southwest corner of said Lot 1, same being on the northerly line of a called 37.81-acre tract of land, described in a deed to Jojo's Run, LLC – Miller Medcalf Series, recorded in Instrument No. 20160311000289810 of the Official Public records of Collin County, Texas;

THENCE South 89°59'11" West, along the southerly line of said 26.54-net acre tract and the northerly line of said 37.81-acre tract, a distance of 690.64 feet to the southeast corner of aforesaid PARCEL P00057090;

THENCE in a northerly direction, departing the southerly line of said 26.54-net acre tract and the northerly line of said 37.81-acre tract, along the easterly line of said PARCEL P00057090, the following:

North 07°17'47" East, a distance of 169.23 feet to a point for corner;

North 00°33'17" East, a distance of 125.40 feet to a point for corner;

North 05°19'05" West, a distance of 175.92 feet to a point for corner;

North 00°33'17" East, a distance of 416.61 feet to a point for corner;

South 89°26'43" East, a distance of 60.00 feet to a point for corner;

North 00°33'17" East, a distance of 201.74 feet to a point for corner;

North 46°33'28" East, a distance of 33.05 feet to a point for corner;

North 43°26'32" West, a distance of 20.66 feet to the **POINT OF BEGINNING** and containing 19.13 acres of land, more or less.

Bearings based upon the easterly lines of PARCEL P00057090, described in a deed to the State of Texas, recorded in Instrument No. 2023000023685 of the Official Public Records of Collin County, Texas.

This document was prepared under 22 TAC §138.95, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

PD Standards

Section 20 Schedule of Uses and Parking Requirements

These standards shall follow the published Code of Ordinances Schedule of Uses and Parking Requirements.

Section 21 – Schedule of District Regulations

These standards shall follow the published Code of Ordinances Schedule of District Regulations.

Section 22 – **Off**-Street Parking and Loading Requirements

City of Melissa Base Code Requirement	Variance Request	Variance Rationale
22.8 Parking Requirement Based on Use: (48) Warehouse, Wholesale, Manufacturing and Other Industrial Type Uses. One (1) space for one thousand (1,000) square feet of gross floor area.	One (1) space for two thousand (2,000) square feet of gross floor area.	Reduced parking ratio is requested to be more consistent with industry standards in the area for the proposed use. At 1:1,000 we believe there would be significant parking that is not utilized.

Section 27-A – Landscape Regulations and Tree Preservation

City of Melissa Base Code Requirement	Variance Request	Variance Rationale
A. Landscape Requirements. E. Landscape Buffers. There shall be a twenty-five-foot root irrigated landscape buffer immediately adjacent to U.S. 75, SH 121 and SH 5 in which no building, structure or parking shall be permitted.	A. Landscape Requirements. B. Landscape Buffers. There shall be a twenty-five-foot root irrigated landscape buffer immediately adjacent to SH 121 and a ten-foot irrigated landscape buffer immediately adjacent to SH 5 in which no building, structure or parking shall be permitted.	We are requesting to reduce the buffer for future SH 5 from 25' to 10' so that we can utilize this area on site for parking. Future SH 5 has no current timeline so we would be providing a buffer to an open adjacent lot for the foreseeable future.

City of Melissa Street Design Requirements

City of Melissa Base Code Requirement	Variance Request	Variance Rationale
Section 2.2 Street Design. G. Partial or Half Streets. Wherever a half street has already been provided adjacent to an area to be subdivided, the other remaining portion of the street shall be platted with such subdivision. Where part of a street is being dedicated along a common property line where no roadway currently exists, the first dedication of ROW shall two-thirds of the required ultimate width. In cases where the ultimate typical section travel width is less than 26 feet (face of curb to face of curb), the Developer shall be responsible for the full width of clear pavement. Additional ROW and easements shall be dedicated as necessary to install signage and to perform grading activities.	Section 2.2 Street Design. G. Partial or Half Streets. We are requesting that the required ROW dedication along the southern boundary of our site be ½ ROW dedication of the ultimate width instead of 2/3.	We are requesting to reduce the required ROW dedication from 2/3 of the ultimate section to ½ of the ultimate section along the southern boundary of the site due to the site plan impacts of the greater dedication. ½ of the dedication provides 62' of ROW, dividing the burden equally between northern and southern property owners.

Impact Report

Planning

The planning and zoning jurisdiction of the City of Melissa would extend to this PD District's area upon the effective date of the annexation ordinance.

Engineering

The Engineering jurisdiction of the City of Melissa would extend to this PD District's area upon the effective date of the annexation ordinance. The PD District will therefore comply with all City of Melissa engineering standards and regulations.

Water Utilities

This PD Distract will be utilizing City of Melissa water utilities. The development's water usage will be consistent with light industrial and commercial uses. The development plans to extend water infrastructure along SH 121 from the existing 12" stub.

Electric

The impact to the City of Melissa's electric infrastructure will be consistent with light industrial and commercial uses.

Sanitation

This PD District requests standard City of Melissa solid waste and recycling collection services at a level consistent with similar areas within the City limits. The development's wastewater generation will be consistent with light industrial and commercial uses. The development plans to extend wastewater infrastructure across SH 121 to an existing 8" line.

Building Inspection

The Building Inspection jurisdiction of the City of Melissa would extend to this PD District's area upon the effective date of the annexation ordinance. The PD District will therefore comply with all City of Melissa building codes and ordinances.

Tax

The tax jurisdiction of the City of Melissa would extend to this PD District's area upon the effective date of the annexation ordinance.

Police

This PD District proposes the standard impact to City of Melissa police services at a level consistent with other similarly situated areas within the city limits. Some of the expected services include normal patrol and responses, handling of complaints and incident reports, special units such as traffic enforcement and investigations, and coordination with other public safety support agencies.

Fire

This PD District also proposes fire services provided by the City of Melissa consistent with similarly situated areas within the city limits. Fire protection would include personnel and equipment furnished with the level of services consistent with similar areas.

Traffic

This development requests that the planned major arterial thoroughfare that is currently planned to bisect the subject site be relocated to the southern boundary of the property. This will allow for the desired site coverage as well as a possible perpendicular connection of the proposed thoroughfare to the future TxDOT improvements west of the site. This proposed location is shown in the attached Thoroughfare Exhibit.

IMAGES: EPSG:2278_Date:2025/05/30_Lot:39.269765_Lon:-96.5709 17_Mpp:0.300_Vert: XREFS: xAxisl : xE:4/8 : xPascals : xFIDM A : xBdr - 36x24 : xSte - Half LAST SAVED: 12/9/2025 9:44 AM PLOTTED BY: POLITSKI, SARAH 12/9/2025 11:13 AM DWG PATH: K:\WDN_Dx\054408\03 - Columbia Medical\4_Design\CAD\Exhibits DWG NAME: Site Plan Exhibit - Half.dwg

This document, together with the concepts and designs presented herein, as an instrument of service, is intended only for the specific purpose and client for which it was prepared. Reuse of and improper reliance on this document without written authorization and adaptation by Kimley-Horn and Associates, Inc. shall be without liability to Kimley-Horn and Associates, Inc.

ABS A0894 ANDREW THOMAS SURVEY, TRACT 68 17.28 AC, CRAFT LIVING TRUST

ABS A0894 ANDREW THOMAS SURVEY, TRACT 65 12.88 AC, MELISSA 20, LLC.

PROPOSED R.O.W. DEDICATION ± 0.98 AC

20' FRONT YARD SETBACK

SAM RAYBURN HIGHWAY

MCKINNEY ST

BUILDING 3 58,240 SF

BUILDING 1 84,240 SF

ZONING - LIGHT INDUSTRIAL ±18.15 AC

BUILDING 4 65,520 SF

BUILDING 2 87,360 SF

PROP. FIRELANE (TYP.)

ZONING - GENERAL COMMERCIAL ±2.16 AC

20' FRONT YARD SETBACK

LIMIT BETWEEN ZONING DISTRICTS

10' SIDE YARD SETBACK

ABS A0069 JACOB BUTLER SURVEY, TRACT 4 25.38 AC, JOJO'S RUN, LLC. MILLER MEDCALF SERIES

ABS A0069 JACOB BUTLER SURVEY, TRACT 18 4.67 AC DARREN K. MILLENDER

D.A.R.T.

SPAT MELISSA RV PARK, BLOCK 1, LOT 1

CREEKSIDE (UNRECORDED), LOT 17 THERESA LUCAS

ABS A0069 JACOB BUTLER SURVEY, TRACT 15 6.75 AC. ESTATE OF MARTIN AND JANICE ERNEST

CREEKSIDE (UNRECORDED), LOT 15 AND 16 LAWANNA DURBIN

CREEKSIDE ROAD

LOT 6 LOT 7 LOT 8 LOT 9 LOT 10 LOT 11 LOT 12 LOT 13 LOT 14 LOT 18 LOT 19 LOT 20 LOT 21 LOT 22 LOT 23 LOT 24

PARKING CALCULATIONS

OFFICE PARKING REQUIREMENT: 1 SPACE PER 300 S.F. ASSUMING 10% OFFICE SPACE

WAREHOUSE PARKING REQUIREMENT: 1 SPACE PER 2,000 S.F

BUILDING 1:
OFFICE = 8,424 S.F. / 300 S.F. PER SPACE = 28 SPACES
WAREHOUSE = 75,816 S.F. / 2,000 S.F. PER SPACE = 38 SPACES
TOTAL = 35 SPACES + 38 SPACES = **63 SPACES**

BUILDING 2:
OFFICE = 8,736 S.F. / 300 S.F. PER SPACE = 29 SPACES
WAREHOUSE = 78,624 S.F. / 2,000 S.F. PER SPACE = 39 SPACES
TOTAL = 35 SPACES + 40 SPACES = **68 SPACES**

BUILDING 3:
OFFICE = 5,165 S.F. / 300 S.F. PER SPACE = **17 SPACES**
WAREHOUSE = 52,416 S.F. / 2,000 S.F. PER SPACE = **27 SPACES**
TOTAL = 17 SPACES + 27 SPACES = **44 SPACES**

BUILDING 4:
OFFICE = 6,552 S.F. / 300 S.F. PER SPACE = **19 SPACES**
WAREHOUSE = 58,968 S.F. / 2,000 S.F. PER SPACE = **30 SPACES**
TOTAL = 19 SPACES + 30 SPACES = **49 SPACES**

SITE DATA TABLE

ZONING	LIGHT INDUSTRIAL
PROPOSED USES	OFFICE/WAREHOUSE
GROSS LOT AREA	±18.15 AC
R.O.W. DEDICATION	0.98 AC
NET LOT AREA	20.31
TOTAL BUILDING AREA	285,360 SF
BUILDING COVERAGE	33.4%
REQUIRED AUTO PARKING	221
PROPOSED AUTO PARKING	416

LEGEND

PROPERTY LINE
EX. PROPERTY LINE
PROP. SETBACK
PROP. FIRELANE

GRAPHIC SCALE IN FEET 0 50 100 200

NORTH

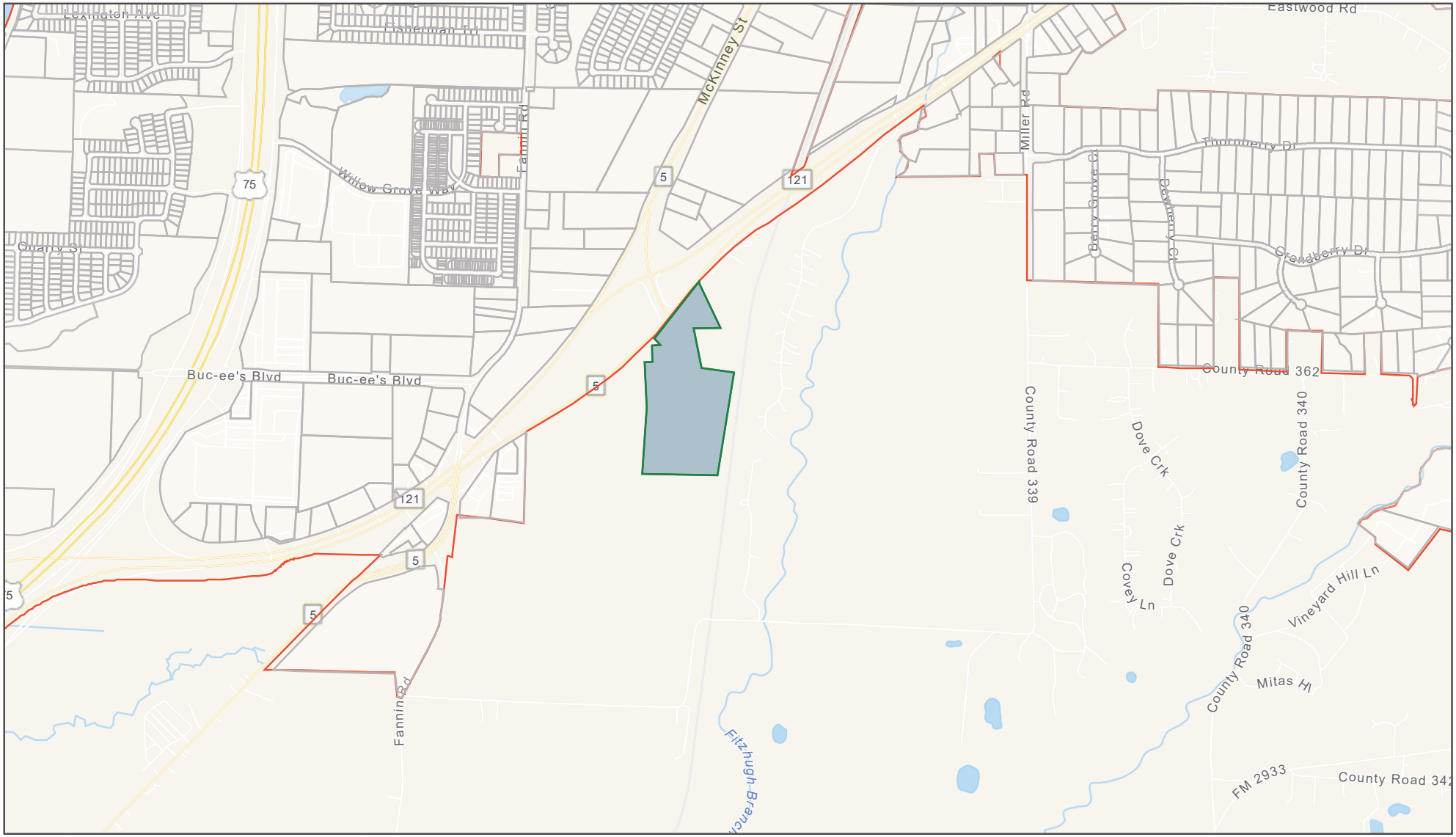
SHEET NUMBER EX-1	ZONING EXHIBIT	121 EXCHANGE BUSINESS PARK	KHA PROJECT DATE 12/09/2025 SCALE AS SHOWN DESIGNED BY IEH DRAWN BY MYB CHECKED BY DPG	12/09/2025 FOR REVIEW ONLY NOT FOR CONSTRUCTION PURPOSES Kimley»Horn Registered Engineer DANIEL P. DALLA ZANNA P.E. No. 138900 Date 12/09/2025

