

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF DENTON, TEXAS AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT WITH LEGENDS RANCH DEVELOPMENT, LLC, CONCERNING THE LEGENDS RANCH MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY, ENCOMPASSING APPROXIMATELY 542.536 ACRES OF LAND LOCATED NORTH OF U.S. HWY 380, EAST OF NAIL ROAD, AND WEST OF THOMAS J. EGAN ROAD, WITHIN DIVISION I OF THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF DENTON, TEXAS; AND OTHER RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to Chapters 49 and 54 of the Texas Water Code and Section 42.042 of the Texas Local Government Code, Legends Ranch Development, LLC (“Owner”), Inc. filed a Petition for Consent to Creation of Legends Ranch Municipal Utility District of Denton County and a Petition for Consent to Addition of Land to Municipal Utility District (collectively, “MUD”) with the City of Denton; and

WHEREAS, the proposed MUD encompasses approximately 542.536 acres of land in the City’s extraterritorial jurisdiction (the “Property”); and

WHEREAS, the Developer proposes to develop the Property with 1,551 residential lots, 320 multifamily connections, and approximately 101 acres of floodplain/open space with a hike/bike trails; and

WHEREAS, the City’s consent to the creation of the MUD is contingent upon the City Council approving an agreement that sets for the mutually agreeable terms and conditions relating to the consent of the MUD and the development of the Property (“Development Agreement”); and

WHEREAS, part of the consideration for the creation of the MUD is the Developer’s offer to obligate the MUD to the terms of Development Agreement; NOW, THEREFORE;

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The Mayor or his designee is hereby authorized to execute the Development Agreement attached hereto as Exhibit “A” and incorporated herein for all purposes, with Legends Ranch Development, LLC concerning the Legends Ranch Municipal Utility District of Denton County and other related matters.

SECTION 2. Minor adjustments to the attached Development Agreement are authorized, such as filling in blanks and minor clarifications or corrections, and any modifications made by City Council in the approval of this ordinance.

SECTION 3. The City Manager, or her designee, is authorized to carry out all duties and obligations to be performed by the City under the Development Agreement, unless otherwise reserved in the Development Agreement for City Council approval.

SECTION 4. This ordinance shall become effective immediately upon its passage and approval.

The motion to approve this Resolution was made by \_\_\_\_\_ and seconded by \_\_\_\_\_, the Resolution was passed and approved by the following vote [\_\_\_\_ - \_\_\_\_]:

	Aye	Nay	Abstain	Absent
Gerard Hudspeth, Mayor:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Jesse Davis, District 3:	_____	_____	_____	_____
Alison Maguire, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Chris Watts, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
GERARD HUDSPETH, MAYOR

ATTEST:  
ROSA RIOS, CITY SECRETARY

BY: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:  
MACK REINWAND, CITY ATTORNEY

BY: Mack Reinwand Digitally signed by Mack Reinwand  
Date: 2022.06.23 18:26:03 -05'00'

## EXHIBIT "A"

### DEVELOPMENT AGREEMENT

This Development Agreement (this "Agreement") is entered into by and between Legends Ranch Development, LLC, a Texas limited liability company (the "Owner"), and the City of Denton, Texas (the "City"), to be effective on the date upon which the last of all of the Parties has approved and duly executed this Agreement ("Effective Date").

### RECITALS

**WHEREAS**, certain terms used herein are defined in Article I; and

**WHEREAS**, the Owner and the City (which are sometimes individually referred to as a "Party" and collectively as the "Parties") desire to enter into this Agreement; and

**WHEREAS**, the Owner owns an approximately 542.536 acre tract of land described by metes and bounds on Exhibit A and depicted on Exhibit B as surveyed by Kimley-Horn & Associates, Inc. on surface coordinates (the "Property"); and

**WHEREAS**, the Property is located wholly within the extraterritorial jurisdiction ("ETJ") of the City; and

**WHEREAS**, the Owner intends to develop the Property as a master planned residential development, consisting of approximately 1,551 single-family connections and up to 320 multi-family connections (the "Development"); and

**WHEREAS**, the Parties intend that the Property will be developed in accordance with the agreed concept plan (the "Concept Plan") attached hereto as Exhibit C, the City Regulations (defined herein), and the development standards set forth in Exhibit D (the "Development Standards"); and

**WHEREAS**, the Owner intends to construct and/or make financial contributions to certain on-site and off-site public improvements to serve the development of the Property; and

**WHEREAS**, the City holds the certificates of convenience and necessity (the "CCNs") to provide retail water and wastewater service to the Property and the Parties intend for the City to provide retail water and wastewater service to the Property; and

**WHEREAS**, the Development requires certain internal roadways within the District, including but not limited to Jackson Road, Thomas J. Egan Road, and the Internal Collector Roadway, as depicted on Exhibit E attached hereto (collectively, the "Onsite Roadway Improvements" and, collectively with the Utility Improvements defined herein, the "Public Infrastructure"); and

**WHEREAS**, the Development requires the offsite water improvements detailed and illustrated in Exhibit F to connect the City's water system to the Onsite Water Improvements (hereinafter defined), including (i) one connection from the east to an existing twelve inch (12")

water line in Jackson Road at the northeast corner of the District, (ii) one connection from the north to an existing sixteen inch (16") Northwest Pressure Plane water line in Masch Branch Road, including a pressure reducing valve and a connection to the twelve inch (12") water line in Jackson Road, and (iii) one connection from the east to an existing twelve inch (12") water line north of US 380, west of the intersection with Masch Branch Road (collectively the "Offsite Water Improvements"); and

**WHEREAS**, the Development requires the offsite wastewater improvements detailed and illustrated in Exhibit G to connect the City's sewer system to the Onsite Wastewater Improvements (hereinafter defined) including one connection to an existing eighteen inch (18") sewer line in the District or outside the District boundary subject to City approval (collectively the "Offsite Wastewater Improvements"); and

