

# Martin Public Improvement District

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SERVICE AND ASSESSMENT PLAN

JANUARY 11, 2022



AUSTIN, TX | NORTH RICHLAND HILLS, TX

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## INTRODUCTION

Capitalized terms used in this Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this Service and Assessment Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section” or an “Exhibit” shall be a reference to a Section of this Service and Assessment Plan, or an Exhibit attached to and made a part of this Service and Assessment Plan for all purposes.

On December 8, 2020, the City passed and approved Resolution No. 1928-20-12-08-0804 authorizing the establishment of the District in accordance with the PID Act, which authorization was effective upon publication as required by the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 40.774 acres located within the corporate limits of the City, as described by metes and bounds on **Exhibit J** and depicted on **Exhibit A**.

The PID Act requires a service plan covering a period of at least five years and defining the annual indebtedness and projected cost of the Authorized Improvements. The Service Plan is contained in **Section IV**.

The PID Act requires that the Service Plan include an assessment plan that assesses the costs of the Authorized Improvements against the District based on the special benefits conferred on the District by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

The PID Act requires an Assessment Roll that states the Assessment against each Parcel of Assessed Property within the District determined by the method chosen by the City. The Assessment against each Parcel of Assessed Property must be sufficient to pay the share of the Actual Costs of the Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by the Authorized Improvements. The Assessment Roll is included as **Exhibit E**.

## SECTION I: DEFINITIONS

**“Actual Costs”** mean with respect to Authorized Improvements, the Owner’s demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvements, as specified in a certification of costs in a form that has been reviewed and approved by the City and in an amount not to exceed the total amount of Authorized Improvements as set forth in this Service and Assessment Plan. Actual Costs may include: (1) the costs incurred by or on behalf of the Owner (either directly or through affiliates) for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Authorized Improvements; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Authorized Improvements; (3) construction management fees equal to 4% of costs; (4) the costs incurred by or on behalf of the Owner for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (5) all labor, bonds, and materials, including equipment and fixtures, by contractors, builders, and materialmen in connection with the acquisition, construction, or implementation of the Authorized Improvements; (6) all related permitting and public approval expenses, architectural, engineering, and consulting fees, taxes, and governmental fees and charges.

**“Administrator”** means an employee or designee of the City who shall have the responsibilities provided in this Service and Assessment Plan, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District. The initial Administrator is P3Works, LLC.

**“Annual Collection Costs”** mean the actual or budgeted costs and expenses related to the operation of the District, and the construction, operation, and maintenance of the Authorized Improvements, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (6) investing or depositing Assessments and Annual Installments; (7) complying with this Service and Assessment Plan and the PID Act; and (8) administering the construction of the Authorized Improvements. 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, with respect to each Parcel, the annual installment payment of an Assessment as calculated by the Administrator, approved by the City Council, and shown on an Assessment Roll, and includes: (1) principal; (2) interest; and (3) Annual Collection Costs.

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

**“Assessed Property”** means any Parcel within the District against which an Assessment is levied.

**“Assessment”** means an assessment levied against a Parcel within the District and imposed pursuant to the PID Act, the Assessment Ordinance, and the provisions of this Service and Assessment Plan, as shown on an Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act. The Assessment for a Parcel consists of the principal portion of the Annual Installments to be collected in all years.

**“Assessment Ordinance”** means an ordinance adopted by the City Council in accordance with the PID Act that levies an Assessment on the Initial Parcel as shown on an Assessment Roll.

**“Assessment Plan”** means the methodology employed to determine the Assessments for the Actual Costs of the Authorized Improvements against Assessed Property based on the special benefits conferred on such Assessed Property by the Authorized Improvements, more specifically described in **Section V**.

**“Assessment Roll”** means any assessment roll for Assessed Property, including the Assessment Roll attached as **Exhibit E**, as updated, modified, or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates in connection with any Annual Service Plan Update.

**“Authorized Improvements”** means those public improvements authorized by Section 372.003 of the PID Act and described in **Section III** which are constructed for the special benefit of the property within the District, and which estimated costs are shown on **Exhibit B**.

**“City”** means the City of Pflugerville, Texas.

**“City Council”** means the governing body of the City.

**“County”** means Travis County, Texas.

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

**“District”** means the Martin Public Improvement District containing approximately 40.774 acres located within the corporate limits of the City, which is legally described by metes and bounds on **Exhibit J** and depicted on **Exhibit A**.

**“District Formation Costs”** means the costs and expenses directly associated with forming the District, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, City costs, first year Annual Collection Costs, and any other cost or expense directly associated with the establishment of the District.

**“Engineer’s Report”** means a report provided by a licensed professional engineer that identifies the Authorized Improvements, including their costs, location, and benefit, and is attached hereto as **Appendix A**.

**“Estimated Buildout Value”** means the estimated value of an Assessed Property with fully constructed buildings, as provided by the Owner and confirmed by the City Council by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other factors that, in the judgment of the City, may impact value. The Estimated Buildout Value for a Lot Type is provided for in **Exhibit G**.

**“Initial Parcel”** means the approximately 40.774 contiguous acres located within the corporate limits of the City, as more particularly described by metes and bounds on **Exhibit J** and depicted on **Exhibit A**.

**“Lot”** means for any portion of the District for which a final subdivision plat has been recorded in the official public records of the County, a tract of land described by “lot” in such final and recorded subdivision plat.

**“Lot Type”** means a classification of final building Lots with similar characteristics (e.g., single family residential, etc.), as determined by the Administrator and confirmed by the City Council; provided however, in the case of single-family residential Lots, the Lot Type shall be further defined by classifying the residential Lots by the Estimated Buildout Value of the Lot as determined by the Administrator and confirmed by the City Council.

**“Lot Type 1”** means a Lot in the District, generally marketed to homebuilders as a 60’ Lot.

**“Lot Type 2”** means a Lot in the District, generally marketed to homebuilders as a 70’ Lot.

**“Maximum Assessment”** means, for each Lot Type, an amount that will not exceed the amounts shown as the Maximum Assessment by Lot Type on **Exhibit G** as calculated by the Administrator and approved by the City, based on the desire to maintain a competitive, composite equivalent ad valorem tax rate taking into consideration the tax rates of all applicable taxing units and the equivalent tax rate of the Annual Installments. The Maximum Assessment shall only be calculated upon the filing of a final plat with the County. In the event any final plat creates a new Lot Type that differs from what is shown on **Exhibit G**, this Service and Assessment Plan will be updated to reflect the new Maximum Assessment for the new Lot Type created by the final plat.

**“Non-Benefited Property”** means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements. Property is identified as Non-Benefitted Property at the time the Assessments are (1) imposed, or (2) reallocated pursuant to a subdivision of a Parcel that is not assessed.

**“Notice of Assessment Termination”** means a recorded document evidencing the termination of an Assessment, a form of which is attached as **Exhibit J**.

**“Owner”** means Rowe Lane Development, Ltd., a Texas limited partnership, including its successors and assigns.

**“Parcel”** or **“Parcels”** means a specific property within the District identified by any of the following: (i) by a tax map identification number assigned by the Travis Central Appraisal District for real property tax purposes, (ii) by metes and bounds description, (iii) by lot and block number in a final subdivision plat recorded in the official public records of the County, or (iv) by any other means determined by the City.

**“PID Act”** means Chapter 372, Texas Local Government Code, as amended.

**“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.

**“Prepayment Costs”** means interest, Delinquent Collection Costs and Annual Collection Costs to the date of Prepayment.

**“Reimbursement Agreement”** means that certain “Martin Public Improvement District Reimbursement Agreement,” effective January 25, 2022 by and between the City and the Owner, in which the Owner agrees to construct the Authorized Improvements and to fund certain Actual Costs of the Authorized Improvements, and the City agrees to reimburse the Owner for Actual Costs of the Authorized Improvements paid solely from the revenue collected by the City from Assessments, including Annual Installments.

**“Reimbursement Obligation”** means an amount not to exceed \$5,182,651 secured by the Assessments to be paid to the Owner pursuant to the Reimbursement Agreement. The Annual Installments for the Reimbursement Obligation are shown on **Exhibit F**.