Kimley»Horn
2600 N. CENTRAL EXPRESSWAY, SUITE 400
RICHARDSON, TX 75080
PHONE: 281-509-9674
WWW.KIMLEY-HORN.COM TX F-928

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No.	REVISIONS	DATE

City of Melissa Notification Map



12/15/2025, 4:59:31 PM

Parcels Melissa City Limits

City Limits

1:18,056

0 0.13 0.25 0.5 mi

0 0.2 0.4 0.8 km

Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

City of Melissa

Esri Community Maps Contributors, City of McKinney, Texas Parks & Wildlife, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA, USFWS | 911GISTeam@nct911.org | Vantor |

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MELISSA, TEXAS, AMENDING MELISSA'S ZONING ORDINANCE, ORDINANCE NO. 92-08, AS AMENDED, TO REZONE TWO TRACTS OF LAND, CONSISTING OF 21.3± ACRES IN THE AGGREGATE, SITUATED IN THE JOAB BUTLER SURVEY, ABSTRACT NO. 69, IN THE CITY OF MELISSA, COLLIN COUNTY, TEXAS, HERETOFORE ZONED AGRICULTURAL DISTRICT (A); PROVIDING THAT THE PROPERTY IS REZONED AND PLACED IN THE PLANNED DEVELOPMENT LIGHT INDUSTRIAL DISTRICT/GENERAL COMMERCIAL-2 DISTRICT (PD/I-1/C-2) ZONING CLASSIFICATION; DESCRIBING THE TRACTS TO BE REZONED; PROVIDING A PENALTY CLAUSE WITH A MAXIMUM FINE OF $2,000, SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; AND PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.

WHEREAS, the City Council of the City of Melissa, Texas ("City Council") finds that it would be advantageous and beneficial to the citizens of the City of Melissa, Texas ("Melissa") to amend Melissa's Zoning Ordinance, Ordinance No. 92-08, as it exists or may be amended (and any successor ordinances thereto) (collectively, the "Zoning Ordinance"), as set forth below; and

WHEREAS, Kimley-Horn and Associates, Inc. ("Applicant"), on behalf of the owner of the Property (hereinafter defined), initiated a request to rezone two tracts of land consisting of 21.3± acres of land in the aggregate, situated in the Joab Butler Survey, Abstract No. 69, Melissa, Collin County, Texas, including Tract 1, consisting of 2.17± acres, more particularly described in Exhibit A, attached hereto and incorporated herein for all purposes ("Tract 1"), and Tract 2, consisting of 19.13± acres, more particularly described in Exhibit A ("Tract 2" and together with Tract 1, the "Property"); and

WHEREAS, Applicant has requested that the Zoning Ordinance be amended to rezone the Property, heretofore zoned Agricultural District (A), by placing it in the Planned Development Light Industrial District/General Commercial-2 District (PD/I-1/C-2) zoning classification; and

WHEREAS, the City Council finds that the facts contained in the Applicant's request are true and correct; and

WHEREAS, the City Council finds that the Applicant and the owner of the Property have agreed to comply with all provisions of the ordinances of Melissa, as they exist, may be amended or in the future arising, including, but not limited to, this Ordinance and the Zoning Ordinance, and the additional restrictions and conditions set forth herein, in the Development Standards, attached hereto as Exhibit B and incorporated herein for all purposes, and in the Zoning Exhibit, attached hereto as Exhibit C and incorporated herein for all purposes (collectively, "Additional Conditions"); and

WHEREAS, all legal notices required for rezoning have been given in the manner and form required by law; public hearings have been held on the proposed rezoning; and all other requirements of notice and completion of such zoning procedures have been fulfilled; and

WHEREAS, the City Council finds that it will be advantageous and beneficial to Melissa and its citizens to rezone the Property as set forth below.

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

SECTION 1: Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2: Amendment to the Zoning Ordinance. The Zoning Ordinance is hereby amended as follows: The zoning designation of the Property, and all streets, roads and alleyways contiguous and adjacent thereto, is hereby rezoned as Planned Development Light Industrial District/General Commercial-2 District (PD/I-1/C-2) zoning classification. The Property is more particularly described in Exhibit A.

The development plans, standards and uses for the Property shall conform to and comply with the standards, rules and regulations for the development and uses of land within the Planned Development Light Industrial District/General Commercial-2 (PD/I-1/C-2) zoning classification, the Development Standards as set forth in Exhibit B, the Zoning Exhibit set forth in Exhibit C and all other Additional Conditions. The development and use of the Property also must comply with the requirements of all applicable ordinances, rules and regulations of Melissa, as they currently exist, may be amended or in the future arising. To the extent that any of the exhibits attached hereto are in conflict with the provisions of this Ordinance or one another, the provisions of this Ordinance, then the provisions of Exhibit B and Exhibit C shall prevail in that order. The City Council hereby designates the Property for its historical, cultural or architectural importance and significance pursuant to Section 3000.002(d) of the Texas Government Code.

SECTION 3: No Vested Interest/Repeal. No developer or property owner shall acquire any vested interest in this Ordinance or in any specific regulations contained herein. Any portion of this Ordinance may be repealed by the City Council in the manner provided for by law.

SECTION 4: Unlawful Use of Property. It shall be unlawful for any person, firm, entity or corporation to use of the Property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person, firm, entity or corporation to construct on the Property any building that is not in conformity with the permissible uses under this Ordinance.

SECTION 5: Penalty. Any person, firm, corporation or entity violating any provision of this Ordinance, or the Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding Two Thousand and No/100 Dollars ($2,000.00) or the highest amount allowed under applicable law. A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. Allegation and evidence of a culpable mental state is not required for proof of any offense defined in this Ordinance. The penal provisions imposed under this Ordinance shall not preclude Melissa from filing suit to enjoin the violation. Melissa retains all legal rights and remedies available to it pursuant to local, state and federal law.

SECTION 6: Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full

force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 7: Repealing/Savings. The Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other Ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 8: Effective Date. This Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MELISSA, TEXAS on this ___ day of _____, 2026.

_____
Jay Northcut, Mayor

ATTESTED TO AND CORRECTLY RECORDED:

_____
Hope Baskin, City Secretary

Dates of Publication: _____, *Anna-Melissa Tribune*

Exhibit A
Legal Description of the Property

Tract 1:

COMMERCIAL TRACT

BEING a tract of land situated in the Joab Butler Survey, Abstract No. 69, City of Melissa ETJ, Collin County, Texas, and being a portion of a called 26.54-net acre tract of land, described in a Special Warranty Deed to Michael Justice, Trustee of the Mike Justice Irrevocable Trust dated October 22, 2021, recorded in Instrument No. 20211222002576520 of the Official Public Records of Collin County, Texas, and being more particularly described as follows:

COMMENCING at a corner on the northwesterly line of said 26.54-net acre tract, and being the northeast corner of a called PARCEL P00057090, described in a deed to the State of Texas, recorded in Instrument No. 2023000023685 of the Official Public Records of Collin County, Texas, same also being on the southeasterly right of way line of State Highway 121, a variable width right of way, and being the beginning of a non-tangent curve to the left with a radius of 3,889.71 feet, a central angle of 03°41'04", and a chord bearing and distance of North 40°33'55" East, 250.09 feet;

THENCE in a northerly direction, in a northerly direction, along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, with said non-tangent curve to the left, an arc distance of 250.14 feet to the **POINT OF BEGINNING** of the herein described tract, and being the beginning of a non-tangent curve to the left with a radius of 3,889.71 feet, a central angle of 00°57'06", and a chord bearing and distance of North 38°14'49" East, 64.61 feet;

THENCE in a northerly direction, continuing along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, with said non-tangent curve to the left, an arc distance of 64.61 feet to a point for corner;

THENCE North 37°46'26" East, continuing along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, a distance of 288.63 feet to a point at the beginning of a tangent curve to the right with a radius of 3,889.71 feet, a central angle of 00°52'37", and a chord bearing and distance of North 38°12'44" East, 59.53 feet;

THENCE in a northerly direction, along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, with said tangent curve to the right, an arc distance of 59.53 feet to the northwest corner of a called 3.024-acre tract of land, described in a deed to Darren K. Millender and wife, Chantel D. Millender, recorded in Instrument No. 20151119001459720 of the Official Public Records of Collin County, Texas;

THENCE South 19°53'30" East, departing the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, along the westerly line of said 3.024-acre tract, a distance of 374.94 feet to the southwest corner of said 3.024-acre tract, same being on the northerly line of a called 1.651-acre tract of land, described in a deed to Darren K. Millender and Chantel D. Millender, recorded in Instrument No. 20130826001207090 of the Official Public Records of Collin County, Texas;

THENCE South 88°17'00" West, along the northerly line of said 1.651-acre tract, a distance of 21.69 feet to a point for corner;

THENCE South 87°35'27" West, continuing along the northerly line of said 1.651-acre tract, a distance of 110.47 feet to the northwest corner of said 1.651-acre tract;

THENCE South 09°07'04" East, along the westerly line of said 1.651-acre tract a distance of 216.61 feet to the southwest corner of said 1.651-acre tract;

THENCE North 49°10'23" West, departing the southwest corner of said 1.651-acre tract, crossing aforesaid 26.54-net acre tract, a distance of 143.05 feet to an angle point;

THENCE North 48°57'18" West, continuing across said 26.54-net acre tract a distance of 232.32 feet to the **POINT OF BEGINNING** and containing 2.17 acres of land, more or less.

Bearings based upon the easterly lines of PARCEL P00057090, described in a deed to the State of Texas, recorded in Instrument No. 2023000023685 of the Official Public Records of Collin County, Texas.

This document was prepared under 22 TAC §138.95, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

Tract 2:

INDUSTRIAL TRACT

BEING a tract of land situated in the Joab Butler Survey, Abstract No. 69, City of Melissa ETJ, Collin County, Texas, and being a portion of a called 26.54-net acre tract of land, described in a Special Warranty Deed to Michael Justice, Trustee of the Mike Justice Irrevocable Trust dated October 22, 2021, recorded in Instrument No. 20211222002576520 of the Official Public Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a corner on the northwesterly line of said 26.54-net acre tract, and being the northeast corner of a called PARCEL P00057090, described in a deed to the State of Texas, recorded in Instrument No. 2023000023685 of the Official Public Records of Collin County, Texas, same also being on the southeasterly right of way line of State Highway 121, a variable width right of way, and being the beginning of a non-tangent curve to the left with a radius of 3,889.71 feet, a central angle of 03°41'04", and a chord bearing and distance of North 40°33'55" East, 250.09 feet;

THENCE in a northerly direction, in a northerly direction, along the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, with said non-tangent curve to the left, an arc distance of 250.14 feet to a point for corner;

THENCE South 48°57'18" East, departing the northwesterly line of said 26.54-net acre tract and along the southeasterly right of way line of said State Highway 121, crossing said 26.54-acre tract, a distance of 232.32 feet to an angle point;

THENCE South 49°10'23" East, continuing across said 26.54-acre tract, a distance of 143.05 feet to the southwest corner of a called 1.651-acre tract of land, described in a deed to Darren K. Millender and Chantel D. Millender, recorded in Instrument No. 20130826001207090 of the Official Public Records of Collin County, Texas;

THENCE South 85°05'48" East, along the southerly line of said 1.651-acre tract, a distance of 280.00 feet to the southeast corner of said 1.651-acre tract, same being on the easterly line of aforesaid 26.54-net acre tract and being on a westerly line of Lot 1, Block 1 of Spat Melissa RV Park, an addition to Collin County, as recorded in Volume 2023, Page 479 of the Plat Records of Collin County, Texas ;

THENCE South 06°22'29" West, along the easterly line of said 26.54-net acre tract and the westerly line of said Lot 1, a distance of 1,050.19 feet to the southeast corner of said 26.54-net acre tract and the southwest corner of said Lot 1, same being on the northerly line of a called 37.81-acre tract of land, described in a deed to Jojo's Run, LLC – Miller Medcalf Series, recorded in Instrument No. 20160311000289810 of the Official Public records of Collin County, Texas;

THENCE South 89°59'11" West, along the southerly line of said 26.54-net acre tract and the northerly line of said 37.81-acre tract, a distance of 690.64 feet to the southeast corner of aforesaid PARCEL P00057090;

THENCE in a northerly direction, departing the southerly line of said 26.54-net acre tract and the northerly line of said 37.81-acre tract, along the easterly line of said PARCEL P00057090, the following:

North 07°17'47" East, a distance of 169.23 feet to a point for corner;

North 00°33'17" East, a distance of 125.40 feet to a point for corner;

North 05°19'05" West, a distance of 175.92 feet to a point for corner;

North 00°33'17" East, a distance of 416.61 feet to a point for corner;

South 89°26'43" East, a distance of 60.00 feet to a point for corner;

North 00°33'17" East, a distance of 201.74 feet to a point for corner;

North 46°33'28" East, a distance of 33.05 feet to a point for corner;

North 43°26'32" West, a distance of 20.66 feet to the **POINT OF BEGINNING** and containing 19.13 acres of land, more or less.