**WHEREAS**, the Development requires certain water distribution facilities within the District and connecting to the Offsite Water Improvements (the "Onsite Water Improvements") and, collectively with the Offsite Water Improvements, the "Water Improvements"; and

**WHEREAS**, the Development requires certain wastewater collection facilities located within the District and connecting to the Offsite Wastewater Improvements (the "Onsite Wastewater Improvements") and, collectively with the Offsite Wastewater Improvements, the "Wastewater Improvements") (the Water Improvements and Wastewater Improvements are collectively referred to herein as the "Utility Improvements"); and

**WHEREAS**, the Developer will dedicate or issue public access easement to the City for Parkland lots to be used for public park use; and

**WHEREAS**, due to the location and other natural features of the Property, the cost of the Public Infrastructure does not allow for the Owner's intended Development in a cost-effective and market-competitive manner without the creation of a municipal utility district; and

**WHEREAS**, the City has determined that full development of the Property as provided herein will promote local economic development within the City and will stimulate business and commercial activity within the City, which will drive infrastructure investment and job creation, and have a multiplier effect that increases both the City's tax base and utility revenues; and

**WHEREAS**, the Parties have determined that the Development will increase the quality of housing within the City; and

**WHEREAS**, the Parties have determined that the financing of the Public Infrastructure necessary for the Development can best be achieved by means of the creation of a municipal utility district through the Texas Commission on Environmental Quality (the "TCEQ") to be known as "Legends Ranch Municipal Utility District of Denton County" (the "District"); and

**WHEREAS**, an application for creation of the District, encompassing approximately 496.136 acres of the Property, as surveyed by T. Tabor Consulting, PLLC on grid coordinates (the



“496 Acre Tract”), and depicted as Tracts A, B, and C on the Concept Plan, is currently pending with the TCEQ; and

**WHEREAS**, once the District is created, Owner intends to annex approximately 45.782 acres of the Property, as surveyed by Kimley-Horn & Associates, Inc. on surface coordinates (the “45 Acre Tract”), and depicted as Tract D on the Concept Plan, into the District; and

**WHEREAS**, the City supports the creation of the District encompassing the 496 Acre Tract and the annexation of the 45 Acre Tract into the District under appropriate parameters, as set forth herein; and

**WHEREAS**, as evidence of the City’s consent to the creation of the District encompassing the 496 Acre Tract, Owner requests that the City adopt a Creation Consent Resolution in the form attached hereto as **Exhibit H** (the “Creation Consent Resolution”), demonstrating the City’s consent, pursuant to Section 42.042 of the Texas Local Government Code and Section 54.016 of the Texas Water Code, to the inclusion of the 496 Acre Tract in the District; and

**WHEREAS**, as evidence of the City’s consent to the annexation of the 45 Acre Tract into the District, Owner requests that the City adopt an Annexation Consent Resolution in the form attached hereto as **Exhibit I** (the “Annexation Consent Resolution”), demonstrating the City’s consent, pursuant to Section 42.0425 of the Texas Local Government Code and Section 54.016 of the Texas Water Code, to the inclusion of the 45 Acre Tract in the District; and

**WHEREAS**, the Parties desire the District and the City to enter into a strategic partnership agreement, the form of which is attached hereto as **Exhibit J**, within one hundred twenty (120) days of the date the District canvasses the returns of its confirmation election, providing for limited purpose annexation of the District; and

**WHEREAS**, the City supports the Development and will consider plats of all or a portion of the Property in general accordance with the Governing Regulations and this Agreement; and

**WHEREAS**, the City and the Owner agree that the Development can best proceed pursuant to a development agreement such as this Agreement; and

**WHEREAS**, as the Property is within the City’s ETJ, the Parties have the authority to enter into this Agreement pursuant to Section 212.171 *et seq* of the Texas Local Government Code and other applicable law; and

**WHEREAS**, the Parties intend that this Agreement is a development agreement provided for by state law in Section 212.171 *et seq* of the Texas Local Government Code.

**NOW, THEREFORE**, for and in consideration of the mutual covenants of the Parties set forth in this Agreement and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

**ARTICLE I**  
**GENERAL TERMS AND DEFINITIONS**

1.1 Recitals. The recitals to this Agreement are incorporated herein for all purposes.

1.2 Definitions. Unless the context requires otherwise, the following terms shall have the meanings hereinafter set forth:

45 Acre Tract is defined in the Recitals.

496 Acre Tract is defined in the Recitals.

Annexation Consent Resolution is defined in the Recitals, the form of which is attached hereto as **Exhibit I**.

Building Codes is defined in Section 9.1(e).

CCNs mean certificates of convenience and necessity.

City is defined in the introductory paragraph.

City Assignee is defined in Section 13.2.

City Council means the city council of the City.

City Regulations is defined in Section 9.1(a).

Concept Plan means the concept plan as shown in **Exhibit C**.

County is defined in the Recitals.

Creation Consent Resolution is defined in the Recitals, the form of which is attached hereto as **Exhibit H**.

Cross-Basin Sewer Facilities is defined in Section 4.7.

Development is defined in the Recitals.

Development Standards means the development standards attached hereto as **Exhibit D**.

District is defined in the Recitals.

District Consents is defined in Section 2.6.

DME is defined in Section 7.1(a).

Effective Date is defined in the introductory paragraph.

Eminent Domain Fees is defined in Section 4.6.

End-Buyer is defined in Section 14.1.

ETJ is defined in the Recitals.

Fire Plan is defined in Section 7.3(a).

Fire Station Site is defined in Section 7.3(c).

Governing Regulations is defined in Section 9.1.

ILA is defined in Section 7.3(a).