**“Service and Assessment Plan”** means this Martin Public Improvement District Service and Assessment Plan as updated, amended or supplemented from time to time.

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

**“Trigger Date”** means the earlier of: (i) the date a final plat is filed and recorded in the real property records of the County or (ii) with tax bills sent the first October occurring after the expiration of two years from the date of the levy of Assessments on the Assessed Property. If the Trigger Date occurs on or before July 31st of the then current year, then Assessments will be due the January 31st of the following year. If the Trigger Date occurs after July 31st of the then current year, then the Assessments will be due on the second January 31st after the final plat is filed and Authorized Improvements are accepted.



## SECTION II: THE DISTRICT

The District includes approximately 40.774 contiguous acres located within the corporate limits of the City, as more particularly described by metes and bounds on **Exhibit J** and depicted on **Exhibit A**. Development of the District is anticipated to include 123 single-family homes (102 Lots classified as Lot Type 1, and 21 lots classified as Lot Type 2).

## SECTION III: AUTHORIZED IMPROVEMENTS

The City Council, based on information provided by the Owner and its engineer and reviewed by City staff and by third-party consultants retained by the City, has determined that the costs described below are costs of Authorized Improvements, as defined by the PID Act, that confer a special benefit on the Assessed Property. All Authorized Improvements will be designed and constructed in accordance with City standards and will be owned and operated by the City. The budget for the Authorized Improvements is shown on **Exhibit B**.

### A. Authorized Improvements

#### ▪ *Street*

Improvements including subgrade stabilization, concrete and reinforcing steel for roadways, testing, handicapped ramps, and streetlights. All related earthwork, excavation, erosion control, intersections, signage and striping, and re-vegetation of all disturbed areas within the right-of-way are included. The street improvements will provide benefit to each Lot within the District.

#### ▪ *Storm Drainage*

Improvements including earthen channels, swales, curb and drop inlets, RCP piping and boxes, headwalls, manholes, concrete flumes, rock rip rap, detention ponds, concrete outfalls, and testing as well as all related earthwork, excavation, erosion control and all necessary appurtenances to provide storm drainage for all Lots within the District.

#### ▪ *Sanitary Sewer*

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

#### ▪ *Park*

Improvements consist of playgrounds, park benches, shade structures, walking trails,

green space, and associated landscaping. The improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- *Soft Costs*

Costs related to designing, constructing, and installing the Major Improvements including land planning and design, City fees, inspection fees, engineering, material testing, survey, construction management, contingency, and District Formation Costs.

## SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan must be reviewed and updated, at least annually, and approved by the City Council. **Exhibit C** summarizes the Service Plan for the District.

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

## SECTION V: ASSESSMENT PLAN

The PID Act requires the City Council to apportion the costs of the Authorized Improvements to the Assessed Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City Council, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City Council that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the City Council may establish by ordinance reasonable classifications and formulas for the apportionment of the cost between the City and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Owner, as the owner of Assessed Property within the District, and all future owners and developers of Assessed Property.

## **A. Assessment Methodology**

The City Council, acting in its legislative capacity based on information provided by the Owner and its engineer and reviewed by City staff and by third-party consultants retained by the City, has determined that the Actual Costs of the Authorized Improvements shall be allocated entirely to the Initial Parcel. Upon subdivision of the Initial Parcel, the cost of the Authorized Improvements shall be reallocated further as described in **Section VI**.

## **B. Assessments**

Assessments will be levied on the Initial Parcel in the amount shown on the Assessment Roll, attached hereto as **Exhibit E**. The projected Annual Installments for the District are shown on **Exhibit F**. Upon subdivision of the Initial Parcel by the recording of a final plat in the official public records of the County, Assessments will be reallocated pursuant to **Section VI**.

Collection of the Annual Installments are deferred until the Trigger Date has been reached for the District. If the Trigger Date occurs on or before July 31<sup>st</sup> of the year that the final plat for the District is filed and recorded in the real property records of the County, then Assessments levied on the property within the District, including the Annual Installments thereof, will be delinquent if not paid on or before the January 31<sup>st</sup> of the following year. If the Trigger Date occurs after July 31<sup>st</sup> of the year the final plat for the District is filed and recorded in the real property records of the County, then Assessments levied on the property within the District, including the Annual Installments thereof, will be delinquent if not paid on or before the second January 31<sup>st</sup> after the final plat is filed and Authorized Improvements are accepted. Prior to the collection of the Annual Installments, the City will collect Annual Collection Costs as described in **Section V.D**.

Under the Reimbursement Agreement, Assessments, including Annual Installments, may only be used to pay the Actual Costs of the Authorized Improvements based on the special benefit conferred on the Assessed Property by the Authorized Improvements. Revenue generated from the levy of an Assessment, including the collection of Annual Installment, from a Parcel of Assessed Property may not be applied against the obligation of an Assessment, levied against another Parcel of Assessed Property, including an Annual Installment.

## **C. Findings of Special Benefit**

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

- The estimated total cost of the Authorized Improvements equal \$5,182,651 as shown on **Exhibit B**.

- The Assessed Property receives special benefit from the Authorized Improvements equal to or greater than the Actual Cost of the Authorized Improvements.
- The Initial Parcel is allocated 100% of the Assessments, which equal \$5,182,651, levied for the Authorized Improvements, as shown on the Assessment Roll attached hereto as **Exhibit E**.
- The special benefit (  $\geq$  \$5,182,651) received by the Initial Parcel from the Authorized Improvements is equal to or greater than the amount of the Assessments (\$5,182,651) levied on the Initial Parcel for payment of the Actual Costs of the Authorized Improvements.
- At the time the City Council adopted the Assessment Ordinance and approved the Service and Assessment Plan, the Owner owned 100% of the Initial Parcel. The Owner, as the owner of 100% of the Initial Parcel, acknowledged that the Authorized Improvements confer a special benefit on the Initial Parcel and consented to the imposition of the Assessments to pay for the Actual Costs of the Authorized Improvements associated therewith. The Owner ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the Assessment Ordinance; (2) the approval of the Service and Assessment Plan and the adoption of the Assessment Ordinance, and (3) the levying of Assessments on the Initial Parcel.

**D. Annual Collection Costs**

The Annual Collection Costs shall be paid for by each Parcel of Assessed Property pro rata based on the ratio of the amount of outstanding Assessment remaining on such Parcel to the total outstanding Assessment on all Parcels of Assessed Property. Prior to the Trigger Date for the collection of Annual Installments, the Annual Collection Costs shall be billed and collected in the same manner as ad valorem taxes in the amounts set forth in each Annual Service Plan Update. Following the Trigger Date for the collection of Annual Installments, the Annual Collection Costs shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

**SECTION VI: TERMS OF THE ASSESSMENTS**

**A. Reallocation of Assessments**

1. *Upon Division Prior to Recording of Subdivision Plat*

Upon the division of any Assessed Property (without the recording of subdivision plat), the Administrator shall reallocate the Assessment for the Assessed Property prior to the division among the newly divided Assessed Properties according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the Estimated Buildout Value of the newly divided Assessed Property

D = the sum of the Estimated Buildout Value for all of the newly divided Assessed Properties

The calculation of the Estimated Buildout Value of an Assessed Property shall be performed by the Administrator based on information from the Owner, homebuilders, market studies, appraisals, official public records of the County, and any other relevant information regarding the Assessed Property. The calculation as confirmed and approved by the City Council shall be conclusive.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the next Annual Service Plan Update and approved by the City Council.

## *2. Upon Subdivision by a Recorded Subdivision Plat*

Upon the subdivision of any Assessed Property based on a recorded subdivision plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots based on Estimated Buildout Value according to the following formula:

$$A = [B \times (C \div D)]/E$$

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the sum of the Estimated Buildout Value of all newly subdivided Lots with same Lot Type

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

E= the number of Lots with the same Lot Type

Prior to the recording of a subdivision plat, the Owner shall provide the City an Estimated Buildout Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat. The calculation of the Estimated Buildout Value for a Lot shall be performed by the Administrator and confirmed and approved by the City Council based on information provided by the Owner, homebuilders, third party consultants, and/or the official public records of the County regarding the Lot.