Bearings based upon the easterly lines of PARCEL P00057090, described in a deed to the State of Texas, recorded in Instrument No. 2023000023685 of the Official Public Records of Collin County, Texas.

This document was prepared under 22 TAC §138.95, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

Exhibit B
Development Standards

The design, development and use of the Property shall comply with Melissa's Zoning Ordinance, the Zoning Exhibit, attached hereto as Exhibit C, and the following development standards:

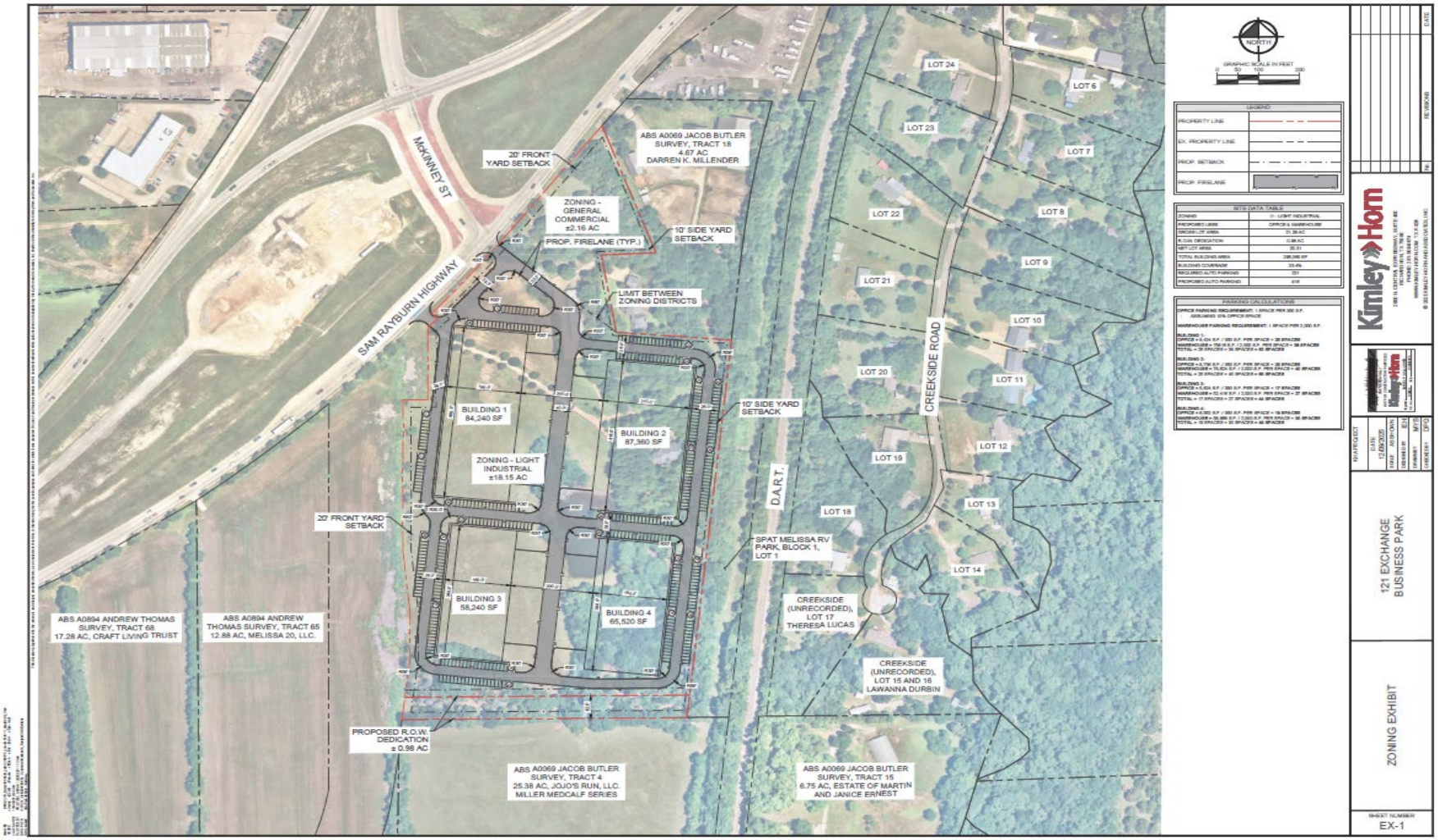
1. Land Use. Tract 1 shall be developed and used in accordance with the standards applicable to the General Commercial (C-2) zoning classification of Melissa's Zoning Ordinance. Tract 2 shall be developed and used in accordance with the standards applicable to the Light Industrial District (I-1) of Melissa's Zoning Ordinance.

2. Off-Street Parking and Loading Requirements. On Tract 2, one (1) parking space per two thousand (2,000) square feet of gross floor area shall be required.

3. Landscape Regulations. There shall be a twenty-five-foot root-irrigated landscape buffer immediately adjacent to SH 121, and a ten-foot irrigated landscape buffer immediately adjacent to SH 5 in which no building, structure or parking shall be permitted.

4. Street Design Requirements. Required dedication of right-of-way along the southern boundary of Tract 2 shall be one-half of the ultimate right-of-way section required in lieu of two-thirds.

Exhibit C
Zoning Exhibit



Note: Approval of the zoning case associated with this exhibit shall not imply or be interpreted as approval of any associated study, plat or plan, approval of development standards shown hereon or the initiation of the development process. Planning and Zoning Commission and/or City Council action on studies, plats or plans relating to development of this property shall be considered as an action separate from action taken on this zoning case.

Item 7.D

City of Melissa City Council Regular Meeting Staff Report

Date April 14, 2026

Subject Consider authorizing the City Manager to execute any and all documents necessary to obtain membership or otherwise meet requirements for membership in the North Texas Municipal Water District Regional Solid Waste System, effective October 1, 2026. (JL)

Submitted by Jason Little, City Manager

Summary of Subject

The NTMWD Regional Disposal Facility is the regional landfill site for the Collin County and surrounding areas. The landfill was constructed in the early 2000's and is projected to have a useful life of an additional 40+ years. City of Melissa is seeking to join the NTMWD Regional Solid Waste System as a Member City, with service beginning October 1, 2026.

This agreement provides the City with multiple benefits but also comes with various responsibilities and obligations.

- Benefits:
  - City's solid waste provider can dispose of material must quicker than leaving Melissa to enhance the time within the Melissa community for pickup services;
  - As a member city, Melissa residents can utilize the landfill up to twice a month disposal for no charge with proof of current water bill.
  - Residents would have up to three times per month to dispose of bulky waste (landfill drop off and CWD curbside monthly pickup)
- Responsibilities and Obligations:
  - City must deliver all municipal solid waste to NTMWD facilities
  - The City must maintain a solid waste utility fund and set solid waste rates sufficient to cover all costs
  - The City is obligated to pay its share of debt service costs regardless of actual usage
  - All City waste must be delivered to NTMWD facilities
  - City participates in funding future system expansions and improvements

Cost Structure includes:

- Annual system operating costs
- Debt service on system infrastructure
- City's proportional share of waste volume

Payment Method:

- Monthly payments from the City to NTMWD
- Annual reconciliation (“true-up”) based on actual tonnage

Revenue Source:

- City to retain disposal and hauling costs from provider
- Paid from solid waste utility revenues (not property taxes)

Should the Council support this transition to become a member of the Solid Waste System, City Staff will work with the solid waste provider, CWD, to amend our existing solid waste contract to detail the changes necessitated by the acceptance of Membership with the Solid Waste System.

Staff Recommendation

Staff recommends approval of the contract.

Supporting Documents

1. NTMWD Solid Waste Contract Resolution.docx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MELISSA, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO OBTAIN MEMBERSHIP OR OTHERWISE MEET REQUIREMENTS FOR MEMBERSHIP IN THE NORTH TEXAS MUNICIPAL WATER DISTRICT REGIONAL SOLID WASTE SYSTEM, EFFECTIVE OCTOBER 1, 2026; AND EXPRESSING THE CITY'S INTENT TO PARTICIPATE IN FUTURE COMPOST PROGRAM DISCUSSIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Melissa, Texas (the "City"), is a home-rule municipality located in Collin County, Texas; and

WHEREAS, the North Texas Municipal Water District (the "District") owns and operates a Regional Solid Waste System (the "System") that provides facilities and services for the receipt, transport, treatment, and disposal of solid waste; and

WHEREAS, the City desires to secure long-term, reliable, and cost-effective solid waste disposal services for its residents; and

WHEREAS, the System allows for additional municipalities to become member cities through execution of a Regional Solid Waste System Contract (the "Contract"); and

WHEREAS, the City has requested to become an Additional Member City of the System, with an effective date of October 1, 2026; and

WHEREAS, participation in the System will provide the City with regional solid waste disposal capacity and access to programs and services available to member cities; and

WHEREAS, the City Council finds that it is in the best interest of the City and its residents to enter into the Contract and become a member of the System; and

WHEREAS, the District has requested that the City acknowledge its interest in participating in future discussions related to regional composting and diversion programs as part of its membership; and

WHEREAS, the City desires to express its intent to participate in good faith in such future compost program discussions, subject to future City Council consideration and approval of any specific program commitments.

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

1. **Authorization.**
   The City Manager is hereby authorized to negotiate and execute the Regional Solid Waste System Contract with the North Texas Municipal Water District, as well as any and all related agreements, amendments, and supporting documents necessary to effectuate the City's membership in the System, effective October 1, 2026.

2. **Implementation Authority.**
   The City Manager is further authorized to take all administrative actions necessary to implement the City's participation in the System, including coordination of services, billing arrangements, and operational transition.

3. **Compost Program Participation Intent.**
   The City hereby expresses its intent to participate in future regional discussions with the District and member cities regarding composting, diversion, and other solid waste reduction initiatives. Such participation shall not obligate the City to implement or fund any specific program unless and until separately approved by the City Council.

4. **Severability.**
   If any provision of this Resolution is held to be invalid or unenforceable, such invalidity shall not affect the remaining provisions.

5. **Effective Date.**
   This Resolution shall take effect immediately upon its adoption.

6. **PASSED AND APPROVED** by the City Council of the City of Melissa, Texas, on this the ___ day of April, 2026.

_____
Jay Northcut, Mayor

_____
Hope Baskin, City Secretary

Item 7.E

City of Melissa City Council Regular Meeting Staff Report

Date April 14, 2026

Subject Authorize the City Manager to execute the new Potable Water Supply Contract with North Texas Municipal Water District (NTMWD). (JL)

Submitted by Jason Little, City Manager

Summary of Subject

This agenda item is to authorize the City Manager to execute the new Potable Water Supply Contract with North Texas Municipal Water District (NTMWD). This contract form is consistent with the new standard customer contract with NTWMD that is being implemented for all Customer Cities and will replace the existing water supply contract. It also considers the change in the Point of Delivery from the current Melissa Road location to the new East Water Take Point that will begin construction this year.

The existing Customer Premium the city pays is $0.05 above the Member City rate. Under this contract, the new Customer Premium will go into effect at the beginning of FY 2029. This new premium will be variable across the years of the contract and based on a calculation that is summarized briefly below:

Customer Rate = Legacy Volume + Growth Volume

- Legacy Volume (FY 2028 Annual Minimum + 5%) billed at Member City Rate + $0.05 per 1,000 gallons, and
- Growth Volume (Annual Minimum above Legacy Volume) billed at Member City Rate + 10%.
- NTMWD then evaluates the result from the annual rate calculation above (“Effective Rate”). If the Effective Rate is more than 2.8% above the Member City Rate, the rate is capped and recalculated so the City pays Member City Rate + 2.8% (effectively applying that capped rate to the full Annual Minimum volume). Once the City reaches the cap, the Customer Rate cannot drop below the capped level.