Offsite Wastewater Improvements means the offsite wastewater improvements detailed and illustrated in **Exhibit G** required to connect the City's sewer system to the Onsite Wastewater Improvements.

Offsite Water Improvements means the offsite water improvements detailed and illustrated in **Exhibit F** required to connect the City's water system to the Onsite Water Improvements, including (i) one connection from the east to an existing twelve inch (12") water line in Jackson Road at the northeast corner of the District, (ii) one connection from the north to an existing sixteen inch (16") Northwest Pressure Plane water line in Masch Branch Road, including a pressure reducing valve and a connection to the twelve inch (12") water line in Jackson Road, and (iii) one connection from the east to an existing twelve inch (12") water line north of US 380, west of the intersection with Masch Branch Road.

Onsite Roadway Improvements is defined in the Recitals and reflected in **Exhibit E**.

Onsite Wastewater Improvements is defined in the Recitals.

Onsite Water Improvements is defined in the Recitals.

Oversized Improvements is defined in Section 4.4.

Owner is defined in the introductory paragraph.

Owner Assignee is defined in Section 13.1(a).

Parkland is defined in Section 8

Parties means the Owner and the City.

Party means the Owner or the City.

Property means the real property described by metes and bounds on **Exhibit A** and depicted on **Exhibit B**.

Public Infrastructure means the Onsite Roadway Improvements and the Utility Improvements.

SPA is defined in Section 3.1, the form of which is attached hereto as **Exhibit J**.

TCEQ is defined in the Recitals.

TIA is defined in Section 5.1.

Utility Improvements means the Water Improvements and Wastewater Improvements.

Wastewater Improvements means the Offsite Wastewater Improvements and the Onsite Wastewater Improvements.

Water Improvements means the Offsite Water Improvements and the Onsite Water Improvements.

## **ARTICLE II** **CONSENT TO CREATION OF THE DISTRICT; DISTRICT BONDS**

2.1 Consent to the District Creation. Contemporaneously with the approval of this Agreement, the City Council agrees to adopt the Creation Consent Resolution, in the form attached hereto as **Exhibit H**, evidencing its consent to the creation of the District encompassing the 496 Acre Tract and the issuance of bonds by the District. This Agreement and the Creation Consent Resolution constitute the irrevocable and unconditional consent of the City to the creation of the District encompassing the 496 Acre Tract pursuant to the authority of Article III, Section 52, and Article XVI, Section 59, of the Texas Constitution and Chapters 49 and 54 of the Texas Water Code, as amended. The City further consents to an expansion of the authority of the District by petition to and approval of the TCEQ, by special acts of the Texas Legislature, or otherwise, to include other powers that are authorized by the Texas Constitution or by the laws of the State of Texas, as amended.

2.2 Consent to Annexation into the District. Contemporaneously with the approval of this Agreement, the City Council agrees to adopt the Annexation Consent Resolution, in the form attached hereto as **Exhibit I**, evidencing its consent to the annexation of the 45 Acre Tract into the District. This Agreement and the Annexation Consent Resolution constitute the irrevocable and unconditional consent of the City to the annexation of the 45 Acre Tract into the District.

2.3 Pending Creation Application. Owner currently has an application for creation of the District encompassing the 496 Acre Tract pending with the TCEQ. Upon the City's adoption of the Creation Consent Resolution pursuant to this Agreement, City agrees not to contest the creation of the District or request a contested case hearing.

2.4 Consent Resolutions; Other Documents. On even date herewith, the City agrees to adopt the Creation Consent Resolution substantially in the form attached hereto as **Exhibit H** and the Annexation Consent Resolution substantially in the form attached hereto as **Exhibit I**. The City agrees to adopt such further ordinances and execute such further documents as may reasonably be requested by Owner, the TCEQ, the Attorney General, or the District to evidence the City's consents as set forth in this Agreement and in the Creation Consent Resolution and Annexation Consent Resolution.

2.5 Limitation of Powers. Except as provided in this Agreement, nothing herein is intended to limit, impair, or conflict with the authority of or powers granted to the District by the Texas Constitution, Texas Water Code, Texas Local Government Code, or any other current or future statute applicable to such districts.

2.6 Full Satisfaction. The consents contained in this Article II and in the Creation Consent Resolution and Annexation Consent Resolution (the "District Consents") are given by the City: (a) in full satisfaction of any requirements for district consents contained in any statute or otherwise required by law, rule, regulation or policy, including, but not limited to, consents required by the Texas Water Code, as amended, the Texas Local Government Code, as amended, any rules, regulations, or policies of the TCEQ, or any rules, regulations, or policies of the Texas Attorney General; (b) with the understanding that the District Consents are irrevocable and cannot be withdrawn or modified in any way by the City or by any action of the City Council without the prior written approval of Owner; (c) with the understanding that Owner has relied on the District Consents to Owner's material detriment and but for the District Consents, Owner would not have entered into this Agreement; and (d) with the understanding that the District Consents shall not be affected by: (1) any default under this Agreement, whether by Owner or by any other person or entity that is or hereafter becomes bound by this Agreement, (2) any other act or omission by Owner or any other person or entity, whether or not related to this Agreement or the Property, or (3) any act or omission by the District, whether or not related to this Agreement or the Property.

2.7 District Bonds. Owner agrees to cause the District to adhere to the following requirements relating to the issuance of bonds:

(a) The District will issue bonds for wastewater system infrastructure, water system infrastructure, service fees, road system infrastructure, drainage and storm water control infrastructure, creation costs, operating costs, costs associated with bond issuance, capitalized interest and costs for infrastructure as permitted pursuant to Chapters 49 and 54 of the Texas Water Code.

(b) The District shall reimburse Owner for the costs associated with the construction of such infrastructure necessary to serve the District and any other infrastructure costs, creation costs and developer advances for the District's operating expenses that may be reimbursed in accordance with TCEQ rules and regulations.