The sum of the Assessments for all newly subdivided Lots shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the next Annual Service Plan Update and approved by the City Council.

### *3. Upon Consolidation*

If two or more Lots or Parcels are consolidated, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be reflected in the next Annual Service Plan Update and approved by the City Council.

## **B. Mandatory Prepayment of Assessments**

If any Assessed Property is transferred to a person or entity that is exempt from payment of the Assessment, the owner transferring such Assessed Property shall pay to the City the full amount of the Assessment on such Assessed Property, plus Prepayment Costs and Delinquent Collection Costs, prior to the transfer. If the owner of any Assessed Property causes the Assessed Property to become Non-Benefited Property, the owner causing the change in status shall pay the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the change in status.

## **C. True-Up of Assessments if Maximum Assessment Exceeded at Plat**

Prior to the City approving a final subdivision plat, the Administrator will certify that such plat will not result in the Assessment per Lot for any Lot Type to exceed the Maximum Assessment. If the Administrator determines that the resulting Assessment per Lot for any Lot Type will exceed the Maximum Assessment, then (i) the Assessment applicable to each Lot Type exceeding the Maximum Assessment shall be reduced to the Maximum Assessment, and (ii) the person or entity filing the plat shall pay to the City the amount

the Assessment was reduced, plus Prepayment Costs and Delinquent Collection Costs, prior to the City approving the final plat. The City's approval of a plat without payment of such amounts does not eliminate the obligation of the person or entity filing the plat to pay the amounts referenced in (ii) in the immediately preceding sentence. If, prior to the Trigger Date, a final plat is filed which triggers a mandatory Prepayment, the levy and applicable obligation under the Reimbursement Agreement shall be reduced by the amount of the mandatory Prepayment.

#### **D. Reduction of Assessments**

If, as a result of cost savings or an Authorized Improvement not being constructed, the Actual Costs of completed Authorized Improvements are less than the Assessments, the City Council shall reduce each Assessment on a pro-rata basis such that the sum of the resulting reduced Assessments for all Assessed Properties equals the reduced Actual Costs.

The Administrator shall update (and submit to the City Council for review and approval as part of the next Annual Service Plan Update) the Assessment Roll and corresponding Annual Installments to reflect the reduced Assessments.

#### **E. Prepayment of Assessments**

The owner of the Assessed Property may pay, at any time, all or any part of an Assessment in accordance with the PID Act. If an Annual Installment has been billed prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment is paid in full, with interest: (1) the Administrator shall cause the Assessment to be reduced to zero and the Assessment Roll to be revised accordingly; (2) the Administrator shall submit the revised Assessment Roll for the City Council's approval as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate; and (4) the City shall provide the owner with a recordable Notice of Assessment Termination, a form of which is attached as **Exhibit I**.

If an Assessment is paid in part, with interest: (1) the Administrator shall cause the Assessment to be reduced and the Assessment Roll revised accordingly; (2) the Administrator shall submit the revised Assessment Roll for the City Council's approval as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment and corresponding Annual Installments shall be reduced.

## **F. Payment of Assessment in Annual Installments**

Assessments that are not paid in full shall be due and payable in Annual Installments. **Exhibit F** shows the projected Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

If any Parcel shown on the Assessment Roll is assigned multiple tax identification numbers, the Annual Installment shall be allocated pro rata based on the acreage of the property as shown by Travis Appraisal District for each tax identification number.

The Administrator shall prepare and submit to the City Council for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. The Annual Collection Costs shall be paid for by each Parcel of Assessed Property pro rata based on the ratio of the amount of outstanding Assessment remaining on such Parcel to the total outstanding Assessment on all Parcels of Assessed Property. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes for the City. The City Council may provide for other means of collecting Annual Installments. Assessments shall have the lien priority specified in the PID Act.

Sales of the Assessed Property for nonpayment of Annual Installments shall be subject to the lien for the remaining unpaid Annual Installments against the Assessed Property, and the Assessed Property may again be sold at a judicial foreclosure sale if the purchaser fails to timely pay the non-delinquent Annual Installments as they become due and payable.

Each Annual Installment of an Assessment, including interest on the unpaid principal of the Assessment, shall be updated annually. Each Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year. Failure of an owner of Assessed Property to receive an invoice for an Annual Installment on the property tax bill or otherwise shall not relieve the owner of Assessed Property of the obligation to pay the Assessment. Assessments, or Annual Installment therefor that are delinquent shall incur Delinquent Collection Costs.

## **G. Prepayment as a Result of an Eminent Domain Proceeding or Taking**

If any portion of any Parcel of Assessed Property is taken from an owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a "Taking"),



the portion of the Assessed Property that was taken or transferred (the "Taken Property") shall be reclassified as Non-Benefitted Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property) (the "Remaining Property") following the reclassification of the Taken Property as Non-Benefitted Property. The Owner will remain liable to pay in Annual Installments, or as otherwise provided by this Service and Assessment Plan, as updated, or the Act, the Assessment that remains due on the Remaining Property. Notwithstanding the foregoing, if the Assessment that remains due on the Remaining Property exceeds the Maximum Assessment, the owner will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed the Maximum Assessment.

Following the initiation of the Taking, the Administrator will be required, as part of the next Annual Service Plan Update, to determine the portion of the Assessment that was levied against the Assessed Property that would have been allocated to the Taken Property prior to its reclassification as Non-Benefitted Property based on a manner that results in imposing equal shares of the costs of the applicable Authorized Improvements on property similarly benefitted.

Within 30 days of the receipt by the owner of the funds received from the entity taking the Taken Property, the owner shall make a Prepayment of the Assessment in an amount equal to the lesser of (i) the amount the owner received as a result of the Taking or (ii) the amount determined by the Administrator in the above paragraph; provided, however, that in all instances the Assessment remaining on the Remaining Property shall not exceed the Maximum Assessment.

By way of illustration, if an owner owns 100 acres of Assessed Property subject to a \$100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefitted Property and the remaining 90 acres of Remaining Property shall be subject to the \$100 Assessment, (provided that this \$100 Assessment does not exceed the Maximum Assessment on the Remaining Property). If the Administrator determines that the portion of the \$100 Assessment that would have been allocated to the Taken Property prior to its reallocation is \$10 and the owner receives \$8 as compensation for the Taken Property as a result of the Taking, the Owner shall be required to pay \$8 as a Prepayment of the Assessment against the Remaining Property (in addition to any other amount that would be required to ensure the Assessment does

not exceed the Maximum Assessment). Alternatively, in the above scenario, if the owner receives \$20 in compensation for the Taken Property, the owner shall be required to pay \$10 as a Prepayment of the Assessment.

Notwithstanding the previous two paragraphs, if the owner notifies the City and the Administrator that the Taking prevents the Remaining Property from being developed as shown on a final plat, the owner shall, upon receipt of the compensation for the Taken Property, be required to prepay the total amount of the Assessment levied against the Taken Property and, and the amount of the Assessment required to buy down the outstanding Assessment to the Maximum Assessment on the Remaining Property. The owner will remain liable to pay the Annual Installments on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

## **SECTION VII: ASSESSMENT ROLL**

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

## **SECTION VIII: ADDITIONAL PROVISIONS**

### **A. Calculation Errors**

If the owner of a Parcel claims that an error has been made in any calculation required by this Service and Assessment Plan, including, but not limited to, any calculation made as part of any Annual Service Plan Update, the owner's sole and exclusive remedy shall be to submit a written notice of error to the Administrator by December 1<sup>st</sup> of each year following City Council approval of the calculation; otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. Upon receipt of a written notice of error from an owner the Administrator shall provide a written response to the City Council and the owner within 30 days of providing such notice and the response thereto. The City Council shall consider the owner's notice of error and the Administrator's response at a public hearing, and within 30 days after closing such hearing, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this Service and Assessment Plan, the Assessment Ordinance, or is otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the owner and the Administrator.

## **B. Amendments**

Amendments to this Service and Assessment Plan must be made by the City Council in accordance with the PID Act. To the extent permitted by the PID Act, this Service and Assessment Plan may be amended without notice to owners of the Assessed Property: (1) to correct mistakes and clerical errors; (2) to clarify ambiguities; and (3) to provide procedures to collect Assessments, Annual Installments, and other charges imposed by this Service and Assessment Plan.