Staff has worked with a rate consultant, Raftelis, to create rate projections based on this contract and growth projections for Melissa’s future water use. It is anticipated that starting in FY 2030, the City’s Customer rate will simply be calculated by the Member City Rate + 2.8%.

The new East Water Take Point will be the primary water source to serve the City’s future growth. The contract also contemplates and outlines a transfer of a portion of the City’s contractual minimum

volume from the GTUA supply to NTMWD. This will allow the City to reduce the volume of water it is obligated to purchase at a higher rate from GTUA and instead purchase more affordably from NTMWD.

Staff Recommendation

Staff recommends approval of this contract.

Item 7.F

City of Melissa City Council Regular Meeting Staff Report

Date April 14, 2026

Subject Consider authorizing the City Manager or his designee to execute a facilities use agreement with Chase Oaks Church. (TS)

Submitted by Terrell Smith, Assistant City Manager

Action Requested

Authorize the City Manager or his designee to execute a facilities use agreement with Chase Oaks Church.

Summary of Subject

The City of Melissa looks to partner with the Chase Oaks Church to bring recreational and quality of life offerings to the community. Chase Oaks has agreed to partner with the City of Melissa to designate and allow facility usage at its planned Melissa, Texas campus. The purpose of this agreement is to outline the City's rights to utilize the allocated space within the planned campus. Key points of the agreement include:

- Term: The initial agreement term is for 10 years. The City has the option to renew for an additional two 5 years terms.
- Scheduling: Chase Oaks will maintain an ongoing schedule of events for the property. The City will submit an annual schedule with dates for requested usage and will submit ongoing requests as needed.
    - The City will have priority usage of the facility outside of use by Chase Oaks Church.
    - The City may request, but will not be entitled, to utilize the property on Sundays, major holidays, or during other blackout periods designated by Chase Oaks for church/ministry events or facility maintenance.
- Fee Structure: The City will not be subject to an annual or rental fee. City will be responsible for any direct costs related to City usage and programming.
- Storage: The City will be granted an office and storage space to utilize within the Chase Oaks Campus.

Upon approval, staff will execute the facility use agreement and continue to work with Chase Oaks to finalize the anticipated scheduled of events and construction.

Staff Recommendation

Staff recommends authorizing the City Manager or his designee to execute a facilities use agreement with Chase Oaks Church.

Supporting Documents

1. 2026-03-31 FINAL Facility Use Agreement - ARH.pdf

FACILITY USE AGREEMENT

This FACILITY USE AGREEMENT (the "Agreement"), is made and entered into as of this ____ day of _____, 2026 (the "Effective Date"), by and between CHASE OAKS CHURCH, a Texas religious nonprofit corporation (the "Church" or "Licensor") whose principal place of business is located at 241 Legacy Drive, Plano, Texas 75023, and CITY OF MELISSA, a State of Texas home-rule municipality ("Melissa" or "Licensee"). Sometimes herein Licensor and Licensee are collectively referred to as the "Parties" and each, individually, as a "Party."

ARTICLE 1
LICENSE OF PREMISES

1.1 License of Premises. Licensor hereby licenses to Licensee and Licensee hereby licenses from Licensor, the right to use for the Permitted Use set forth in Section 5.1, below the Premises (defined in Section 1.2, below). The Parties agree that the license of the Premises is upon and subject to the terms, covenants, and conditions set out in this Agreement, and Licensee covenants as a material part of the consideration for this Agreement to keep and perform each and all of such terms, covenants, and conditions by it to be kept and performed and that this Agreement is made upon the condition of such performance.

1.2 Premises. The Premises contemplated in this Agreement is commonly and synonymously referred to as the Community Center in that certain Development Agreement of even date herewith and further described and depicted in Exhibit A attached hereto. The perimeter of the Premises is set forth in Exhibit A attached hereto, indicated by a dotted red line. The Parties hereby acknowledge that the purpose of Exhibit A is to show the approximate location of the Premises within the Property, including all buildings, walkways, parking lots, and other areas.

1.3 Property. Licensee acknowledges that the Premises are a part of the real property with improvements located at _____ (the "Property"). The location of the buildings and features of the Property, including the Premises, are depicted and described on Exhibit A attached hereto. Licensee shall have the exclusive right to use the Premises on the dates and times as agreed to by the Parties in accordance with the terms of this Agreement, and a limited, non-exclusive right to use of other areas of the Property which are not part of the Premises with the prior written consent of the Licensor, at the sole discretion of Licensor, and subject to the Building Use Policies referred to in Article 5 of this Agreement.

ARTICLE 2
TERM

2.1 Initial Term. The terms and provisions of this Agreement shall be effective as of the Effective Date. The initial term of this Agreement (the "Initial Term") shall commence on the date Licensor receives a permanent Certificate of Occupancy ("CO") for the Premises, and ending at the first of (a) ten (10) years from the issuance of the CO or (b) the date the Licensor no longer owns the Property (the "Expiration Date"), unless this Agreement is sooner terminated as hereinafter provided.

2.2 Extension Option. Licensee may, at its option, extend the Initial Term (the "Extension Option") for two (2) additional five (5) year terms (the "Renewal Terms") upon the same terms contained in this Agreement, excluding the License Fee amount, which shall be established by Licensor in its sole discretion. To exercise the Extension Option, Licensee must deliver a written notice to Licensor (which notice shall be non-binding) not less than twelve (12) months prior to the proposed commencement of each Renewal Term (the "Extension Notice"). Within sixty (60) days of receipt of the Extension Notice, Licensor shall inform Licensee of the License Fee for each Renewal Term. Licensee shall give Licensor final binding notice of intent to exercise the Extension Option within thirty (30) days after receiving Licensor's notice of the License Fee for the Renewal Term. If Licensee fails to give either its initial non-binding notice or its final binding notice in a timely manner, Licensee will be deemed to have waived its right to exercise the Extension Option. Licensee may only exercise the Extension Option if Licensee is in good standing and not in default under any term of this Agreement on the date it delivers notice of the same. Any reference in this Agreement to the word "Term" shall mean the Initial Term, and as applicable in Licensor's discretion, each Renewal Term.

2.3 Licensor's Right of Early Termination. Notwithstanding anything in this Agreement to the contrary, Licensor may, at its election (in addition to any other right of termination granted to Licensor hereunder or pursuant to Texas law), terminate this Agreement without liability to Licensor in the event that Licensee's Permitted Use or the license of the Premises violates any applicable law, regulation, or ordinance of any governing jurisdiction. Without prejudice to Licensor's right of early termination as provided herein, Licensor may, at the sole discretion of Licensor, allow Licensee reasonable time and opportunity to remedy any such violation, the terms of such an offer to remedy to be provided by Licensor to Licensee in writing.

ARTICLE 3
LICENSE FEE

Licensee shall be entitled to use the Premises, subject to the terms, covenants, and conditions set out in this Agreement, at no cost to Licensee; provided, however that this License Fee of Zero Dollars and No/100ths ($0.00) shall not exempt Licensee from its obligations as provided in Articles 4, 6, 7, 8, and 10 herein.

ARTICLE 4
LICENSEE'S EXPENSES

4.1 Charges for Which Licensee Is Directly Responsible. Licensee will reimburse and pay Licensor for any and all costs, fees, and amounts that Licensor incurs because of Licensee's use of the Property or any part or portion thereof to the extent such costs, fees and amounts are set forth in Exhibit B (the "Direct Expenses"). Direct Expenses include, without limitation: (a) audio/visual ("AVL") technician staffing required to operate Licensor's equipment; (b) janitorial/porter services required to return the Premises and any used areas of the Property to the condition existing prior to Licensee's use; and (c) any other third-party services reasonably required by the nature, size, time, or configuration of Licensee's event. All Direct Expenses are billed on an hourly basis and the current rates for each are attached hereto at Exhibit B, as amended

from time to time. Additionally, if Licensee desires to utilize any of the kitchen space or require any optional services, the fees for such services are as included in Exhibit B.

4.2 Reserved.

4.3 Statement of Actual Direct Expenses and Payment by Licensee. When reserving use of the Premises, Licensee will be provided a statement (the "Direct Expense Statement") through Licensor's scheduling software that details the expenses described in Sections 4.1 above for each event. Upon receipt of the Direct Expense Statement, Licensee shall pay the full amount due for such expenses. For any additional Direct Expenses incurred after each event for extra hours of any Licensor Vendor, Licensor will provide written notice of such additional Direct Expenses within one (1) week of such event. Upon receipt of the notice of additional Direct Expenses, Licensee will pay the full amount due for such additional expenses. In the event Licensor changes the software it utilizes for scheduling and reservation purposes to a program that does not generate such Direct Expense Statements, Licensor will provide Licensee reasonable notice of such change, including notice of any new process for generating such Direct Expense Statements. The failure of Licensor to timely furnish the Direct Expense Statement or other notice required herein shall not prejudice Licensor from enforcing its rights under this Article 4. Even if the Term has expired, and Licensee has vacated the Premises, Licensee shall immediately pay to Licensor any amounts due under a Direct Expense Statement submitted to Licensee after such expiration or vacation of the Premises. The provisions of this Section 4.3 shall survive the expiration or earlier termination of the Term.

ARTICLE 5
USE OF PREMISES

5.1 Permitted Use. This Agreement grants the right of Licensee to use and occupy the Premises only. This Agreement does not grant to Licensee the right to use or occupy other aspects of the Property unless this Agreement states specifically to the contrary or Licensor grants its written consent for such use. Licensee shall use the Premises (and, if permitted, the Property) solely for approved Licensee-hosted or organized events and gatherings and any other reasonable uses that do not adversely affect the Premises (and, if permitted, the Property) (the "Permitted Use"). Licensee shall not use or permit the Premises or the Property to be used for any other purpose or purposes whatsoever without the prior written consent of Licensor, which consent may be withheld, conditioned, or delayed in Licensor's sole discretion.

5.2 Scheduling; Priority; Blackout Dates. Licensor will maintain the master schedule for the Premises and Property using Licensor's scheduling system or tool designated by Licensor from time to time (the "Scheduling Tool"). Licensee shall submit all requests to use the Premises through the Scheduling Tool, and such use requests may be submitted up to twelve (12) months in advance. All such use requests properly submitted by Licensee are subject to Licensor's final approval, which will not be unreasonably withheld, conditioned, or delayed. Licensor and Licensee agree that, subject only to Licensor's use of the Property, Licensee has priority in its right to use the Premises. Provided, however, the Parties further agree that with respect to any previously unreserved date within any immediate ninety (90) day period that has not already been reserved by Licensee, Licensor may open use of the Premises to unrelated third parties. Any such

third-party reservation shall not be subject to displacement by a later request from Licensee. All reservations are subject to Licensor's review and final approval, in Licensor's reasonable discretion, to ensure compatibility with Church operations, safety, and maintenance needs. Licensee shall not sub-license use of the Premises without Licensor's prior written consent. Licensee acknowledges it is not entitled to use the Premises on Sundays, for major Church or ministry events, or on the following major holidays: Easter Weekend, Thanksgiving Day, Christmas Eve, Christmas Day, New Year's Eve, and New Year's Day, or during other blackout periods designated by Licensor for maintenance. Provided, however, in the event Licensor needs to use the Premises for exigent circumstances (e.g., funerals), Licensor and Licensee will work in good faith to accommodate a workable alternative use for Licensee or workable accommodation such that the Licensee and Licensor may utilize the Premises concurrently. In the event a workable accommodation for concurrent use cannot be agreed upon, Licensee will be reimbursed for any Direct Expenses already paid to Licensor related to the canceled event and provided first priority for rescheduling such canceled event.

5.3 Prohibited Uses. Licensee further covenants and agrees that Licensee shall not use, or suffer or permit any person or persons to use, the Premises, the Property, or any part thereof for any use or purpose contrary to the provisions of the "Building Use Policies" attached in Exhibit C hereto, or in violation of the laws of the United States of America, the State of Texas, ordinances or regulations, or requirements of the local municipal or county governing body or other lawful authorities having jurisdiction over the Property including, without limitation, any such laws, ordinances, regulations, or requirements relating to hazardous materials or substances, as those terms are defined by applicable laws now or hereafter in effect. A violation of the Building Use Policies by Licensee shall be deemed a default under this Article 5. Licensee shall not do anything in or about the Premises (or Property) which will damage the reputation of the Licensor obstruct or interfere with the rights of other licensees or occupants of the Property, or injure or annoy them or use or allow the Premises (or Property) to be used for any unlawful purpose, nor shall Licensee cause, maintain or permit any nuisance in, on or about the Premises (or Property). Licensee shall comply with, and Licensee's rights and obligations under the Agreement and Licensee's use of the Premises and Property shall be subject and subordinate to, all recorded easements, covenants, conditions, and restrictions now or hereafter affecting the Premises (or Property).

5.4 Additional Requirements for Youth Events. For any events where Licensee is providing child care or is directly responsible for the supervision of minors (a "Youth Event"), Licensee agrees to comply with all applicable state and federal laws for the protection and supervision of minors. Licensee acknowledges and agrees that for any such Licensee-hosted Youth Event, Licensor has no responsibility with respect to the supervision of such minors entrusted to Licensee's care. Licensor reserves the right to review Licensee's policies and practices regarding the protection and safety of minors. Licensor may require reasonable additional safeguards for youth events if the expected attendance, duration, or activities warrant heightened safety measures. Minors in attendance at Licensee-hosted events may not be left unsupervised for any extended period of time.