(c) The District shall not issue bonds for infrastructure other than infrastructure that shall be ultimately owned by the District or the City.

(d) The District may issue bonds for the purpose of purchasing committed capacity in, or paying for contract rights related to, water supply or wastewater treatment or collection facilities and services, subject to TCEQ rules and regulations.

(e) The District may finance the oversizing of water, sewer or drainage facilities to serve areas within the Property that are outside the District, provided that the requirements of 30 Texas Administrative Code Section 293.44(a)(8) are satisfied.

(f) The District will issue all of its bonds on or before twenty (20) years after the date of the District's first bond issuance.

(g) The District will not issue bonds if the total tax rate (as calculated by the TCEQ rules) would exceed \$1.20 per \$100 of assessed valuation.

(h) The District shall not issue bonds to maintain or repair the Public Infrastructure without first obtaining written consent of the City.

### **ARTICLE III** **ANNEXATION**

3.1 Immunity From Full Purpose Annexation. Except as provided in a strategic partnership agreement, the form of which is attached hereto as **Exhibit J** (the "SPA"), the Property shall remain in the ETJ of the City and be immune from full purpose annexation by the City until such time that Owner has received from the District one hundred percent (100%) of all reimbursables due to Owner by the District. Owner shall cause the District to enter into the SPA with the City within one hundred twenty (120) days of the date the District canvasses the election returns from the District's confirmation election. Owner hereby consents to the full purpose annexation of the Property by the City upon the occurrence of Owner's receipt of one hundred percent (100%) of all reimbursables for construction costs for the water, wastewater, drainage, and roadway infrastructure and costs for creation and operation of the District due to Owner by the District.

3.2 Consent to Annexation. **SUBJECT TO SECTION 3.1 OF THIS AGREEMENT, OWNER AND ALL FUTURE OWNERS OF THE PROPERTY (INCLUDING END-BUYERS) AND FUTURE DEVELOPERS IRREVOCABLY AND UNCONDITIONALLY CONSENT TO THE FULL PURPOSE ANNEXATION UNDER STATE LAW OF THE PROPERTY INTO THE CORPORATE LIMITS OF THE CITY IN ACCORDANCE WITH THIS AGREEMENT AND WAIVE ALL OBJECTIONS, ELECTIONS AND PROTESTS TO SUCH ANNEXATION. THIS AGREEMENT SHALL SERVE AS THE PETITION OF OWNER AND ALL FUTURE OWNERS AND FUTURE DEVELOPERS FOR FULL PURPOSE ANNEXATION OF THE PROPERTY IN ACCORDANCE WITH THIS AGREEMENT AND SPECIFICALLY THE RESTRICTIONS SET FORTH IN SECTION 3.1 OF THIS AGREEMENT.**

3.3 Limited Purpose Annexation. Owner agrees that the City shall have the right to annex those areas of the Property that are intended for commercial development for the sole and

limited purpose of allowing the City to impose sales and use taxes within the boundaries of such commercial and/or retail areas to the extent permitted by State law. The terms and conditions upon which such limited purpose annexations may occur shall be set forth in a strategic partnership agreement, the form of which is attached hereto as **Exhibit J**, pursuant to Section 43.0751 of the Texas Local Government Code. No limited purpose annexation pursuant to a strategic partnership agreement shall affect, in any way, the ETJ status of the Property; and, notwithstanding any limited purpose annexation, the areas annexed, as well as the remainder of the Property, shall continue to be located within the ETJ of the City for the purposes of this Agreement.

#### **ARTICLE IV**

#### **WATER AND WASTEWATER SERVICE AND IMPROVEMENTS**

4.1 **Water and Wastewater Service; Billing.** The City shall be the exclusive retail provider of water and wastewater service under water CCN No. 10195 and wastewater CCN No. 20072 to the District and to customers located within the Property and the District, and such service shall be provided at the same rates charged to other customers located outside the corporate limits of the City until such time as the District is annexed into the City. The City will bill the customers directly for its retail water and sewer service.

4.2 **Reservation of Capacity.** The City agrees that it will provide sufficient water and wastewater capacity to serve no more than 2,000 living unit equivalent connections within the District in accordance with the Concept Plan.

4.3 **Design and Construction of Water Improvements and Wastewater Improvements.** All Utility Improvements shall be designed, constructed and installed by Owner, at Owner's sole cost, in compliance with the Governing Regulations. Construction and/or installation of the Utility Improvements shall not begin until complete and accurate plans and specifications have been approved by the City in accordance with standard City procedures. In the event the City disapproves the plans and specifications, the City shall provide owner with notice of such disapproval containing a detailed explanation of the reason(s) for such disapproval, which shall be limited to the failure of such plans and specifications to comply with one or more of the Governing Regulations. If the City provides Owner with such notice, Owner must revise the plans and specifications appropriately and resubmit such plans and specifications to the City for approval. If the City fails to approve or disapprove the resubmitted plans and specifications within thirty (30) days of the City's receipt of such resubmitted plans and specifications, such resubmitted plans and specifications shall be deemed to be approved by the City. Each of such contracts shall require a two-year maintenance bond following completion, which bond shall run in favor of the Party responsible for maintenance of the completed Utility Improvements. To the extent easements or rights-of-way are needed within the Property, they shall be dedicated by Owner to the City at no cost to the City. The Utility Improvements will be installed within easements granted to the City or in the public right of way. The size of the Utility Improvements shall be sized as finally determined by Owner's engineer and confirmed by the City's engineer, subject to any oversizing of the Offsite Water Improvements or Offsite Wastewater Improvements pursuant to Section 4.4 herein.



