

**DEVELOPER'S PROPOSED TERMS  
CITY OF PFLUGERVILLE, TEXAS  
MARTIN PUBLIC IMPROVEMENT DISTRICT  
12/1/2020**

The following limitations and performance standards will apply to the proposed Martin Public Improvement District (the "PID") as proposed by Rowe Lane Development, Ltd. (the "Developer") to the City of Pflugerville, Texas (the "City") in connection with the development of the approximately 40 acre residential community to be known as The Enclave at Cele (the "Project").

**PUBLIC IMPROVEMENT DISTRICT**

**FINANCING CRITERIA**

1. Maximum Authorized Improvements to be funded by Assessments are estimated to be: \$5,182,651
2. Maximum annual permitted increase in annual installment: 0%
3. Maximum total equivalent tax rate per \$100/average buildout value for annual Installment, inclusive of all overlapping taxing entities: \$3.00
4. Cash Flow PID interest rate, which will only accrue on the verified cost of the Authorized Improvements:  
2% above bond buyer index rate
5. Maturity of Cash Flow (to extent allowed by law): 30 years
6. PID Administration Fund escalator per year:  
determined annually by the City Council in the Service and Assessment Plan Update
7. The aggregate principal amount of reimbursements will not exceed an amount sufficient to fund the actual costs of the qualified public improvements including PID creation related costs.
8. Annual Installments will begin on September 1<sup>st</sup> following the date of acceptance of the Authorized Improvements by the City.

**DEFINITIONS**

1. "City" shall mean the City of Pflugerville, Texas.
2. "Developer" shall mean Rowe Lane Development, Ltd. and/or its successor and assigns.
3. "Project" shall consist of approximately 40.744 acres as described in Exhibit A.
4. "Authorized Improvements" shall refer to the construction projects to be funded by the Public Improvement District ("PID") in Exhibit B.

5. “UDC” shall refer to the City of Pflugerville Unified Development Code.

### **TERMS AND CONDITIONS**

1. Developer agrees to contribute one hundred twenty-three (123) living unit equivalents (“LUEs”) of wastewater service capacity from the capacity granted to Developer in the Second Amendment to the Vine Creek Wastewater Facilities Cost Sharing, Allocation/Reservation and Escrow Agreement, dated March 19, 2019, attached hereto as Exhibit C. After approval of the PID, to the extent that such Second Amendment to the Vine Creek Wastewater Facilities Cost Sharing, Allocation/Reservation and Escrow Agreement needs to be amended so that Developer can contribute such LUEs of wastewater service capacity as contemplated, the City agrees to cooperate with Developer to amend the Vine Creek Wastewater Cost Sharing, Allocation/Reservation and Escrow Agreement accordingly.
2. **No General Obligation or Certificate of Obligation bonds will be utilized by the City to fund the PID.**
3. The PID may seek reimbursement for Authorized Improvements upon acceptance of the Authorized Improvements by the City subject to compliance with these standards.
4. Developer intends the project to be “cash flow PID” that does not issue bonds and reimburses Developer on a semi-annual basis. PID payments will be assessed on September 1<sup>st</sup> following the date of acceptance of the Authorized Improvements by the City.
5. If the total cost of the Authorized Improvements in the aggregate for a PID exceeds the total amount of monies on deposit in the Assessment Revenue Account, then the Developer shall be solely responsible for the remainder of the costs of such Authorized Improvements.
6. Upon the final acceptance by the City of any Authorized Improvements and payment of all outstanding invoices for such Authorized Improvements, if the actual costs of such Authorized Improvements are less than the budgeted costs (a “Cost Underrun”), then any remaining budgeted amount will be available to pay Cost Overruns on any other Authorized Improvements for the associated PID.
7. No PID reimbursements are permitted to be used to construct water line improvements within that portion of the Project not located in the City of Pflugerville Water CCN.
8. Should the portions of the Project that are not currently located within the City’s Water CCN hereafter be relocated into the City’s Water CCN, the Developer will have the right to request reimbursement through PID assessments for the water line improvements as long

as the amounts requested do not result in the total amount of all Authorized Improvements exceeding the amount described in Financing Criteria #1.

9. City agrees to distribute PID assessments to Developer after City acceptance of the Improvements pertaining to that specific phase of development as defined by the preliminary plan and at such time assessments have been received. The PID assessments will be used to reimburse the Developer for the costs to construct improvements.
10. All the City's reasonable and customary costs with respect to creation of the PID will either be funded by Developer or paid from PID assessments. The City and the Developer will agree to a budget for the City's costs, including ongoing PID administrative expenses, in advance of the preparation of PID assessment and reimbursement agreement related documents. Ongoing administrative costs of the PID will be paid through the annual installments of the special assessments.
11. The PID may be exempt from any public bidding or other purchasing and procurement policies per Texas Local Government Code Section 252.022(a)(9) which states that a project is exempt from such policies if "paving, drainage, street widening, and other improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on the property that will benefit from the improvements."
12. The Improvements to be funded by the PID are limited to those defined as Authorized Improvements under Texas Local Government Code Section 372.003 as agreed upon by the City and as referenced in the attached exhibits.
13. It is understood by the Developer that the submittal of this document does not indicate that the City agrees to the terms outlined herein.

## **EXHIBITS**

- A. **Metes and Bounds**
- B. **Authorized Improvements**
- C. **Vine Creek Wastewater Facilities Cost Sharing, Allocation/Reservation and Escrow Agreement**