5.5 Reserved.

5.6 Security and Safety; Allocation of Responsibility. Licensee, at its sole cost and expense, shall be responsible for providing security and safety measures for its activities and operations within the Premises and the Property, including any necessary security personnel. Licensor shall assume no responsibility for any liability, damage, or claim in connection with the Licensee's failure to provide adequate safety and security measures during its use of the Property.

ARTICLE 6
SERVICES AND UTILITIES

6.1 Standard Licensee Services. Subject to limitations imposed by all governmental rules, regulations and guidelines applicable thereto, Licensor shall provide the following services during the Term: (a) heating and air conditioning ("HVAC") (b) the existing electrical wiring and facilities for connection and use by Licensee ("Standard Equipment"), and (c) the existing water service from the municipality servicing the Property for drinking, lavatory and toilet purposes (collectively, the "Services and Utilities"). Permitted Uses expressly do not include use of Licensor's audio and visual equipment located on the Premises. Provided, however, should Licensee desire to utilize the audio and visual equipment, Licensee agrees to pay for the AV staffing coverage provided by Licensor for Licensee's event, as provided herein. Licensor shall be solely responsible for paying all bills, costs, and fees related to the Licensee's AV equipment use and paying all bills, costs, and fees related to the maintenance and repair of the AV equipment necessitated by Licensee's use thereof. Licensee shall cooperate fully with Licensor at all times and abide by all regulations and requirements that Licensor may reasonably prescribe for the proper functioning and protection of the HVAC, electrical, mechanical, plumbing, and other systems at and on the Property.

6.2 Overstandard Licensee Use. Licensee shall not, without Licensor's prior written consent, use heat-generating machines, machines other than normal fractional horsepower office machines, or equipment or lighting other than standard lights in the Premises, which may affect the temperature otherwise maintained by the air conditioning system or increase the water normally furnished for the Premises by Licensor pursuant to the terms of Section 6.1 of this Agreement. Furthermore, Licensee's use of electricity shall never exceed the capacity of the feeders to the Property or the risers or wiring installation, and Licensee shall not install or use or permit the installation or use of any computer or electronic data processing equipment in the Premises, without the prior written consent of Licensor.

6.3 Interruption of Use. Licensee agrees that Licensor shall not be liable for damages for failure to furnish or delay in furnishing any service (including telephone and telecommunication services), or for any diminution in the quality or quantity thereof, when such failure or delay or diminution is occasioned, in whole or in part, by breakage, repairs, replacements, or improvements, by any strike, lockout or other labor trouble, by inability to secure electricity, gas, water, or other fuel at the Premises (or Property), by any riot or other dangerous condition, emergency, accident or casualty whatsoever, by act or default of Licensee or other parties, or by any other cause beyond Licensor's reasonable control; and such failures or delays or diminution shall never relieve Licensee from performing any of its obligations under this Agreement.

ARTICLE 7

REPAIRS

7.1 Licensee Obligations. Licensee shall be responsible for, and promptly pay, all expenses necessary to repair all damage to the Premises, as well as damage to the Property, caused by Licensee or its agents, invitees, or guests.

7.2 Licensor Obligation, Rights. Notwithstanding the foregoing, Licensor shall be responsible for the cost and expense for all improvements, fixtures, furnishings and systems and equipment in the Premises, as well as repairs to the exterior walls, foundation, and roof of the Premises, the structural portions of the floors of the Premises, and the base building systems and equipment of the Premises, except to the extent that such repairs are required due to the negligence or willful misconduct of Licensee; provided, however, that if such repairs are due to the negligence or willful misconduct of Licensee, Licensor shall nevertheless make such repairs at Licensee's expense, or, if covered by Licensor's insurance, Licensee shall only be obligated to pay any deductible in connection therewith.

ARTICLE 8
ALTERATIONS; STORAGE AND REMOVAL OF PROPERTY

8.1 Alterations. Licensee agrees to maintain the Premises (or Property) in the good order and condition as it was prior to the use, and not to alter, damage, mar, or in any way deface the Premises (or Property). Alterations include, but are not limited to, movement of furniture and driving nails, hooks, tacks or screws into any part of the Premises (or Property). Alterations to the Premises (or Property) without the Licensor's written permission will result in a charge equal to the cost of restoring the area to its original conditions being levied against the Licensee.

8.2 Storage of Property; Designated Areas; Risk of Loss. Licensee shall not store any personal property, equipment, materials, or other items on the Premises (or Property) except within specifically designated storage areas approved in writing by Licensor. Licensee stores all property on the Premises at its own risk. Licensor shall not be responsible for the care, loss, or damage of Licensee's property stored anywhere on the Premises or Property unless caused by the negligence or willful misconduct of Licensor.

8.3 Removal of Licensee Property by Licensee. Upon the expiration of each Permitted Use event, or upon any earlier termination of this Agreement, Licensee shall quit and surrender possession of the Premises to Licensor in as good order and condition as when Licensee took possession, reasonable wear and tear excepted. Upon such expiration or termination, Licensee shall, without expense to Licensor, remove or cause to be removed from the Premises (or Property) all debris and rubbish, and such items of furniture, equipment, and other articles of personal property, equipment, materials, or other items owned by Licensee or placed by Licensee at its expense in the Premises (or Property), except as permitted in accordance with Section 8.2 above.

8.4 Removal of Licensee Property by Licensor. In the event that the Premises (or Property) is not vacated by Licensee when specified at the end of the Permitted Use, Licensor is authorized to remove, at Licensee's expense, all property left by Licensee in the Premises (or

Property), except for any property of Licensee's that is properly located in the permitted storage area.

ARTICLE 9
COVENANT AGAINST LIENS

Licensee shall keep the Property and Premises free from any liens or encumbrances arising out of Licensee's actions or obligations under this Agreement. Licensee shall remove any such lien or encumbrance by bond or otherwise within ten (10) days after notice by Licensor, and if Licensee shall fail to do so, Licensor may pay the amount necessary to remove such lien or encumbrance, without being responsible for investigating the validity thereof. The amount so paid shall be payable upon demand, without limitation as to their remedies available to Licensor under this Agreement. Nothing contained in this Agreement shall authorize Licensee to do any act which shall subject Licensor's title to the Premises (or Property) to any liens or encumbrances, whether claimed by operation of law or express or implied contract. Any claim to a lien or encumbrance upon the Premises (or Property) arising in connection with Licensee's actions or obligations not performed by or at the request of Licensor shall be null and void, or at Licensor's option shall attach only against Licensee's interest in the Premises and shall in all respects be subordinate to Licensor's title to the Premises (or Property).

ARTICLE 10
INDEMNITY; INSURANCE

10.1 Responsibility for Use of Premises. Licensee shall be responsible for the conduct of its officers, employees, agents, contractors, participants, invitees, and guests while using the Premises and for all activities conducted by or on behalf of Licensee in connection with the Permitted Use. Licensee assumes responsibility for any damage to the Premises or Property caused by the acts or omissions of Licensee or its officers, employees, agents, contractors, participants, invitees, or guests. During Licensee's use of the Premises, Licensee shall have responsibility for the supervision and control of all participants and attendees associated with the Permitted Use. Licensee agrees to promptly notify Licensor of any injury to persons or damage to property occurring in connection with Licensee's use of the Premises. Each Party shall be responsible for the acts and omissions of its own officers, employees, and agents to the extent permitted by applicable Texas law. Nothing in this Agreement shall be construed to require Licensee to indemnify or hold harmless Licensor for the negligence or misconduct of Licensor or its officers, employees, or agents, nor shall anything in this Agreement be deemed to waive or limit any governmental immunity or defense available to Licensee under Texas law.

10.2 Reserved.

10.3 Licensee's Insurance. Licensee shall maintain the following coverages in the following amounts. Nothing in this Section shall be construed as a waiver of any governmental immunity or defense available to Licensee under Texas law. All of Licensee's insurance requirements may be satisfied through self-insurance administered by an intergovernmental risk pool.

10.3.1 Commercial General Liability Insurance covering the insured against claims of bodily injury, personal injury, and property damage (including loss of use thereof) arising out of Licensee's operations, and contractual liabilities (covering the performance by Licensee of its indemnity agreements) including a Broad Form endorsement covering the insuring provisions of this Agreement, for limits of liability not less than:

Commercial General Liability	$1,000,000.00	
Excess/Umbrella Liability	$100,000.00	each occurrence
	$1,000,000.00	damage to rented property
	$2,000,000.00	personal injury
	$5,000,000.00	annual aggregate
	$1,100,000.00	each occurrence

10.3.2 Physical Damage Insurance covering: (a) all office furniture, business and trade fixtures, office equipment, free-standing cabinet work, movable partitions, merchandise and all other items of Licensee's property on the Premises (or if applicable, the Property) installed by, for, or at the expense of Licensee, (b) improvements which exist in the Premises as of the Commencement Date (the "Original Improvements"), and (c) all other improvements, alterations and additions to the Premises (or if applicable, the Property). Such insurance shall be written on an "all risks" of physical loss or damage basis, for the full replacement cost value (subject to reasonable deductible amounts) new without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance and shall include coverage for damage or other loss caused by fire or other peril including, but not limited to, vandalism and malicious mischief, theft, water damage of any type, including sprinkler leakage, bursting or stoppage of pipes, and explosion, and providing business interruption coverage for a period of one year.

10.3.3 Worker's Compensation and Employer's Liability or other similar insurance pursuant to all applicable state and local statutes and regulations.

10.4 Form of Policies. The minimum limits of policies of insurance required of Licensee under this Agreement shall in no event limit the liability of Licensee under this Agreement. Such insurance shall: (a) name Licensor, and any other party the Licensor so specifies, as an additional insured (b) specifically cover the liability assumed by Licensee under this Agreement, including, but not limited to, Licensee's obligations under Section 10.1 of this Agreement; (c) be issued by an insurance company having a rating of not less than A-X in Best's Insurance Guide or which is otherwise acceptable to Licensor and licensed to do business in the State of Texas; (d) be primary insurance as to all claims thereunder and provide that any insurance carried by Licensor is excess and is non-contributing with any insurance requirement of Licensee; (e) be in form and content reasonably acceptable to Licensor; and (f) provide that such insurance shall not be canceled or coverage changed unless thirty (30) days' prior written notice shall have been given to Licensor and any mortgagee of Licensor. Licensee shall deliver such policy or policies or certificates thereof to Licensor on or before the Commencement Date and at least thirty (30) days before the expiration dates thereof. In the event Licensee shall fail to procure such insurance, or to deliver such policies or certificate, Licensor may, at its option, procure such policies for the account of

Licensee, and the cost thereof shall be paid to Licensor within five (5) days after delivery to Licensee of bills to it.

10.5 Subrogation. The Parties intend that their respective property loss risks shall be borne by reasonable insurance carriers to the extent above provided, and the Parties hereby agree to look solely to, and seek recovery only from, their respective insurance carriers in the event of a property loss to the extent that such coverage is agreed to be provided hereunder. The Parties each hereby waive all rights and claims against each other for such losses; and waive all rights of subrogation of their respective insurers, provided such waiver of subrogation shall not affect the right to the insured to recover thereunder. The Parties agree that their respective insurance policies are now, or shall be, endorsed such that the waiver of subrogation shall not affect the right of the insured to recover thereunder, so long as no material additional premium is charged therefore.

10.6 Additional Insurance Obligations. Licensee shall carry and maintain during the Term, at Licensee's sole cost and expense, increased amounts of the insurance required to be carried by Licensee pursuant to this Article 10 and such other reasonable types of insurance coverage and in such reasonable amounts covering the Premises (or if applicable, the Property) and Licensee's operations therein, as may be reasonably requested by Licensor.

ARTICLE 11
DAMAGE AND DESTRUCTION

11.1 Repair of Damage to Premises. Licensee shall promptly notify Licensor of any damage to the Premises (or Property) resulting from fire or any other casualty. The restoration of such damaged areas shall be within Licensor's discretion and control. Upon the occurrence of any damage to the Premises (or Property), upon notice (the "Licensor Repair Notice") to Licensee from Licensor, Licensee shall assign to Licensor (or to any party designated by Licensor) all insurance proceeds payable to Licensee under Licensee's insurance required under Section 10.3 of this Agreement, and Licensor shall cause the repair of any injury or damage as described above; provided that if the cost of such repair by Licensor exceeds the amount of insurance proceeds received by Licensor from Licensee's insurance carrier, as assigned by Licensee, the cost of such repairs shall be paid by Licensee to Licensor (upon Licensor's demand) prior to Licensor's commencement of repair of the damage. Licensor shall not be liable for any inconvenience or annoyance to Licensee or its visitors resulting in any way from such damage or the repair thereof, including instances in which all or some of the Premises cannot be used by Licensee as a result thereof.

11.2 Licensor's Option. Notwithstanding the terms of Section 11.1 of this Agreement, Licensor may elect not to rebuild and/or restore the Premises and/or Property, and instead terminate this Agreement, by notifying Licensee in writing of such termination within sixty (60) days after the date of discovery of the damage, such notice to include a termination date giving Licensee sixty (60) days to vacate the Premises. However, if Licensor does not elect to terminate this Agreement pursuant to Licensor's termination right as provided above, and the repairs cannot, in the reasonable opinion of Licensor, be completed within one hundred eighty (180) days after being commenced, Licensee may elect, no earlier than sixty (60) days after the date of the damage and not later than ninety (90) days after the date of such damage, to terminate this Agreement by

written notice to Licensor effective as of the date specified in the notice, which date shall not be less than thirty (30) days nor more than sixty (60) days after the date such notice is given by Licensee.