4.4 Option to Oversize Offsite Water Improvements and Offsite Wastewater Improvements. If Offsite Water Improvements or Offsite Wastewater Improvements are determined by the City to provide benefit to properties within the City's CCNs in addition to the District, the City will be obligated to bear and pay all costs, fees, and expenses, including but not limited to engineering and design costs, permitting costs, construction costs, bonds, or other fees/expenses for any change, required by the City, pertaining to the increased size of any portion of the Offsite Water Improvements or the Offsite Wastewater Improvements to a size greater than is necessary to serve the Development (the "Oversized Improvements"). Owner shall provide the City with thirty (30) days' notice of Owner's intent to proceed with the design of the Offsite Water Improvements and Offsite Wastewater Improvements. The City shall then have thirty (30) days to notify Owner whether the City requires any Oversized Improvements. If the City requires the Oversized Improvements, the Parties agree to enter into a mutually agreeable oversize participation agreement that confirms the funding or reimbursement of the Oversized Improvements, under which the City will agree to pay its pro-rata share of the Oversized Improvements pursuant to said agreement.

4.5 Inspections, Acceptance of Utility Improvements.

(a) Utility Improvements. The City shall have the right to inspect the construction of all Utility Improvements at any time, which shall be inspected, designed and constructed in compliance with all statutory and regulatory requirements, including design and construction criteria, and the Governing Regulations. Owner shall deliver as-built drawings for the Utility Improvements to the City's inspector assigned to the project, as applicable, fourteen (14) days prior to final inspection of such Utility Improvements. All Utility Improvements shall be dedicated to and become property of the City in accordance with the terms of this Agreement upon final acceptance of the Utility Improvements. All Utility Improvements shall be dedicated to the City along with all appurtenant easements and rights-of-way, with no liens or encumbrances, and a two year warranty, at no cost to the City.

(b) No Release. The City's inspections shall not release the Owner from its responsibility to construct, or ensure the construction of, adequate Utility Improvements in accordance with approved engineering plans, construction plans, and other approved plans related to development of the Property.

(c) City Owned. From and after the inspection, approval and acceptance by the City of the Utility Improvements or any portion thereof, such Utility Improvements or any portion thereof shall be owned by the City, and the City shall be solely responsible for the operation and maintenance of the accepted Utility Improvements, or any accepted portion thereof, at no cost to Owner or the District.

(d) Approval of Plats/Plans. Approval of plats, permits, plans, designs or specifications by the City shall be in accordance with the Governing Regulations. Approval by the City, the City's engineer or other City employee or representative of any plats, permits, plans, designs or specifications submitted pursuant to this Agreement or pursuant to the Governing Regulations shall not constitute or be deemed to be a release of the responsibility and liability of Owner, its engineer, employees, officers or agents for the accuracy and competency of their design and specifications. Further, any such approvals shall not be deemed to be an assumption of such

responsibility and liability by the City for any defect in the design and specifications prepared by Owner or Owner's engineer, or engineer's officers, agents or employees, it being the intent of the Parties that approval by the City's engineer signifies the City's approval on only the general design concept of the improvements to be constructed. All plats and plans of Owner related to the Property shall meet the requirements of the applicable Governing Regulations.

4.6 Eminent Domain. The Owner agrees to use commercially reasonable efforts to obtain all third-party rights-of-way, consents, or easements, if any, required for the Utility Improvements. If, however, the Owner is unable to obtain such third-party rights-of-way, consents, or easements within ninety (90) days of commencing efforts to obtain the needed easements and rights-of-way, 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. Unless otherwise set forth in this Agreement to the contrary, the Owner shall be responsible for funding all reasonable and necessary legal proceeding/litigation costs, attorney's fees and related expenses, property acquisition costs, 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 Owner 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 Owner deposits addition Eminent Domain Fees with the City. Any unused escrow funds will be refunded to the Owner 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.

4.7 Cross-Basin Sewer Facilities. City agrees to allow Owner to design, construct and install, at Owner's sole cost, all sewer collection facilities within the City's designated "HO" Sewer Basin to be lifted and connected to the City's existing sewer facilities within the City's designated "HN" Sewer Basin located within the District (the "Cross-Basin Sewer Facilities").

4.8 Impact Fees and other Development Fees. Owner acknowledges and agrees that the Property is subject to the assessment of water and wastewater impact fees, as well as other dedication, construction, and fee requirements. Further, Owner acknowledges and agrees that the Utility Improvements, or any part thereof, is not available for use as an impact fee credit for the Property or subject to refund.

## **ARTICLE V** **ROADWAYS**

5.1 Traffic Impact Analysis. Owner will submit to the City a full traffic impact analysis (the "TIA") prior to the submittal of a preliminary plat application or the initial construction

engineering plan application. The TIA shall include construction triggers for the life of the Development.

5.2 Dedication of Right-of-Way. Owner agrees to comply with any applicable City or County Mobility Plan for the dedication of right-of-way within the District, including, but not limited to, the following roadways as shown on **Exhibit G** attached hereto: (i) Jackson Road, (ii) Thomas J. Egan Road, and (iii) Internal Collector Roadway.

5.3 Design and Construction of Onsite Roadway Improvements. All Onsite Roadway Improvements shall be designed, constructed and installed by Owner, at Owner's sole cost, in compliance with the Governing Regulations. Notwithstanding the foregoing, Owner shall only be responsible for its pro-rata share of the cost of improvements for Jackson Road and Thomas J. Egan Road based on the TIA. The City agrees that phasing of any of the Onsite Roadway Improvements may follow phasing of the Development. Construction of any improvements for Jackson Road and/or Thomas J. Egan Road shall count toward Owner's pro-rata share.

## **ARTICLE VI** **STORMWATER; DRAINAGE; FLOODPLAIN**

Prior to submission of construction engineering plans for the Development, Owner shall submit to the City's engineer a downstream assessment and conditional letter of map revision ("CLOMR"), if needed, for review and approval by the City prior to submission. Solely for purpose of this Agreement and to avoid and reduce uncertainties related to the enforcement of Governing Regulations (as hereinafter defined), floodplain reclamation within the City's Division One ETJ shall not trigger an Alternate ESA Plan approval.