## **C. Administration and Interpretation**

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this Service and Assessment Plan; (2) administer the District for and on behalf of and at the direction of the City Council; and (3) interpret the provisions of this Service and Assessment Plan. Interpretations of this Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners or developers adversely affected by the interpretation. Appeals shall be decided by the City Council after holding a public hearing at which all interested parties have an opportunity to be heard. Decisions by the City Council shall be final and binding on the owners and developers and their successors and assigns.

## **D. Severability**

If any provision of this Service and Assessment Plan is determined by a governmental agency or court to be unenforceable, the unenforceable provision shall be deleted and, to the maximum extent possible, shall be rewritten to be enforceable. Every effort shall be made to enforce the remaining provisions.

## EXHIBITS

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

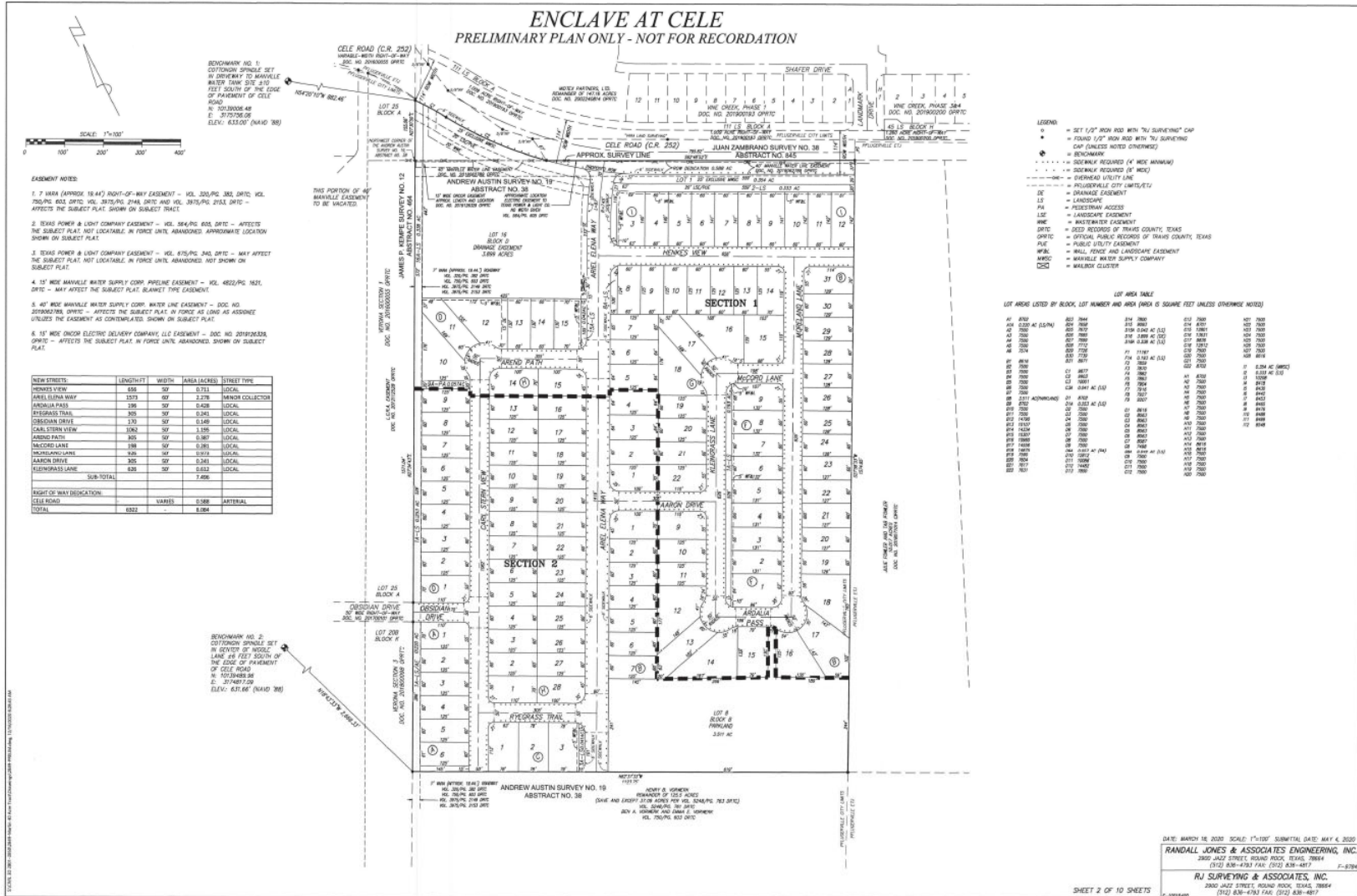
<b>Exhibit A</b>	District Map
<b>Exhibit B</b>	Authorized Improvements
<b>Exhibit C</b>	Service Plan
<b>Exhibit D</b>	Sources and Uses of Funds
<b>Exhibit E</b>	Assessment Roll
<b>Exhibit F</b>	District Projected Annual Installments
<b>Exhibit G</b>	Maximum Assessment and Tax Rate Equivalent
<b>Exhibit H</b>	Maps of Authorized Improvements
<b>Exhibit I</b>	Form of Notice of Assessment Termination
<b>Exhibit J</b>	District Legal Description
<b>Exhibit K</b>	Buyer Discloser

## APPENDICES

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

<b>Appendix A</b>	Engineer's Report
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# EXHIBIT A – DISTRICT MAP



**EXHIBIT B – AUTHORIZED IMPROVEMENTS**

<i>Authorized Improvements</i>	<b>Total Costs</b>
Streets	\$ 1,586,610
Storm Drainage	1,731,613
Sanitary Sewer	1,016,608
Park	97,595
Soft Costs	750,225
<b>Total</b>	<b>\$ 5,182,651</b>

## EXHIBIT C – SERVICE PLAN

Martin Public Improvement District						
Annual Installments <sup>1</sup>		1/31/2022	1/31/2023	1/31/2024	1/31/2025	1/31/2026
Principal		\$ -	\$ 88,000.00	\$ 92,000.00	\$ 96,000.00	\$ 100,000.00
Interest		\$ -	\$ 240,475.00	\$ 236,392.00	\$ 232,123.00	\$ 227,669.00
	(1)	\$ -	\$ 328,475.00	\$ 328,392.00	\$ 328,123.00	\$ 327,669.00
Annual Collection Costs	(2)	\$ 20,000.00	\$ 20,400.00	\$ 20,808.00	\$ 21,224.16	\$ 21,648.64
<b>Total Annual Installment</b>	<b>(3) = (1) + (2)</b>	<b>\$ 20,000.00</b>	<b>\$ 348,875.00</b>	<b>\$ 349,200.00</b>	<b>\$ 349,347.16</b>	<b>\$ 349,317.64</b>

**Footnotes:**

1) Preliminary, subject to change. Assumes the Trigger Date for collection of principal and interest will be met on or before July 31, 2022.

## EXHIBIT D – SOURCES AND USES OF FUNDS

Sources of Funds		
PID Reimbursement Obligation	\$	5,182,651
Owner Contribution <sup>1</sup>		-
<b>Total Sources</b>	<b>\$</b>	<b>5,182,651</b>

Uses of Funds		
Authorized Improvements		
Streets		1,586,610
Storm Drainage		1,731,613
Sanitary Sewer		1,016,608
Park		97,595
Soft Costs		750,225
<b>Total Uses</b>	<b>\$</b>	<b>5,182,651</b>

**Footnotes:**

1) Non-reimbursable to the Owner through Assessments.



**EXHIBIT E – ASSESSMENT ROLL**

<b>Property ID<sup>1</sup></b>	<b>Outstanding Assessment</b>	<b>Annual Installment due 1/31/22</b>
Initial Parcel	\$ 5,182,651.00	\$ 20,000.00
<b>Total</b>	<b>\$ 5,182,651.00</b>	<b>\$ 20,000.00</b>

**Footnotes:**

1) The entire District is contained within Property ID 278118.