11.3 Reserved.

ARTICLE 12
NONWAIVER

No provision of this Agreement shall be deemed waived by either Party hereto unless expressly waived in a writing signed thereby. The waiver by either Party hereto of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition herein contained. The subsequent acceptance of any fees hereunder by Licensor shall not be deemed to be a waiver of any preceding breach by Licensee of any term, covenant, or condition of this Agreement, other than the failure of Licensee to pay the particular fees so accepted, regardless of Licensor's knowledge of such preceding breach at the time of acceptance of such fees. No acceptance of a lesser amount than that stipulated shall be deemed a waiver of Licensor's right to receive the full amount due, nor shall any endorsement or statement on any check or payment or any letter accompanying such check or payment be deemed an accord and satisfaction, and Licensor may accept such check or payment without prejudice to Licensor's right to recover the full amount due. No receipt of monies by Licensor from Licensee after the termination of this Agreement shall in any way alter the length of the Term or of Licensee's right of possession hereunder, or after the giving of any notice shall reinstate, continue or extend the Term or affect any notice given Licensee prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit, or after final judgment for possession of the Premises, Licensor may receive and collect any fees due, and the payment of such fees shall not waive or affect such notice, suit, or judgment.

ARTICLE 13
DEFAULTS; REMEDIES

13.1 Events of Default. The occurrence of any of the following shall constitute a default of this Agreement by Licensee:

13.1.1 Except where a specific time period is otherwise set forth for Licensee's performance in this Agreement, in which event the failure to perform by Licensee within such time period shall be a default by Licensee under this Section 13.1.1, any failure by Licensee to observe or perform any other provision, covenant or condition of this Agreement to be observed or performed by Licensee where such failure continues for fifteen (15) days after written notice thereof from Licensor to Licensee; provided that if the nature of such default is such that the same cannot reasonably be cured within a fifteen (15) day period, Licensee shall not be deemed to be in default if it diligently commences such cure within such period and thereafter diligently proceeds to rectify and cure such default (but in any event, such time period to cure shall not exceed thirty (30) days); or

13.1.2 The failure by Licensee to observe or perform according to the provisions of Articles 9 or 10 of this Agreement, where such failure continues for more than thirty (30) days after notice from Licensor.

13.2 Remedies Upon Default. Upon the occurrence of any event of default by Licensee, Licensor shall have, in addition to any other remedies available to Licensor at law or in equity (all of which remedies shall be distinct, separate and cumulative), the option to **t**erminate this Agreement, in which event Licensee shall immediately surrender the Premises to Licensor, and if Licensee fails to do so, Licensor may, without prejudice to any other remedy which it may have for possession or arrearages in fees owed, enter upon and take possession of the Premises and expel or remove Licensee and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim for damages therefore. In addition to the remedies described in the immediately preceding sentence, Licensor shall at all times have all available rights and remedies without prior demand or notice except as required by applicable law, to seek any declaratory, injunctive, or other equitable relief, and specifically enforce this Agreement, or restrain or enjoin a violation or breach of any provision hereof.

13.3 Sublicenses of Licensee. Whether or not Licensor elects to terminate this Agreement on account of any default by Licensee, as set forth in this Article 13, Licensor shall have the right to terminate any and all sublicense, licenses, concessions, or other consensual arrangements for possession entered into by Licensee and affecting the Premises (or Property) or may, in Licensor's sole discretion, succeed to Licensee's interest in such sublicense, licenses, concessions or arrangements. In the event of Licensor's election to succeed to Licensee's interest in any such sublicense, licenses, concessions, or arrangements, Licensee shall, as of the date of notice by Licensor of such election, have no further right to or interest in any fees, payments, or other consideration receivable thereunder.

ARTICLE 14
SIGNS

14.1 Prior Written Consent of Licensor. All signage of Licensee shall be subject to prior written consent and approval of Licensor. Such consent and approval may be withheld, conditioned, or delayed in Licensor's sole discretion.

14.2 Prohibited Signage and Other Items. Any signs, notices, logos, pictures, names, or advertisements that are installed and that have not been separately approved by Licensor may be removed without notice by Licensor at the sole expense of Licensee. Licensee may not install any signs on the exterior or roof of any building on the Property without the prior written consent of Licensor. Any signs, window coverings, or blinds (even if the same are located behind the Licensor-approved window coverings for the Premises), or other items visible from the exterior of the Premises (or Property), shall be subject to the prior consent and approval of Licensor, which consent and approval may be withheld, conditioned, or delayed in Licensor's sole discretion.

ARTICLE 15
COMPLIANCE WITH LAW

15.1 General Compliance. Licensee shall not do anything or suffer anything to be done in or about the Premises (or Property) which will in any way conflict with any law, statute, ordinance or other governmental rule, regulation or requirement now in force or which may hereafter be enacted or promulgated (including, but not limited to, the matters described in Article 5, above). At its sole cost and expense, Licensee shall promptly comply with all such governmental measures. Should any standard or regulation now or hereafter be imposed on Licensor or Licensee by a state, federal, or local governmental body charged with the establishment, regulation, and enforcement of occupational, health, or safety standards for employers, employees, licensors, or licensees, then Licensee agrees, at its sole cost and expense, to comply promptly with such standards or regulations.

15.2 Business Compliance. Licensee is solely responsible for obtaining and maintaining any and all licenses, permits, and approvals that are required for Licensee to conduct the Permitted Use. The judgment of any court of competent jurisdiction or the admission of Licensee in any judicial action, regardless of whether Licensor is a party thereto, that Licensee has violated any of such governmental measures, shall be conclusive of that fact as between the Parties.

ARTICLE 16
LICENSOR'S RIGHT TO CURE DEFAULT

16.1 Licensor's Cure. All covenants and agreements to be kept or performed by Licensee under this Agreement shall be performed by Licensee at Licensee's sole cost and expense. If Licensee fails to perform any obligation under this Agreement, and such failure shall continue in excess of the time allowed, Licensor may, but shall not be obligated to, make any such payment or perform any such act on Licensee's part without waiving its rights based upon any default of Licensee and without releasing Licensee from any obligations hereunder.

16.2 Licensee's Reimbursement. Except as may be specifically provided to the contrary in this Agreement, Licensee shall pay to Licensor, upon delivery by Licensor to Licensee of statements therefore: (a) sums equal to expenditures reasonably made and obligations incurred by Licensor in connection with the remedying by Licensor of Licensee's defaults pursuant to the provisions of Section 16.1; (b) sums equal to all losses, costs, liabilities, damages and expenses referred to in Article 10 of this Agreement; and (c) sums equal to all expenditures made and obligations incurred by Licensor in collecting or attempting to collect any fees owed or in enforcing or attempting to enforce any rights of Licensor under this Agreement or pursuant to law, including, without limitation, all reasonable legal fees and other amounts so expended. Licensee's obligations under this Section 16.2 shall survive the expiration or sooner termination of the Term.

ARTICLE 17
ENTRY BY LICENSOR

Licensor reserves the right to enter the Premises to: (a) inspect them; or (b) show the Premises (or Property) to prospective purchasers, or to current or prospective mortgagees, or insurers; or (c) post notices of non-responsibility; or (iv) alter, improve or repair the Premises (or Property), or for structural alterations, repairs or improvements to the Premises (or Property) or to alter, remove or repair the Premises (or Property) systems and equipment. Notwithstanding anything to the contrary contained in this Article 17, Licensor may enter the Premises at any time to: (a) perform services required of Licensor, including janitorial service; (b) take possession due to any breach of this Agreement in the manner provided herein; and (c) perform any covenants of Licensee which Licensee fails to perform. Licensee hereby waives any claims for damages or for any injuries or inconvenience to or interference with Licensee's Permitted Use, and any other loss occasioned thereby. For each of the above purposes, Licensor shall at all times have a key with which to unlock all the doors in the Premises, excluding any vaults, safes, and special security areas designated in advance by Licensee. In an emergency, Licensor shall have the right to use any means that Licensor may deem proper to open the doors in and to the Premises. Any entry into the Premises by Licensor in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an actual or constructive eviction of Licensee from any portion of the Premises. No provision of this Agreement shall be construed as obligating Licensor to perform any repairs, alterations, or decorations except as otherwise expressly agreed to be performed by Licensor herein.

ARTICLE 18
PARKING; TRAFFIC MANAGEMENT

18.1 Parking Spaces. Licensee, its staff, visitors, and guests (the "Licensee Parties") shall have the right to utilize the parking spaces identified on Exhibit A (the "Authorized Parking Areas"). Use of the Authorized Parking Areas shall be on a non-exclusive first-come, first-served basis and further subject to the terms set out below.

18.1.1 Limitations on Use. The use of the Authorized Parking Areas shall only be for the parking of automobiles during Licensee's Authorized Use events, and for no other purpose or use unless otherwise agreed to in writing by the Parties. The Licensee Parties' right to use the Authorized Parking Areas is conditioned upon Licensee (and the Licensee Parties) abiding by all policies which are prescribed from time to time for the orderly operation and use of the Authorized Parking Areas (including any sticker or other identification system established by Licensor). Licensee shall cause the Licensee Parties to comply with all of such policies. Licensee shall not have the right to utilize the Authorized Parking Areas for any of the following transportation vehicles without the prior written consent of Licensor: (a) trolleys; (b) semi-trucks; (c) tractors; (d) oversized vehicles of any kind; (e) vehicles of a size that would interrupt, interfere with the normal use, entry, or exit of vehicles to and from the Authorized Parking Areas; or (f) vehicles that may cause structural damage to the Authorized Parking Areas.

18.1.2 Risk of Loss. The Licensee Parties' use of the Authorized Parking Areas shall be at such parties' sole risk and Licensee acknowledges and agrees that Licensor shall have no liability whatsoever for damage to the vehicles of the Licensee Parties or for other personal injury or property damage or theft relating to or connected with the parking rights granted herein

or Licensee Parties' use of the Authorized Parking Areas. The Licensee Parties' rights hereunder are subject to the terms of this Agreement.

18.1.3 Licensor's Right to Change. Provided that Licensor has first obtained all necessary regulatory approvals, Licensor specifically reserves the right to change the size, configuration, design, layout, and all other aspects of the Authorized Parking Areas at any time and Licensee acknowledges and agrees that Licensor may, without incurring any liability to Licensee, from time to time, close-off or restrict access to the Authorized Parking Areas for purposes of permitting or facilitating any such construction, alteration, or improvements. Licensor may delegate its responsibilities hereunder to a parking operator, in which case such parking operator shall have all the rights of control attributed hereby to the Licensor.

18.1.4 Traffic Management. Licensee shall fully comply with all present or future programs intended to manage parking, transportation, or traffic in and around the Property (or Premises), and in connection therewith, Licensee shall take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Licensor, any governmental transportation management organization or any other transportation-related committees or entities. Such programs may include, without limitation: (a) restrictions on the number of peak-hour vehicle trips generated by Licensee; or (b) increased vehicle occupancy.

18.1.5 Overflow Parking. From time to time, either Party (the "Requesting Party") may request permission to utilize designated parking areas of the other Party's adjacent property (the "Overflow Parking Area"), solely for overflow parking in connection with pre-identified special events (each, a "Special Event"). Any such use shall be temporary, non-exclusive, and specifically limited to the date(s) and time(s) approved in advance by the property owner (the "Granting Party"). Approval of overflow parking for any Special Event shall be subject to the Granting Party's prior written approval, which may be granted or withheld in its sole discretion, and shall not create any ongoing, recurring right of use. All overflow parking use shall be conducted in a manner that does not unreasonably interfere with the Granting Party's operations, tenants, invitees, or normal parking needs.

ARTICLE 19
MISCELLANEOUS PROVISIONS

19.1 Terms; Captions. The words "Licensor" and "Licensee" as used herein shall include the plural as well as the singular. References to Licensee shall also mean its employees and agents, but only to the extent that Licensor, in its sole discretion, deems the same to be applicable. The necessary grammatical changes required to make the provisions hereof apply either to corporations or partnerships or individuals, men or women, as the case may require, shall in all cases be assumed as though in each case fully expressed. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect, or alter the meaning of such Articles and Sections.

19.2 Binding Effect. This Agreement shall constitute a valid and binding agreement by and between the Licensor and Licensee, but also of their respective heirs, personal representatives,

successors, or assigns, provided this clause shall not permit any assignment by Licensee contrary to this Agreement.

19.3 Modification of Agreement. Should any current or prospective mortgagee for the Premises (or Property) require a modification of this Agreement, then and in such event, Licensee agrees that this Agreement may be so modified and agrees to execute whatever documents are reasonably required therefore and to deliver the same to Licensor within five (5) days following a request therefore. At the request of Licensor or any mortgagee, Licensee agrees to execute a short form of Agreement and deliver the same to Licensor within five (5) days following the request therefore.

19.4 Counterparts. This Agreement may be executed in counterparts with the same effect as if both Parties hereto had executed the same document. Both counterparts shall be construed together and shall constitute a single Agreement.