## **ARTICLE VII** **ELECTRIC SERVICE; MUNICIPAL SOLID WASTE/RECYCLING SERVICE; FIRE PROTECTION SERVICE**

### **7.1 Electric Service.**

(a) Service Provider. The Parties agree that the District shall be served with electricity distribution service in the most cost-effective manner. Notwithstanding the foregoing, before Owner and/or the District enters into a contract with an electricity distribution service provider, Owner and/or the District must provide the City with any and all bona fide offers that Owner and/or the District receives from any electricity distribution service providers that can legally provide such service to the District. The City shall then have thirty (30) business days to provide to Owner and/or the District an offer from Denton Municipal Electric ("**DME**") to provide electricity distribution service to the District. The Parties agree that if DME's offer is substantially similar to the most cost-effective offer received by Owner and/or the District from another electricity distribution service provider that can legally provide such service to the District, Owner and/or the District must obtain electricity distribution service from DME. The term "substantially similar," as used in this Section 7.1, means that the terms of the offers provide approximately the same level of service at approximately the same start-up costs to Owner and/or the District. Rates for

electricity applicable to customers located within the District will be pursuant to the then applicable DME rates, as approved by the City Council.

(b) Offers for Service. All offers received by Owner and/or the District from electricity distribution service providers that can legally provide such service to the District shall include the following terms:

- (i) The electricity distribution service provider will extend electric distribution facilities as necessary to serve the full Development;
- (ii) The electricity distribution service provider will evaluate the cost associated with service extension through the undeveloped area to determine if Aid-in-Construction is required;
- (iii) The electricity distribution service provider shall be responsible for the installation of all primary-voltage electrical cables, transformers, switchgear, streetlight poles and LED streetlight fixtures, streetlight cables, single-family residential services, and other necessary electrical distribution and transmission system equipment, whether onsite or offsite, as necessary to provide adequate and reliable electricity distribution service to the District.
- (iv) Owner will provide all onsite public utility easements to the electricity distribution service provider that are necessary to protect, install, safely operate and maintain the electric infrastructure, at Owner's sole cost. Public utility easements shall be eight (8) feet in width when adjacent to roadway rights-of-way in single-family residential areas, fifteen (15) feet in width when adjacent to Primary and Secondary Arterial rights-of-way, and twenty (20) feet in width where duct banks are required. Such easements shall be conveyed through the platting process, unless the electricity distribution service provider requests an easement be transferred by separate instrument. The electricity distribution service provider shall agree to joint trench installation of other franchised utilities such as telephone, cable television, fiber optic cables, or other non-gas utilities within the designated public utility easements, as long as such other franchised utilities are on an edge shelf of the trench and not placed directly above the electric infrastructure.
- (v) Existing overhead electricity distribution lines, which are currently located in the public rights-of-way, will be relocated by the electricity distribution service provider, at no cost to Owner and/or the District, when development adjacent to the existing electricity distribution lines requires the lines to be relocated in order to accommodate the adjacent development; provided that the relocation of the electricity distribution lines is to an overhead position. If Owner requests the relocation to be placed underground, Owner shall be responsible for the difference in cost between the overhead relocation and the underground relocation as reasonably determined and demonstrated by the electricity distribution service provider. Any existing overhead electricity distribution lines not owned by the electricity distribution service provider will be relocated underground by the owner of such electricity

distribution line(s), if required, to comply with the Denton Development Code.

- (vi) Owner will comply with those City approved policies within the DME Electric Service Standards, as amended, that are available on the City's website and uniformly applied within the City, including the specifications for street lighting.
- (vii) All new electricity distribution service within the Property shall be placed underground except for necessary above-ground appurtenances such as street lights, switchgear and transformers.
- (viii) The City shall have the right to inspect the electricity distribution facilities prior to Owner, the District and/or the electricity distribution service provider placing such electricity distribution facilities into use.

7.2 Municipal Solid Waste/Recycling Service. The Parties agree that the District shall be served with municipal solid waste/recycling service in the most cost-effective manner. Notwithstanding the foregoing, before Owner and/or the District enters into a contract with a municipal solid waste/recycling service provider, Owner and/or the District must provide the City with any and all bona fide offers that Owner and/or the District receives from any municipal solid waste/recycling service providers that can legally provide such service to the District. The City shall then have thirty (30) business days to provide to Owner and/or the District an offer from the City to provide municipal solid waste/recycling service to the District. The Parties agree that if the City's offer is substantially similar to the most cost-effective offer received by Owner and/or the District from another municipal solid waste/recycling service provider that can legally provide such service to the District, Owner and/or the District must obtain municipal solid waste/recycling service from the City. The term "substantially similar," as used in this Section 7.2, means that the terms of the offers provide approximately the same level of service at approximately the same start-up costs to Owner and/or the District. Rates for municipal solid waste/recycling service applicable to customers located within the District will be pursuant to the then applicable rate schedule, as approved by the City Council and published in the City's Utility Rate Ordinance.

### 7.3 Fire Protection Service.

(a) ILA and Fire Plan. After the creation of the District, Owner shall cause the District to enter into an Interlocal Cooperation Agreement (an "ILA") with the County, the City or another fire protection service provider chosen by the District for the provision of fire protection service to the District. Owner shall then cause the District to develop a fire plan incorporating the terms of the ILA and in accordance with Section 49.351 of the Texas Water Code and the rules of the TCEQ (the "Fire Plan"), and submit such Fire Plan to the TCEQ for review and approval. Upon the TCEQ's approval of the Fire Plan, Owner shall cause the District to call an election and obtain voter approval of the ILA and Fire Plan and the levy of a contract tax sufficient to make payments thereunder. The Fire Plan shall be approved by the District's voter(s) prior to recording a final plat for the Property. Owner agrees that if the fire protection service provider is any provider other than the City, the ILA and Fire Plan should stipulate that upon annexation of the Property into the City's corporate limits pursuant to this Agreement and the SPA, the ILA and Fire Plan shall terminate and all real and personal property located the Fire Station Site (hereinafter defined), including improvements, furniture, fixtures and equipment required for providing fire service to



the District, shall be transferred to the City at no cost to the City, and the City shall become the fire protection service provider.