## EXHIBIT F – PROJECTED ANNUAL INSTALLMENTS

District Total Annual Installments				
Annual Installments Due 1/31	Principal	Interest <sup>2</sup>	Annual Collection Costs	Total Annual Installment <sup>1,3</sup>
2022	\$ -	\$ -	\$ 20,000.00	\$ 20,000.00
2023	\$ 88,000.00	\$ 240,475.00	\$ 20,400.00	\$ 348,875.00
2024	\$ 92,000.00	\$ 236,392.00	\$ 20,808.00	\$ 349,200.00
2025	\$ 96,000.00	\$ 232,123.00	\$ 21,224.16	\$ 349,347.16
2026	\$ 100,000.00	\$ 227,669.00	\$ 21,648.64	\$ 349,317.64
2027	\$ 104,000.00	\$ 223,029.00	\$ 22,081.62	\$ 349,110.62
2028	\$ 108,000.00	\$ 218,203.00	\$ 22,523.25	\$ 348,726.25
2029	\$ 113,000.00	\$ 213,192.00	\$ 22,973.71	\$ 349,165.71
2030	\$ 117,000.00	\$ 207,949.00	\$ 23,433.19	\$ 348,382.19
2031	\$ 122,000.00	\$ 202,520.00	\$ 23,901.85	\$ 348,421.85
2032	\$ 128,000.00	\$ 196,859.00	\$ 24,379.89	\$ 349,238.89
2033	\$ 133,000.00	\$ 190,920.00	\$ 24,867.49	\$ 348,787.49
2034	\$ 139,000.00	\$ 184,749.00	\$ 25,364.84	\$ 349,113.84
2035	\$ 145,000.00	\$ 178,299.00	\$ 25,872.13	\$ 349,171.13
2036	\$ 151,000.00	\$ 171,571.00	\$ 26,389.58	\$ 348,960.58
2037	\$ 157,000.00	\$ 164,565.00	\$ 26,917.37	\$ 348,482.37
2038	\$ 164,000.00	\$ 157,280.00	\$ 27,455.71	\$ 348,735.71
2039	\$ 171,000.00	\$ 149,670.00	\$ 28,004.83	\$ 348,674.83
2040	\$ 179,000.00	\$ 141,736.00	\$ 28,564.92	\$ 349,300.92
2041	\$ 187,000.00	\$ 133,430.00	\$ 29,136.22	\$ 349,566.22
2042	\$ 195,000.00	\$ 124,753.00	\$ 29,718.95	\$ 349,471.95
2043	\$ 204,000.00	\$ 115,705.00	\$ 30,313.33	\$ 350,018.33
2044	\$ 212,000.00	\$ 106,240.00	\$ 30,919.59	\$ 349,159.59
2045	\$ 222,000.00	\$ 96,403.00	\$ 31,537.99	\$ 349,940.99
2046	\$ 232,000.00	\$ 86,102.00	\$ 32,168.74	\$ 350,270.74
2047	\$ 242,000.00	\$ 75,337.00	\$ 32,812.12	\$ 350,149.12
2048	\$ 253,000.00	\$ 64,109.00	\$ 33,468.36	\$ 350,577.36
2049	\$ 264,000.00	\$ 52,369.00	\$ 34,137.73	\$ 350,506.73
2050	\$ 276,000.00	\$ 40,120.00	\$ 34,820.48	\$ 350,940.48
2051	\$ 288,000.00	\$ 27,313.00	\$ 35,516.89	\$ 350,829.89
2052	\$ 300,651.00	\$ 13,950.00	\$ 36,227.23	\$ 350,828.23
<b>Total</b>	<b>\$ 5,182,651.00</b>	<b>\$ 4,473,032.00</b>	<b>\$ 847,588.82</b>	<b>\$ 10,503,271.82</b>

**Footnotes:**

- 1) The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, interest earnings, or other available offsets could increase or decrease the amounts shown.
- 2) The interest rate on the Reimbursement Obligation is estimated at a 4.64% rate.
- 3) Table is shown for illustrative purposes only, and is subject to change pending the actual Trigger Date for the District. Assumes the Trigger Date for collection of Annual Installments will be met on or before July 31, 2022.