19.5 Prohibition Against Recording. Neither this Agreement, nor any memorandum, affidavit, or other writing with respect thereto, shall be recorded by Licensee or by anyone acting through, under, or on behalf of Licensee.

19.6 Licensor's Possession. Licensor's possessory interest in the Premises and Property is and always shall be paramount to the rights of Licensee. Nothing herein contained shall empower Licensee to do any act which can, shall, or may encumber the possessory interest of Licensor.

19.7 Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the Parties hereto or by any third-party to create the relationship of principal and agent, partnership, joint venturer, or any association between the Parties.

19.8 Application of Payments. Licensor shall have the right to apply payments received from Licensee pursuant to this Agreement, regardless of Licensee's designation of such payments, to satisfy any obligations of Licensee hereunder, in such order and amounts as Licensor, in its sole discretion, may elect.

19.9 Time of Essence. Time is of the essence with respect to the performance of every provision of this Agreement in which time of performance is a factor.

19.10 Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore

that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

19.11 No Warranty. In executing and delivering this Agreement, Licensee has not relied on any representations or any warranty or any statement of Licensor which is not set forth herein or in one or more of the exhibits attached hereto.

19.12 Reserved.

19.13 Entire Agreement. It is understood and acknowledged that there are no oral agreements between the Parties hereto affecting this Agreement and this Agreement constitutes the Parties' entire agreement with respect to the subject matter hereof and supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the Parties hereto or displayed by Licensor to Licensee, and none thereof shall be used to interpret or construe this Agreement. None of the terms, covenants, conditions, or provisions of this Agreement can be modified, deleted, or added to except in writing signed by the Parties hereto.

19.14 Right to Agreement. Licensor reserves the absolute right to affect such other licensees or agreements affecting the Property as Licensor, in the exercise of its sole business judgment, shall determine.

19.15 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, acts of war, terrorist acts, inability to obtain services, labor, or materials or reasonable substitutes therefore, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the Party obligated to perform (collectively, a "Force Majeure"), notwithstanding anything to the contrary contained in this Agreement, shall excuse the performance of such Party for a period equal to any such prevention, delay or stoppage and, therefore, if this Agreement specifies a time period for performance of an obligation of either Party, that time period shall be extended by the period of any delay in such Party's performance caused by a Force Majeure.

19.16 Notices. All notices, demands, statements, designations, approvals, or other communications (collectively, "Notices") given or required to be given by either Party to the other hereunder or by law shall be in writing, shall be: (a) sent by United States certified or registered mail, postage prepaid, return receipt requested ("Mail"); (b) transmitted by telecopy, if such telecopy is promptly followed by a Notice sent by Mail; (c) delivered by a nationally recognized overnight courier; or (d) delivered personally. Any Notice shall be sent, transmitted, or delivered, as the case may be, to Licensee at the appropriate address set forth below:

To Licensor: Chase Oaks Church
Attn: Glen Brechner
241 Legacy Drive
Plano, Texas 75023
Telephone: (972) 783-8800
Email: gbrechner@chaseoaks.org

With Copy To:	Middlebrook | Group, PLLC Attn: Ally R. Haefner 611 S. Main Street, Suite 500 Grapevine, Texas 76051 Telephone: (817) 484-0214 Email: ally@thechurchlawyers.com
To Licensee:	City of Melissa Attn: Jason Little, City Manager 3411 Barker Avenue Melissa, Texas 75454 Telephone: (972) 838-2338 Email: jlittle@cityofmelissa.com
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. Attn: Ryan D. Pittman 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Telephone: (214) 544-4000 Email: rpittman@abernathy-law.com

or to such other place as Licensee may from time to time designate in a Notice to Licensor, or to Licensor at the addresses set forth below, or to such other places as Licensor may from time to time designate in a Notice to Licensee. Any Notice will be deemed given; (a) three (3) days after the date it is posted if sent by Mail; (b) the date the telecopy is transmitted; (c) the date the overnight courier delivery is made; or (d) the date personal delivery is made.

19.17 Authority. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

19.18 Unrelated Business Income. If Licensor is advised by its counsel at any time that any part of the payments by Licensee to Licensor under this Agreement may be characterized as unrelated business income under the United States Internal Revenue Code and its regulations, then Licensee shall immediately enter into any amendment proposed by Licensor to address such issue, so long as the amendment does not require Licensee to make more payments or accept fewer services from Licensor, than this Agreement provides.

19.19 Assignment. Licensor may assign all of its rights and duties under the terms of this Agreement to any party it deems appropriate, in its sole discretion, and must provide written notice

to Licensee within a reasonable time. Licensee may not assign any part or portion of this Agreement without the prior, written consent of Licensor, which shall be given at Licensor's sole discretion.

19.20 Governing Law. The laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of competent jurisdiction in Collin County, Texas.

19.21 Alternative Dispute Resolution. The Parties may choose to submit any claims or disputes arising from or related to this Agreement to mediation in Collin County, in Texas, with a panel of one (1) mediator. The Parties shall each bear their own costs related to any mediation proceeding. Nothing contained herein shall prevent either Party from filing any action in a court of competent jurisdiction in Collin County, Texas. Provided, however, that each Party shall bear their own costs related to any such claim or lawsuit arising from or related to this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date, but if such date is not filled in, then this Agreement shall be deemed to be executed as of the latter of the date of Licensor's signature or Licensee's signature below.

LICENSOR:

CHASE OAKS CHURCH,
a Texas religious nonprofit corporation
corporation

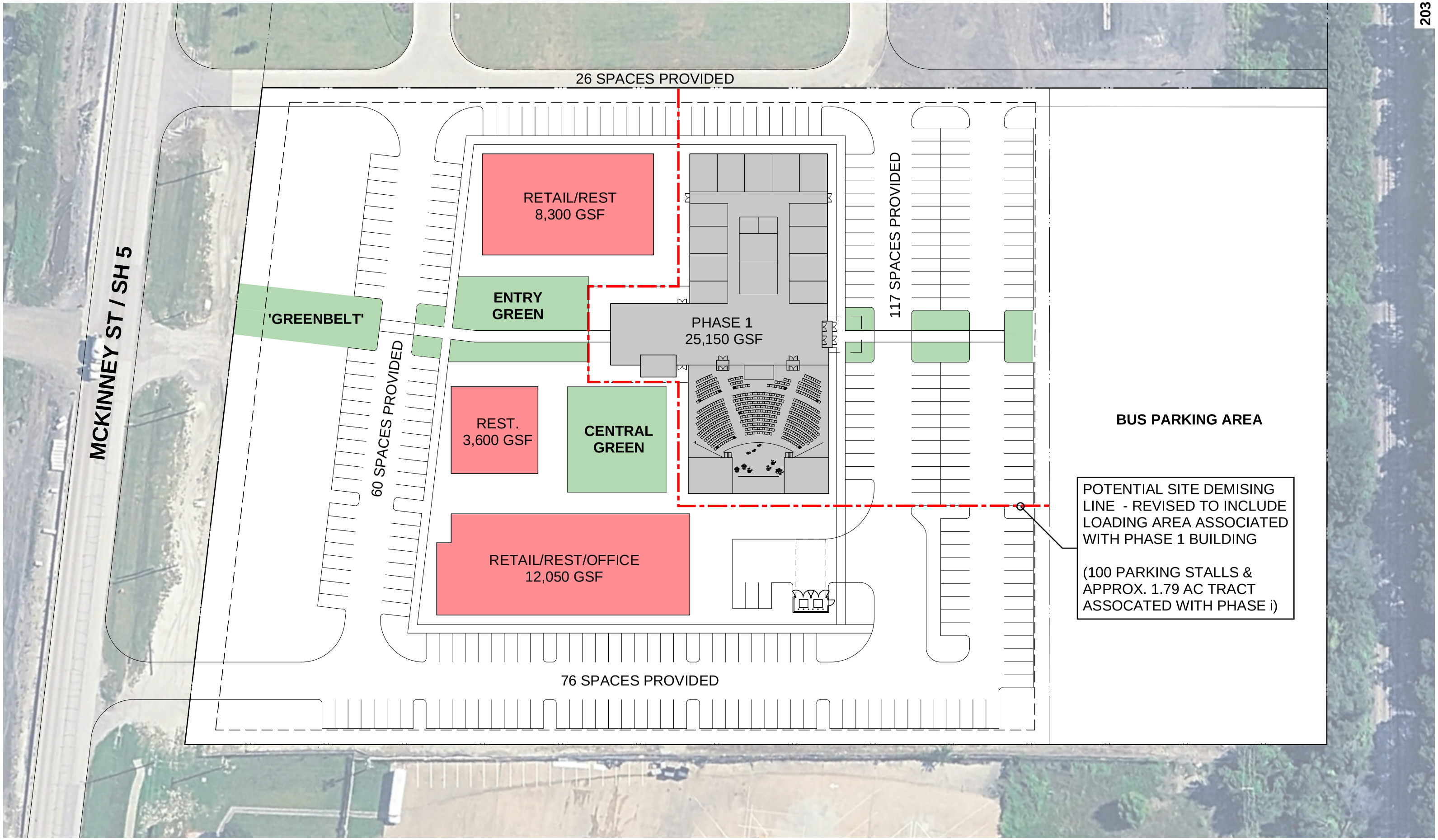
By: _____
Name: Glen Brechner
Title:

LICENSEE:

CITY OF MELISSA,
a State of Texas home rule municipal

By: _____
Name:
Title:

EXHIBIT A
DEPICTION OF PERIMETER OUTLINE OF PREMISES, INCLUDING BUILDINGS, WALKWAYS, PARKING LOTS, DRIVEWAYS, AND OTHER AREAS OF THE PROPERTY



GFFdesign

0 15 30 60 Feet

CONCEPTUAL SITE PLAN

EXHIBIT B
VENDOR RATES,
as amended from time to time

AVL Cost for Use of Auditorium:

$20 an hour for a non professional
$50 an hour for a professional
4 hour minimum (includes setup, any programming needed per event, tear down, etc.)

Facility Support Costs:

Facility Support	**Hourly Rate**
Facilities Coverage and Support (per person, 4 hour minimum)	$ 40.00
Porters - restrooms, trash, set-up, tear-down (per porter, 4 hour minimum)	$ 22.00
Event Host (per person, 4 hour minimum)	$ 25.00

Optional Services:

Kitchen Services	
Coffee -1 Shuttle (30 - 8 oz. cups) **Per Shuttle**	$ 30.00
Paper Goods **Per 20 People**	$ 20.00
Plastic Ware (spoons, forks, knives) **Per 20 People**	$ 10.00
Tablecloth - cleaning fee (per tablecloth)	$ 18.00

EXHIBIT C
BUILDING USE POLICIES

Procedures

Capacity

- Users must abide by the capacity codes for the Chase Oaks Church campus and elevators.
- Users will not sell or distribute tickets, passes or registration badges more than the capacity of the facility.

Equipment and Supply Usage

- Basic room equipment: All church assets and equipment are to remain on the church property. All indoor assets will remain in the building.

Technical Equipment

- A Chase Oaks Church technician must be present for the operation of all church-owned audio and visual equipment in the main auditoriums. Non-tech staff are prohibited from working tech booths in the main auditoriums.
- Outside computers must use guest Wi-Fi access and may not be directly connected to the church network.

Outside Media, Music, and Materials Approval

- Programs and Content that conflict with the values and beliefs of Chase Oaks Church will not be allowed. When it comes to programs that would promote a different faith, a specific political party, mature rated content, or a controversial social issue we would have a conversation with the city initiated by them before reserving space or by us after reserving the space within 10 days of when reservation is made.
- Copy services are not provided by Chase Oaks Church.

Guests

- The conduct of all people attending programs or events at Chase Oaks Church will be respectful of the church facility and other guests. Users and their activities are restricted to their designated rental areas.

Kitchen Use and Food Policies

- The kitchen at Chase Oaks Church will be available.
- All equipment used is to be properly washed, dried, and put away immediately after use. Please review the kitchen guidelines.
- The kitchen is equipment with a microwave, refrigerator, coffee brewer, and a sink.

- Outside caterers may be used to cater events, but because our kitchen is small, it is not available for their food preparation or clean-up.
- The service of food and beverage is allowed in all rental areas of the facility, with exception to the areas on and around the stage, sound boards and other technical equipment, etc.

Reservations and Rental Fees

- Buildings and rooms will remain locked until the resource time agreed upon at the time the reservation was made.
- For events that happen outside of normal Chase Oaks business hours, the doors will automatically lock 30 minutes after the scheduled event start time unless otherwise a different timing is requested by the city.
- Propping doors open is prohibited.

Responsible Party

- Every rental event must have one appointed person as the responsible party. This person must be present at the event and will act as a contact and will be responsible for enforcing the contract guidelines by providing supervision at the event.
- The User will assume liability for personal injuries, damage to personal property, damage to the facilities or equipment and additional maintenance or cleaning costs. The User will restore the facilities or equipment to pre-rental condition.

Restrictions

- Smoking and illegal substances are prohibited on the grounds or in the building.
- Events that plan to serve beer and wine will be vetted thoroughly. TABC certified servers and at least one or more police officer is required at the User's expense depending on the size of the event.
- Users must be present to receive any items that are to be delivered for their event. Our staff will not be responsible for or allowed to sign for any event-related items.
- For safety and security, resource rooms and children's ministry areas are reserved for childcare and KIDS CO. related events only and considered restricted areas. Users must remain in their designated rental areas.
- Fire pits and grills are prohibited within 50 feet of any Chase Oaks buildings. This is a fire marshal expectation.
- Using any kind of tape on the concrete floors is prohibited.
- Animals are not allowed in the building or on the grounds, apart from service dogs.