(b) City ILA. If the City is chosen to be the fire protection service provider to the District, Owner shall cause the District to enter into an ILA with the City in conformance with the terms of the fire service agreement, the form of which is attached hereto as **Exhibit K**.

(c) Fire Station Site. Owner agrees to dedicate two and one half (2.5) acres of land located in the southeast corner of the District (the “Fire Station Site”) for the City to construct a future fire station at such time that the call volume and response times are determined to be outside the industry standards by the City’s Fire Department, as provided for in the fire service agreement, the form of which is attached hereto as **Exhibit K**.

(d) Temporary Housing. One (1) temporary home shall be permitted on the Property as necessary to satisfy on-site voter requirements of the TCEQ with respect to any District election held for any purpose, including, but not limited to, voter confirmation of the creation of the District and voter approval of the Fire Plan, as contemplated under Section 7.3(a) herein.

## **ARTICLE VIII** **PARKS/TRAILS**

Owner agrees to coordinate with the Director of the City’s Parks & Recreation Department to ensure that the District’s trail network is connected to the City’s citywide trail network. Owner shall enter into an agreement with the City, or cause the District to enter into an ILA with the City, dedicating by fee or easement to the City ESA parkland, and/or trails and public access within floodplain (“Parkland”) at no cost to the City, as shown in Exhibit C. The Parkland dedication will occur at or before the time of final plat approval. No dedicated Parkland shall be located within a gas well setback determined in accordance with the Denton Development Code. The Owner agrees to provide connectivity to the Parkland from the Development and will abide by the Parks and Recreation sidewalks/pathways design standards identified in the Parks, Recreation, and Trails System Masterplan.

## **ARTICLE IX** **DEVELOPMENT REGULATIONS**

9.1 Governing Regulations. Development of the Property shall be governed solely by the following regulations (collectively, the “Governing Regulations”):

(a) the applicable City regulations, as may lawfully be amended at any time, that are uniformly enforced within the City’s Division I ETJ, including, but not limited to, the following (collectively, the “City Regulations”):

- (i) The City’s regulations that apply to the City’s Division I ETJ;
- (ii) Subchapter 2 (Administration and Procedures) of the Denton Development Code;

- (iii) Development and subdivision regulations contained in Section 3.4, Subchapter 7, and Subchapter 8 of the Denton Development Code, as amended, together with applicable Design Criteria Manuals, Denton Mobility Plan, and other approved Master Plans of the City, as amended, and the most recent North Central Texas Council of Governments Standard Specifications for Public Works Construction, as amended or replaced;
- (iv) Section 7.7 Landscaping, Screening, Buffering and Fences;
- (v) All plumbing infrastructure for structures contained on the Property shall comply with the City's plumbing code in effect when the structure is constructed, including, without limitation, permit requirements;
- (vi) Environmental regulations, as contained in Section 7.4 (Environmentally Sensitive Areas) of the Denton Development Code, as amended and as applicable in the Division I ETJ;
- (vii) Applicable water and wastewater connection, construction and on-site operation requirements, contained within Chapter 26 of the Denton Code of Ordinances, as amended, and Subchapters 7 and 8 of the Denton Development Code, as amended, the Denton Water and Wastewater Criteria Manual, as amended and as supplemented by the Texas Water Code, as amended, the Texas Natural Resources Code, as amended, the Texas Utilities Code, as amended, and applicable administrative standards of the TCEQ, as amended;
- (viii) Applicable Flood Protection, Drainage and related standards, as contained within Chapter 30 of the Denton Development Code, as amended, Subchapters 7 and 8 of the Denton Development Code, as amended, the Denton Stormwater Criteria Manual, as amended and as supplemented by requirements of the Texas Water Code, as amended, the Texas Natural Resources Code, as amended, the Texas Utilities Code, as amended, and applicable administrative standards of the TCEQ, as amended, and applicable administrative standards of the Federal Emergency Management Administration, as amended;
- (ix) Gas well platting, drilling and production standards, as contained within Subchapters 2 and 6 of the Denton Development Code, as amended and as supplemented by requirements of the Texas Utilities Code, as amended, the Texas Natural Resources Code, as amended, the Texas Water Code, as amended, and applicable administrative standards of the Texas Railroad Commission and TCEQ, as amended, and single family lots and amenity/park space shall be setback a minimum of 200 feet from gas wells, measured in a straight line from the well head to the nearest single family property line.

(b) technical codes including all international codes adopted by the City in effect on the Effective Date, and as lawfully may be amended at any time;



(c) the Concept Plan attached hereto as **Exhibit C** and as amended from time to time in accordance with this Agreement (the “Concept Plan”), which Concept Plan is considered to be a development plan as provided for in Section 212.172 of the Texas Local Government Code;

(d) the development standards set forth on **Exhibit D** attached hereto (the “Development Standards”);

(e) the building codes of the City, as amended, provided such building codes are adopted by ordinance and uniformly applied throughout the City (the “Building Codes”).

## 9.2 Conflicts.

(a) In the event of any conflict between this Agreement and any ordinance, rule, regulation, standard, policy, order, guideline or other City-adopted or City-enforced requirement, whether existing on the Effective Here or hereafter adopted, this Agreement shall control.