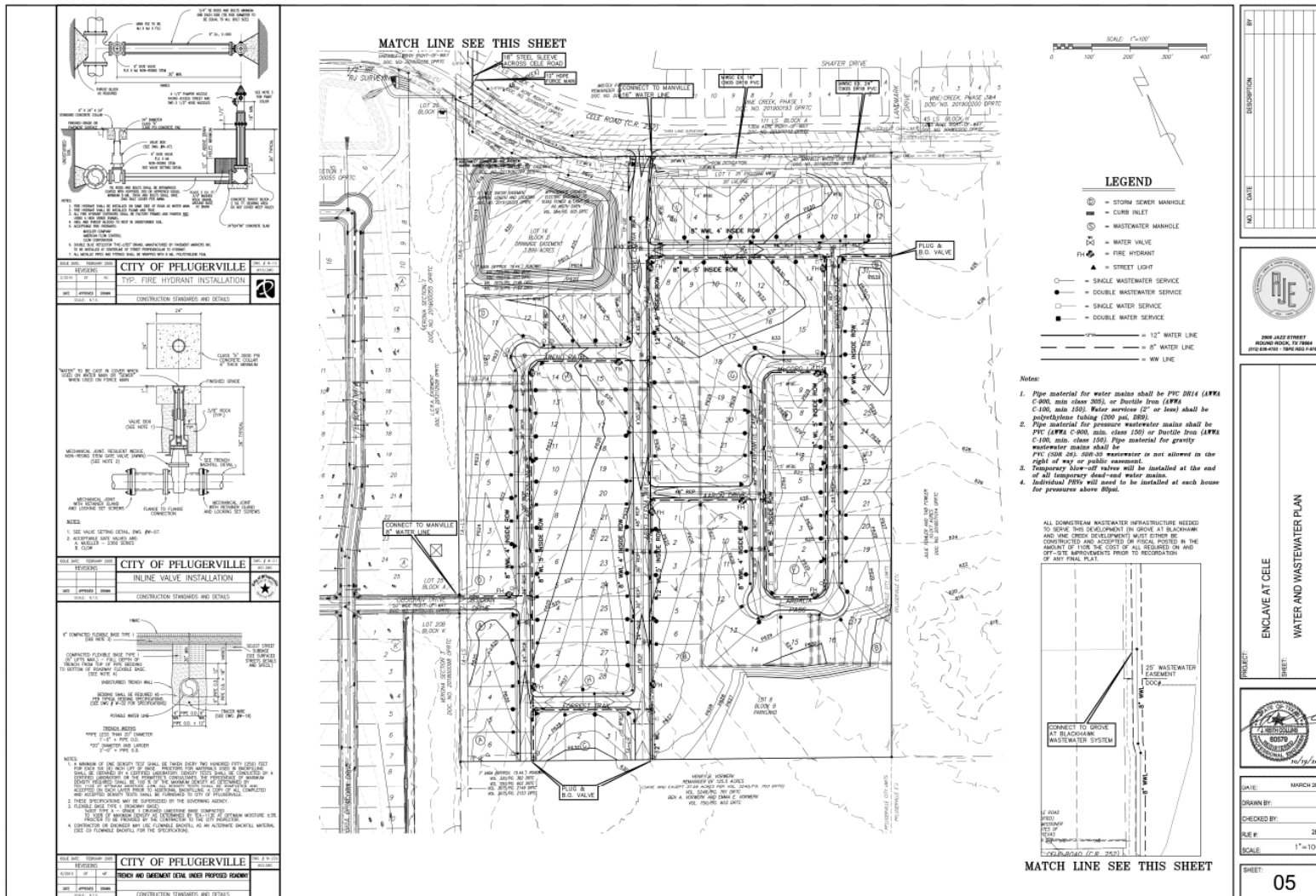
**EXHIBIT G – MAXIMUM ASSESSMENT AND TAX RATE EQUIVALENT**

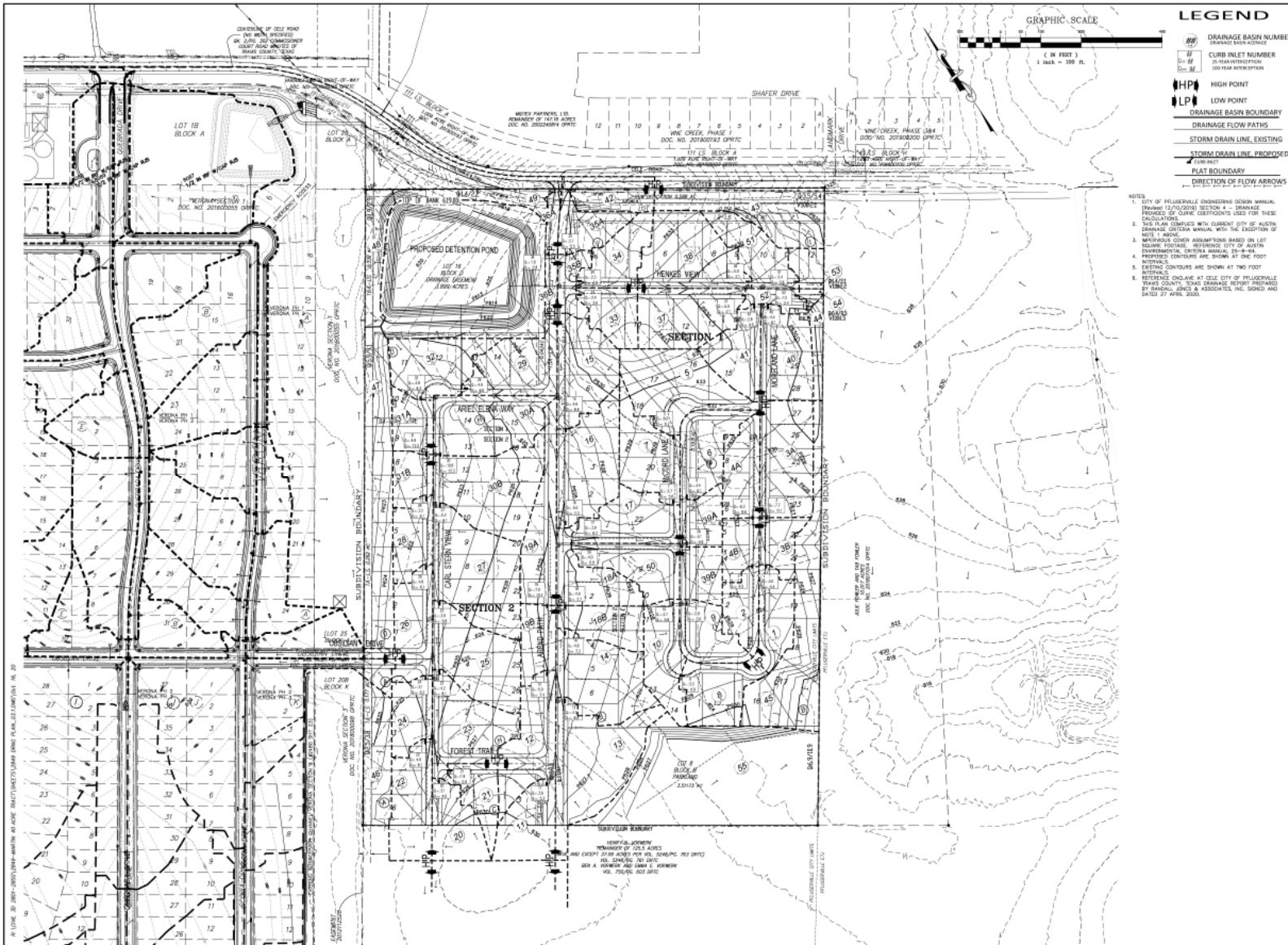
Lot Type	Units <sup>1</sup>	Estimated Buildout Value Per Unit <sup>1</sup>	Estimated Buildout Value	Total Assessment	Maximum Assessment per Unit	Average Annual Installment	Average Annual Installment per Unit	PID Equivalent Tax Rate
Lot Type 1 (60')	102	\$ 450,000	\$ 45,900,000	\$ 4,140,708	\$ 40,595	\$ 278,757	\$ 2,733	\$ 0.6073
Lot Type 2 (70')	21	\$ 550,000	\$ 11,550,000	\$ 1,041,943	\$ 49,616	\$ 70,145	\$ 3,340	\$ 0.6073
	<b>123</b>		<b>\$ 57,450,000</b>	<b>\$ 5,182,651</b>		<b>\$ 348,901</b>		

**Footnotes:**

1) Per information provided by the Owner.

# EXHIBIT H – MAP OF AUTHORIZED IMPROVEMENTS





NO.	DATE	DESCRIPTION	BY



PROJECT: ENCLAVE AT CELE

SHEET: DRAINAGE PLAN



DATE: OCTOBER 2020

DRAWN BY: MAS

CHECKED BY: RJE # 2849

SCALE: 1"=100'

SHEET: 6

**EXHIBIT I – FORM OF NOTICE OF ASSESSMENT TERMINATION**



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

[Date]  
Travis County Clerk's Office  
Honorable [County Clerk Name]  
Nelda Wells Spears Building  
5501 Airport Boulevard  
Austin, TX 78751

**Re: City of Pflugerville Lien Release Documents for Filing**

Dear Ms./Mr. [County Clerk Name],

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

City of Pflugerville  
Attn: [City Secretary]  
100 E. Main St.  
Pflugerville, TX 78660

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

Sincerely,  
[Signature]

P3Works, LLC  
P: (817) 393-0353  
[admin@p3-works.com](mailto:admin@p3-works.com)  
[www.P3-Works.com](http://www.P3-Works.com)

**AFTER RECORDING RETURN TO:**

[City Secretary Name]  
100 E. Main St.  
Pflugerville, TX 78660

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

**FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN**

STATE OF TEXAS                    §  
    §        **NOW ALL MEN BY THESE PRESENTS:**  
COUNTY OF TRAVIS            §

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

**RECITALS**

**WHEREAS**, the governing body (hereinafter referred to as the "City Council") of the City of Pflugerville, Texas (hereinafter referred to as the "City"), is authorized by Chapter 372, Texas Local Government Code, as amended (hereinafter referred to as the "Act"), to create public improvement districts within the corporate limits and extraterritorial jurisdiction of the City; and

**WHEREAS**, on or about December 8, 2020, the City Council for the City, approved Resolution No. 1829-20-12-18-0804, creating the Martin Public Improvement District; and

**WHEREAS**, the Martin Public Improvement District consists of approximately 40.774 contiguous acres within the corporate limits of the City; and

**WHEREAS**, on or about \_\_\_\_\_, 2022, the City Council approved Ordinance No. \_\_\_\_-2021, (hereinafter referred to as the "Assessment Ordinance") approving a service and assessment plan and assessment roll for the Property within the Martin Public Improvement District; and

**WHEREAS**, the Assessment Ordinance imposed an assessment in the amount of [amount] (hereinafter referred to as the "Lien Amount") for the following property:

[legal description], a subdivision in Travis County, Texas, according to the map or plat of record in Document/Instrument No. \_\_\_\_\_ of the Plat Records of Travis County, Texas (hereinafter referred to as the "Property"); and

**WHEREAS**, the property owners of the Property have paid unto the City the Lien Amount.

**RELEASE**

**NOW THEREFORE**, the City, the owner and holder of the Lien, Instrument No. \_\_\_\_\_, in the Real Property Records of Travis County, Texas, in the amount of the Lien Amount against the Property releases and discharges, and by these presents does hereby release and discharge, the above-described Property from said lien held by the undersigned securing said indebtedness.

**EXECUTED** to be **EFFECTIVE** this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**CITY OF PFLUGERVILLE, TEXAS,**  
A Texas home rule municipality,

By: \_\_\_\_\_  
[Manager Name], City Manager

**ATTEST:**

\_\_\_\_\_  
[Secretary Name], City Secretary

**STATE OF TEXAS**                   §  
  §  
**COUNTY OF TRAVIS**           §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by [Manager Name], City Manager for the City of Pflugerville, Texas, a Texas home rule municipality, on behalf of said municipality.