- Church-sponsored ministries using animals at an event must have prior approval. Animals must be under constant supervision. The owner is financially liable for damages to the facility as a result of the animal(s).
- Events that need Chase Oaks support that take place on holidays observed by Chase Oaks Church is prohibited.

Set-up, Cleaning and Maintenance of the Facility

- All Users are expected to leave the building clean and remove all items associated with their programs immediately following the event.
- Report damages to the OEC.
- The Facilities Team or porters are not responsible to set up, move, or tear down 8-foot serving tables. If they are being used for an event, then the responsible party of that event must make other arrangements to set-up and put away.
- All room set-up requests must be finalized one week before the event. Additional fees will be charged for changes made after that time if the facilities manager can work the change into his team's schedule.

Temperature Control

- Room heating and air-conditioning are controlled by thermostats that may be manually adjusted two degrees above or below the set temperature of 72 degrees.

Unexpected or Uncontrollable Events

- In the event of a fire, natural disaster, local or national emergency or other matters outside the control of Chase Oaks Church that might cause a substantial delay, rescheduling or cancellation of a scheduled event, the church will be released from the rental agreement. The User hereby waives any claims for damages or compensation for such delay or failure to perform the agreement other than the return of the rental fee.

Chase Oaks Church Emergency Closings Guidelines

- At times, emergencies such as severe weather, fires, power failures or earthquakes, can disrupt company operations. In extreme cases, these circumstances may require the closing of our offices and church facility.
- Chase Oaks Church will act in conjunction with the Melissa Independent School District and collaborate with city Emergency Management Department to determine if, when, and for what reasons building would be open or closed for city use.
- Users should call Chase Oaks' main number 972.783.8800 as the church status will be recorded on the voicemail message by 8 AM. Users may also visit our website for updates on closings at chaseoaks.org

Kitchen Usage

Room Condition Requirements

- Sinks and counter tops must be thoroughly cleaned using the spray cleaner located above the sink.
- Empty, rinse and wipe dry coffee pots. Be sure to run water through the spigots after rinsing them out and empty completely. DO NOT USE SOAP.
- Throw away used coffee/filters and rinse filter container.
- There is no disposal, so PLEASE DO NOT PUT FOOD DOWN THE SINK DRAIN.

Dishes, Linens, and Paper Products

- Clean all dishes and water pitchers and return to their designated cabinets.
- Remember to take your personal dishes with you after the event.
- All towels that have been used are to be left under the sink.
- Return all unused paper products, utensils, etc. to their designated cabinets and drawers.

Appliances

- The kitchen is equipped with a microwave, ice machine, refrigerator, and coffee brewer. We do not have a freezer.
- Directions for using the coffee brewer are posted on the wall near the brewers.

Food

- The serving of food or beverages with the propensity to stain, such as red or purple liquids, is not allowed.
- All food and beverages MUST be labeled with name and date. Unlabeled items will be discarded. Labels are on top of the refrigerator.
- PLEASE DO NOT USE FOOD DESIGNATED FOR OTHER EVENTS.
- Remove all leftover food and beverages from the kitchen and the refrigerator after your event.

Please direct questions to the OEC at 972.783.8800

City of Melissa City Council Regular Meeting Staff Report

Date April 14, 2026

Subject Consider an Ordinance amending City's Personnel Policy Manual to Update page 1 (Cover Page) and Section 6-09 (Conflict of Interest/Gifts Policy). (KW)

Submitted by Kimberly Winarski, Assistant to the City Manager

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Action Requested

Consider an ordinance amending the title and Conflict of Interest/Gifts section of the City's Personnel Policies Manual.

Summary of Subject

This ordinance provides two updates to the City's personnel policy. First, it renames the personnel policy to "Personnel Policies Manual" to be consistent with how it's titled in the City's Code of Ordinances. Second, it updates the Conflict of Interest and Gifts section of the personnel policy to provide expanded direction on scenarios that may be conflicts of interest for city employees, as well as how and when employees can accept gifts related to their work for the City of Melissa. With these updates, the policy language becomes aligned with applicable state and federal law related to Conflicts of Interest and Gifts.

Staff Recommendation

Staff recommends approval of the ordinance.

Supporting Documents

1. Ordinance Amending Personnel Policy Manual - Update 6-09 (Conflict of Interest and Gifts)
2. Gifts and Conflicts of Interest for Individual Employee

CITY OF MELISSA, TEXAS **ORDINANCE NO.: _____**

AN ORDINANCE OF THE CITY OF MELISSA, TEXAS, AMENDING THE CITY'S PERSONNEL POLICIES MANUAL TO UPDATE PAGE 1 (COVER PAGE) AND SECTION 6-09 IN ITS ENTIRETY (CONFLICT OF INTEREST/GIFTS POLICY); PROVIDING A SAVINGS/REPEALING CLAUSE AND SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in accordance with Section 4.06 (Personnel System) of the City of Melissa, Texas's ("Melissa" or "City") City Charter, personnel rules shall be prepared by the City Manager and presented to the City Council of the City of Melissa, Texas ("City Council"), which may adopt them by ordinance, with or without amendment; and

WHEREAS, the City Manager recommends that page 1 (Cover Page) and Section 6-09 (Conflict of Interest/Gifts Policy) of Melissa's Personnel Policies Manual ("Personnel Manual") should be amended as set forth in **Exhibit A**, attached hereto and incorporated herein for all purposes, for the purpose of, among other things, providing consistency with the language in the City's Code of Ordinances, to ensure that all employees and officials perform their duties with integrity and impartiality, avoiding conflicts of interest, and to establish clear, objective guidelines regarding the acceptance of gifts; and

WHEREAS, the City Council finds that it should accept and adopt the City Manager's recommended amendments to page 1 (Cover Page) and Section 6-09 (Conflict of Interest/Gifts Policy) of the Personnel Manual as set forth in **Exhibit A**; and

WHEREAS, the City Council finds it is necessary to update the conflict of interest and gift policies to ensure they remain current with state and federal law; and

WHEREAS, the City Council finds that amending the Personnel Manual, as set forth in **Exhibit A,** is in the best interest of Melissa and its employees and citizens as set forth below.

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

SECTION 1: Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2: Amendment of Page 1 (Cover Page) and Section 6-09 (Conflict of Interest/Gifts Policy) of the Personnel Manual. Pursuant to Section 4.06 (Personnel System) of the City Charter, the City Council hereby amends Melissa's Personnel Manual, specifically amending page 1 (Cover Page) and amending Section 6-09 (Conflict of Interest/Gifts Policy) in its entirety, as set forth in **Exhibit A** attached hereto.

SECTION 3: Savings/Repealing. The Personnel Manual shall remain in full force and effect, save and except as amended by this or any other Ordinance. All provisions of any

ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 4: Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. Melissa hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 5: Effective Date. This Ordinance shall be effective immediately upon its passage.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MELISSA, TEXAS, on this ___ day of _____, 2026.

_____
Jay Northcut, Mayor

ATTESTED TO:

_____
Hope Baskin, City Secretary

Exhibit A
(Amending page 1 (Cover Page) and Section 6-09 (Conflict of Interest/Gifts Policy) of the Personnel Policies Manual)



City of Melissa

Personnel Policies Manual

Section 6-09 Conflicts of Interest/Gifts Policy

Conflicts of Interest

It is City of Melissa's policy that all employees avoid any conflict between their personal interests and those of the City to ensure that the City's honesty and integrity, and therefore the reputation of the employee and the City, are not compromised. The fundamental principle guiding this policy is that no employee should have, or appear to have, personal interests or relationships that actually or potentially conflict with the best interests of the City.

Conflicts of Interest for City employees are governed by (i) this policy, (ii) Section 14.08 of the City of Melissa Charter, (iii) Chapters 171 and 176 of the Texas Local Government Code, and (iv) Melissa's Code of Ordinances, Chapter 8 (Personnel and Administration), Article 8.1000 (Code of Conduct).

All City of Melissa employees ("City employees") must comply with applicable laws regarding Conflicts of Interest. Situations that would constitute a conflict in most cases may be related to employment, financial, business, social or other relationships that create the appearance of impropriety or any Conflict of Interest with the performance of the City employee's duties, and may include, but are not limited to:

1. Holding an interest in, and/or accepting free or discounted goods from, any organization or individual that does, or is seeking to do, business with the City, by any employee who is in a position to directly or indirectly influence either the City's decision to do business with, or negotiate the terms upon which business would be done with, such organization or individual.
2. Engaging in, soliciting, negotiating for, or promising to accept, private employment with, and/or rendering services for, private interests and/or businesses, and/or conducting a private business, when such employment, service, or business creates a conflict with or impairs the proper discharge of the City employee's official duties. Teaching, lecturing, writing, and/or consulting are typical activities that may not involve a Conflict of Interest, and/or impair the proper discharge of the City employee's official duties. Prior authorization from the department director is required in all cases of outside employment including, but not limited to, teaching, lecturing, writing, and/or consulting.
3. Endorsing commercial products or services by agreeing to allow the use of their photograph, endorsement, or quotation identifying them as an employee of the City, or in any manner associated with the City, in paid or other commercial advertisements, whether or not for compensation.
4. Employees' observations, opinions, and analyses identifying them as an employee of the City, or in any manner associated with the City, of commercial products used or tested by them or their departments are appropriate and useful to the profession

when included as part of professional articles and reports, with approval of the employees' supervisor.

5. Profiting personally, e.g., through commissions, loans, expense reimbursements, payments, and/or other personal or professional financial gain, from any organization or individual seeking to do business, or doing business, with the City.

A Conflict of Interest under this policy would also exist when a member of an employee's immediate family is involved in situations such as those above. For the purposes this policy, "immediate family" includes persons related within the first, second or third degree by consanguinity (blood) or affinity (marriage) determined under Chapter 573 of the Texas Government Code.

Gifts

In accordance with this policy, a City employee shall not solicit, accept or agree to accept any bribery, prohibited gift, or other prohibited benefit that could reasonably be construed to influence the employee in the discharge of his/her official duties or grant in the discharge of their duties as a City employee any improper favor, service and/or thing of value unless a specific exception allows the City employee to accept a gift.

- Bribery is a criminal offense under Texas Penal Code § 36.02 where a benefit is intentionally offered, solicited, or accepted as "consideration" (an exchange) for an employee's decision, opinion, recommendation, or other exercise of official discretion.
- For the purposes of this policy, a "prohibited gift" shall include any benefit, whether monetary or non-monetary, solicited or accepted by a City employee that might reasonably tend to influence the discharge of official duties, with certain exceptions.
- A "prohibited benefit" shall be defined by Texas Penal Code § 36.01(3) as anything reasonably regarded as pecuniary (financial) gain or advantage.

This policy is not intended to prohibit the acceptance of modest courtesies of nominal and/or minor value (not-to-exceed $50), excluding cash, checks, gift cards, or other negotiable instruments, so long as such acceptance does not constitute unlawful bribery or a prohibited gift, and are unsolicited and openly given. Situations that would not constitute a prohibited gift under this policy may include:

1. Food, lodging, transportation or entertainment accepted as a guest (meaning that the recipient must be in the presence of the donor);
2. A gift given by a person with whom the employee has a familial, personal, business, or professional relationship that is independent of the City employee's status or work;

3. Any benefit that the City employee is entitled to receive by law (*i.e.* stipend outlined in an ordinance) or for which the person has performed a duty independent of the person's status as a public servant (e.g. jury duty fee);
4. Admission to an event in which the City employee is participating in connection with the City employee's official duties; and
5. Reasonable expenses paid by a governmental entity for attendance at a convention, fact finding mission or trip or other meeting for a legitimate public purpose.

In other circumstances not described above or if the circumstances described above lead to conflicting interpretations, the City's Human Resources Department should be informed in advance to evaluate whether the gift may be accepted.

Disclosure Requirements

It is a City employee's responsibility to report to the employee's supervisor who shall report to the City Manager any actual or potential conflict that may exist between them (and their immediate family) and the City. If a situation makes an employee question his/her own objectivity, it is likely the circumstances should be disclosed.

In addition, if a Conflict of Interest is identified under Chapter 176 of the Texas Local Government Code, a "conflicts disclosure statement" must be filed with the City Secretary as required under Section 176.003 of the Texas Local Government Code.

Consequences

Failure to adhere to this policy may result in disciplinary action including but not limited to a written reprimand, suspension, and/or termination of employment and any other consequences in accordance with applicable law.

CITY OF MELISSA, TEXAS **RESOLUTION NO. 2026-XX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MELISSA, TEXAS, HEREBY APPOINTING CERTAIN MEMBERS TO THE CITY'S BOARDS AND COMMISSIONS.

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

SECTION 1: The City Council of the City of Melissa, Texas hereby makes the following appointments to the Boards and Commissions:

i. [Name], [Board or Commission]

SECTION 2: This Resolution shall take effect immediately upon its passage.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MELISSA, TEXAS, on the ___day of _____, 2026.

_____
Jay Northcut, Mayor

ATTEST TO:

_____
Hope Baskin, City Secretary