\_\_\_\_\_  
Notary Public, State of Texas



## EXHIBIT J – DISTRICT LEGAL DESCRIPTION

40.774 Acres

THAT PART OF THE ANDREW AUSTIN SURVEY NO. 19, ABSTRACT NO. 38 IN TRAVIS COUNTY, TEXAS, BEING A REMNANT PORTION OF THAT 108.25 ACRE TRACT OF LAND CONVEYED TO ARDALIA E. MARTIN BY DEED RECORDED IN DOCUMENT NO. 2014022161 AND CORRECTED BY DOCUMENT NO. 2014087416 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN at a 1/2" iron set rod with RJ Surveying cap on the south line of Cele Road at the northwest corner of a 10.017 Acre Tract of land conveyed to Julie Fowler and Tab Fowler by deed recorded in Document No. 2018071014 of the Official Public Records of Travis County, Texas, and on the north line of said 108.25 Acre Tract;

THENCE S27°58'33"W along the west line of said 10.017 Acre Tract and across said 108.25 Acre Tract a distance of 1574.85 feet to a found 1/2" iron rod at the southwest corner of said 10.017 Acre Tract, being also on the north line of a 125.5 Acre Tract of land conveyed to Henry B. Vorwerk by deed recorded in Volume 5248, page 761 of the Deed Record of Travis County, Texas, and on the south line of said 108.25 acre Tract;

THENCE N62°37'33"W along the north line of said 125.5 Acre Tract and the south line of said 108.25 Acre Tract a distance of 1123.75 feet to a 1/2" iron rod found at the northwest corner of said 125.5 Acre Tract, same being the southwest corner of said 108.25 Acre Tract and on the east line of Verona Section 3 according to the plat thereof recorded in Document No. 201800098 of the Official Public Records of Travis County, Texas;

THENCE N27°34'43"E along the west line of said 108.25 Acre Tract and in part along the east line of said Section 3 and along the east line of Verona Section 1 according to the plat thereof recorded in Document No. 201600055 of the Official Public Records of Travis County, Texas, (pass at a distance of 385.89 feet a 1/2" iron rod found with RJ Surveying cap at the northeast corner of said Section 3 and the southeast corner of said Section 1, pass at distance of 435.89 feet a 1/2" iron rod found with RJ Surveying cap at the southeast corner of Lot 25, Block A) in all a total distance of 1571.04 feet to a 1/2" iron rod set at the northwest corner of said 108.25 Acre Tract, same being on the south line of said Cele Road;

THENCE S62°48'52"E along the south line of said Cele Road, same being the north line of said 108.25 Acre Tract a distance of 1134.68 feet to the said Point of Beginning.

Containing 40.774 acres, more or less, as shown on the sketch attached.

 25 NOVEMBER 2019  
William L. Johnson

Registered Professional Land Surveyor No. 5425  
State of Texas

All iron rods set have RJ Surveying caps.

Bearings are Texas Coordinate System of 1983, Central Zone (4203).

RJ Surveying & Associates, Inc.  
2900 Jazz Street  
Round Rock, TX 78664  
Firm No. 10015400

Page 1 of 1



## EXHIBIT K – BUYER DISCLOSURE

### NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING<sup>1</sup> RETURN TO:

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

---

PROPERTY ADDRESS

**INITIAL PARCEL PRINCIPAL ASSESSMENT: \$5,182,651.00**

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

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

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

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

---

<sup>1</sup> To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Travis County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

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

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF PURCHASER

\_\_\_\_\_  
SIGNATURE OF PURCHASER

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

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF SELLER

\_\_\_\_\_  
SIGNATURE OF SELLER]<sup>2</sup>

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

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF PURCHASER

\_\_\_\_\_  
SIGNATURE OF PURCHASER

STATE OF TEXAS

§

COUNTY OF \_\_\_\_\_

§

§

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

Given under my hand and seal of office on this \_\_\_\_\_, 20\_\_.

Notary Public, State of Texas]<sup>3</sup>

<sup>3</sup> To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Travis County.

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

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF SELLER

\_\_\_\_\_  
SIGNATURE OF SELLER

STATE OF TEXAS

§

COUNTY OF \_\_\_\_\_

§

§

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

Given under my hand and seal of office on this \_\_\_\_\_, 20\_\_.

Notary Public, State of Texas]<sup>4</sup>

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

## ANNUAL INSTALLMENTS - INITIAL PARCEL

District Total Annual Installments				
Annual Installments Due 1/31	Principal	Interest <sup>2</sup>	Annual Collection Costs	Total Annual Installment <sup>1,3</sup>
2022	\$ -	\$ -	\$ 20,000.00	\$ 20,000.00
2023	\$ 88,000.00	\$ 240,475.00	\$ 20,400.00	\$ 348,875.00
2024	\$ 92,000.00	\$ 236,392.00	\$ 20,808.00	\$ 349,200.00
2025	\$ 96,000.00	\$ 232,123.00	\$ 21,224.16	\$ 349,347.16
2026	\$ 100,000.00	\$ 227,669.00	\$ 21,648.64	\$ 349,317.64
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2028	\$ 108,000.00	\$ 218,203.00	\$ 22,523.25	\$ 348,726.25
2029	\$ 113,000.00	\$ 213,192.00	\$ 22,973.71	\$ 349,165.71
2030	\$ 117,000.00	\$ 207,949.00	\$ 23,433.19	\$ 348,382.19
2031	\$ 122,000.00	\$ 202,520.00	\$ 23,901.85	\$ 348,421.85
2032	\$ 128,000.00	\$ 196,859.00	\$ 24,379.89	\$ 349,238.89
2033	\$ 133,000.00	\$ 190,920.00	\$ 24,867.49	\$ 348,787.49
2034	\$ 139,000.00	\$ 184,749.00	\$ 25,364.84	\$ 349,113.84
2035	\$ 145,000.00	\$ 178,299.00	\$ 25,872.13	\$ 349,171.13
2036	\$ 151,000.00	\$ 171,571.00	\$ 26,389.58	\$ 348,960.58
2037	\$ 157,000.00	\$ 164,565.00	\$ 26,917.37	\$ 348,482.37
2038	\$ 164,000.00	\$ 157,280.00	\$ 27,455.71	\$ 348,735.71
2039	\$ 171,000.00	\$ 149,670.00	\$ 28,004.83	\$ 348,674.83
2040	\$ 179,000.00	\$ 141,736.00	\$ 28,564.92	\$ 349,300.92
2041	\$ 187,000.00	\$ 133,430.00	\$ 29,136.22	\$ 349,566.22
2042	\$ 195,000.00	\$ 124,753.00	\$ 29,718.95	\$ 349,471.95
2043	\$ 204,000.00	\$ 115,705.00	\$ 30,313.33	\$ 350,018.33
2044	\$ 212,000.00	\$ 106,240.00	\$ 30,919.59	\$ 349,159.59
2045	\$ 222,000.00	\$ 96,403.00	\$ 31,537.99	\$ 349,940.99
2046	\$ 232,000.00	\$ 86,102.00	\$ 32,168.74	\$ 350,270.74
2047	\$ 242,000.00	\$ 75,337.00	\$ 32,812.12	\$ 350,149.12
2048	\$ 253,000.00	\$ 64,109.00	\$ 33,468.36	\$ 350,577.36
2049	\$ 264,000.00	\$ 52,369.00	\$ 34,137.73	\$ 350,506.73
2050	\$ 276,000.00	\$ 40,120.00	\$ 34,820.48	\$ 350,940.48
2051	\$ 288,000.00	\$ 27,313.00	\$ 35,516.89	\$ 350,829.89
2052	\$ 300,651.00	\$ 13,950.00	\$ 36,227.23	\$ 350,828.23
<b>Total</b>	<b>\$ 5,182,651.00</b>	<b>\$ 4,473,032.00</b>	<b>\$ 847,588.82</b>	<b>\$ 10,503,271.82</b>

**Footnotes:**

1) The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, interest earnings, or other available offsets could increase or decrease the amounts shown.

2) The interest rate on the Reimbursement Obligation is estimated at a 4.64% rate.

3) Table is shown for illustrative purposes only, and is subject to change pending the actual Trigger Date for the District. Assumes the Trigger Date for collection of Annual Installments will be met on or before July 31, 2022.

## APPENDIX A – ENGINEER’S REPORT

### Randall Jones & Associates Engineering, Inc.

2900 JAZZ STREET, ROUND ROCK, TX 78664

Phone: (512) 836-4793 Fax: (512) 836-4817

TBPE Reg Number: F-9784

#### AUTHORIZED IMPROVEMENTS COST

MARTIN 40 ACRE TRACT

RJE Job # 2849

1-Apr-20

JKC

STREETS		\$ 1,588,810.08
DRAINAGE		\$ 1,588,267.65
WASTEWATER		\$ 755,347.18
OFFSITE WW/LS		\$ 281,281.00
EROSION CONTROLS		\$ 163,345.05
Engineering and Testing	15%	\$ 850,224.64
Park Improvements		\$ 97,595.00
PID Creation		\$ 100,000.00
<b>GRAND TOTAL AUTHORIZED IMPROVEMENTS:</b>		<b><u>\$ 5,182,650.60</u></b>



STREETS	QUANTITY	UNIT	UNIT COST	TOTAL
SUBGRADE PREPARATION	28,695	SY	\$ 3.25	\$ 93,257.87
9" CRUSHED LIMESTONE BASE	20,313	SY	\$ 11.50	\$ 233,599.50
14" CRUSHED LIMESTONE BASE	8,382	SY	\$ 13.50	\$ 113,152.50
8" LIME STABILIZED SUBGRADE	28,695	SY	\$ 10.50	\$ 301,294.00
CURB & GUTTER	13,092	LF	\$ 15.00	\$ 196,380.00
2" HMAC	21,421	SY	\$ 13.00	\$ 278,477.33
SAW-CUT and TIE TO EXISTING PVMT	2	EA	\$ 3,000.00	\$ 6,000.00
TRAFFIC CONTROL	1	LS	\$ 7,500.00	\$ 7,500.00
TYPE II DRIVEWAY	1	EA	\$ 2,500.00	\$ 2,500.00
BLUE RAISED REFLECTORS	13	EA	\$ 200.00	\$ 2,600.00
STOP SIGNS W/ STOP BAR and STREET NAME SIGNS	11	EA	\$ 1,200.00	\$ 13,200.00
STREET NAME SIGNS	4	EA	\$ 900.00	\$ 3,600.00
STREET END BARRIERS	2	EA	\$ 1,000.00	\$ 2,000.00
REMOVE STREET END BARRIERS	1	EA	\$ 750.00	\$ 750.00
STAKING	13,092	LF	\$ 1.15	\$ 15,055.80
4' SIDEWALK	461	LF	\$ 18.00	\$ 8,298.00
6' SIDEWALK	2,129	LF	\$ 27.00	\$ 57,483.00
CURB RAMPS	38	EA	\$ 1,900.00	\$ 72,200.00
RESET PINS	1	LS	\$ 9,825.00	\$ 9,825.00
CONCRETE VALLEY GUTTER	7	EA	\$ 3,600.00	\$ 25,200.00
Contingency			10%	\$ 144,237.28

TOTAL IMPROVEMENTS:

**\$1,586,610.08**

STREET EXC & DRAINAGE	QUANTITY	UNIT	UNIT COST	TOTAL
CLEARING (ROW)	37,125	SY	\$ 0.50	\$ 18,562.50
CLEARING - LOTS	159,977	SY	\$ 0.50	\$ 79,988.50
EXCAVATION (ROW)	37,125	SY	\$ 3.00	\$ 111,375.00
18" CLASS III RCP	1,167	LF	\$ 48.00	\$ 56,016.00
24" CLASS III RCP	767	LF	\$ 62.00	\$ 47,554.00
30" CLASS III RCP	184	LF	\$ 75.00	\$ 13,800.00
36" CLASS III RCP	793	LF	\$ 96.00	\$ 76,128.00
42" CLASS III RCP	826	LF	\$ 126.00	\$ 104,076.00
48" CLASS III RCP	626	LF	\$ 150.00	\$ 93,900.00
4'X5' CLASS III BCP	307	LF	\$ 240.00	\$ 73,680.00
4' x 5' TxDOT HEADWALL	1	EA	\$ 12,000.00	\$ 12,000.00
42" HEADWALL	1	EA	\$ 4,500.00	\$ 4,500.00
48" HEADWALL	1	EA	\$ 5,500.00	\$ 5,500.00
INLETS 10-FOOT	41	EA	\$ 4,100.00	\$ 168,100.00
MANHOLES AND/OR JUNCTION BOXES	22	EA	\$ 5,800.00	\$ 127,600.00
ADJUST MANHOLE CASTINGS	22	EA	\$ 375.00	\$ 8,250.00
DETENTION POND incl outfall structures	1	LS	\$ 275,000.00	\$ 275,000.00
STAKING POND AND VOLUME VERIFICATION	1	LS	\$ 5,500.00	\$ 5,500.00
TRENCH SAFETY	4,670	LF	\$ 1.50	\$ 7,005.00
STAKING SS	4,670	LF	\$ 1.25	\$ 5,837.50
ROUGH CUTS	1	LS	\$ 3,275.00	\$ 3,275.00
GRADING TO INSURE PROPER DRAINAGE	1	LS	\$ 150,000.00	\$ 150,000.00
VERIFICATION OF DRAINAGE GRADING	1	LS	\$ 6,550.00	\$ 6,550.00
Contingency			10%	\$ 114,070.15

TOTAL IMPROVEMENTS:

**\$ 1,568,267.65**

	WASTEWATER	QUANTITY	UNIT	UNIT COST	TOTAL
	8" PVC SDR28 OFF-SITE - ALL DEPTHS	753	LF	\$ 60.00	\$ 45,180.00
	8" PVC SDR28 ON-SITE- ALL DEPTHS	5992	LF	\$ 50.00	\$ 299,600.00
	DOUBLE SERVICE	60	EA	\$ 1,800.00	\$ 108,000.00
	SINGLE SERVICE	11	EA	\$ 1,700.00	\$ 18,700.00
	TRENCH SAFETY	6,745	LF	\$ 1.50	\$ 10,117.50
	MANHOLES (4FT)	31	EA	\$ 5,000.00	\$ 155,000.00
	CONNECT TO EXISTING WWMH	1	EA	\$ 1,500.00	\$ 1,500.00
	STAKING	6,745	LF	\$ 1.15	\$ 7,756.75
	ADJUST MANHOLE CASTINGS	28	EA	\$ 375.00	\$ 10,500.00
	STAKE SERVICES	1	LS	\$ 5,325.00	\$ 5,325.00
	Easement Acquisition	1	LS	\$ 25,000.00	\$ 25,000.00
	Contingency			10%	\$ 88,667.93

TOTAL IMPROVEMENTS:

\$755,347.18

	EROSION	QUANTITY	UNIT	UNIT COST	TOTAL
	REVEG R.O.W.s	15,704	SY	\$ 1.00	\$ 15,704.00
	REVEG POND	18,987	SY	\$ 1.00	\$ 18,987.00
	REVEG LOTS	129,044	SY	\$ 0.50	\$ 64,522.00
	STABILIZED CONST ENT.	1	EA	\$ 1,200.00	\$ 1,200.00
	SILT FENCE- CONSTRUCTION PHASE	6,546	LF	\$ 3.00	\$ 19,638.00
	SILT FENCE-POST CONSTRUCTION	4,910	LF	\$ 3.00	\$ 14,728.50
	Staking - Erosion Controls	1	LS	\$ 6,546.00	\$ 6,546.00
	ROCK BERM	100	LF	\$ 25.00	\$ 2,500.00
	INLET PROTECTION	41	EA	\$ 70.00	\$ 2,870.00
	CONCRETE WASH OUT	1	EA	\$ 1,800.00	\$ 1,800.00
	Contingency			10%	\$ 14,849.55

**TOTAL IMPROVEMENTS:**

**\$ 163,345.05**