(b) In the event of any conflict between the Development Standards and any other part of the Governing Regulations, the Development Standards shall control.

## **ARTICLE X** **DEVELOPMENT PROCESS AND CHARGES**

10.1 Fees. Except as specifically described below, Owner shall be subject to those water and sewer fees and charges and other related fees due and payable to the City in connection with the development of the Property that are charged uniformly to other Division I ETJ developments. All Capital Recovery Fees applicable to individual lots will be due and payable by Owner pursuant to the Governing Regulations.

10.2 Building Permits. Owner, or any subsequent owner of any portion of the Property, as appropriate, shall request and obtain a building permit from the City for every structure that is constructed on the Property. The City shall allow Owner to request and obtain building permits for no more than four model homes prior to the filing of a final plat. All fees charged to Owner, or any subsequent owner of any portion of the Property, for building permits shall be the fees that the City charges for building permits inside the corporate boundaries of the City pursuant to its lawfully adopted fee schedule.

10.3 Capital Investment. The Parties agree that a fee of \$550 per single-family residential building shall be paid to the City at the issuance of each single-family residential building permit within the Property. A fee of \$250 for each separate residential unit within the building shall be paid to the City at the issuance of each multi-family building permit within the Property. For the avoidance of doubt, the fees provided in this Section 10.3 are the same fees required by the fire service agreement, the form of which is attached hereto as **Exhibit K**.

## **ARTICLE XI**

### **TERM**

The term of this Agreement shall be for a period of thirty (30) years after the Effective Date, except that **Exhibit D**, plus all provisions of this Agreement related to **Exhibit D** shall have a term of forty-five (45) years. The Parties may extend the term of this Agreement if they execute an agreement in writing.

## **ARTICLE XII**

### **EVENTS OF DEFAULT; REMEDIES**

12.1 Events of Default. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given in writing (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time to be determined based on the nature of the alleged failure, but in no event more than 30 days after written notice of the alleged failure has been given). Notwithstanding the foregoing, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured and within such 30-day period gives written notice to the non-defaulting Party of the details of why the cure will take longer than 30 days with a statement of how many days are needed to cure.

12.2 Remedies. If a Party is in default, the aggrieved Party may, at its option and without prejudice to any other right or remedy under this Agreement, seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act, or actions for specific performance, mandamus, or injunctive relief. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL ENTITLE THE AGGRIEVED PARTY TO TERMINATE THIS AGREEMENT OR LIMIT THE TERM OF THIS AGREEMENT.

## **ARTICLE XIII**

### **ASSIGNMENT AND ENCUMBRANCE**

#### 13.1 Assignment by Owner to Successor Owners.

(a) Owner has the right (from time to time without the consent of the City, but upon prior written notice to the City) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of Owner under this Agreement, to any person or entity (an "Owner Assignee") that (i) is or will become an owner of any portion of the Property or (ii) is controlled by or under common control by the Owner, provided that the Owner is not in breach of this Agreement at the time of such assignment. An Owner Assignee is considered the "Owner" and a "Party," and under this Agreement for purposes of the obligations, rights, title, and interest assigned to the Owner Assignee. Notice of each proposed assignment to an Owner Assignee shall be provided to the City at least fifteen (15) days prior to the effective date of the assignment, which notice shall include a copy of the proposed assignment document together with the name, address,

telephone number, and e-mail address (if available) of a contact person representing the Owner Assignee.

(b) Each assignment shall be in writing executed by Owner and the Owner Assignee and shall obligate the Owner Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned. A copy of each fully executed assignment to an Owner Assignee shall be provided to all Parties within fifteen (15) days after execution. From and after such assignment, the City agrees to look solely to the Owner Assignee for the performance of all obligations assigned to the Owner Assignee and agrees that Owner shall be released from subsequently performing the assigned obligations and from any liability that results from the Owner Assignee's failure to perform the assigned obligations; provided, however, if a copy of the assignment is not received by the City within 15 days after execution, Owner shall not be released until the City receives such copy of the assignment.

(c) No assignment by Owner shall release Owner from any liability that resulted from an act or omission by Owner that occurred prior to the effective date of the assignment unless the City approves the release in writing.

(d) Owner shall maintain written records of all assignments made by Owner to Owner Assignees, including a copy of each executed assignment and the Owner Assignee's Notice information as required by this Agreement, and, upon written request from another Party, shall provide a copy of such records to the requesting person or entity.

13.2 Assignment by the City. The City has the right (from time to time without the consent of Owner, but upon prior written Notice to Owner) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the City under this Agreement, to any agency, authority, or political subdivision of the state (a "City Assignee"). Notice of each proposed assignment to a City Assignee shall be provided to Owner at least 15 days prior to the effective date of the assignment, which Notice shall include a copy of the proposed assignment document together with the name, address, telephone number, and e-mail address of a contact person representing the City Assignee who Owner may contact for additional information. Each assignment shall be in writing executed by the City and the City Assignee and shall obligate the City Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned. A copy of each fully executed assignment to a City Assignee shall be provided to all Parties within 15 days after execution. From and after such assignment, Owner agrees to look solely to the City Assignee for the performance of all obligations assigned to the City Assignee and agrees that the City shall be released from subsequently performing the assigned obligations and from any liability that results from the City Assignee's failure to perform the assigned obligations; provided, however, if a copy of the assignment is not received by Owner within 15 days after execution, the City shall not be released until Owner receives such copy of the assignment. No assignment by the City shall release the City from any liability that resulted from an act or omission by the City that occurred prior to the effective date of the assignment unless Owner approves the release in writing. The City shall maintain written records of all assignments made by the City to City Assignees, including a copy of each executed assignment and the City Assignee's Notice information as required by this Agreement, and, upon written request from another Party, shall provide a copy of such records to the requesting person or entity.

13.3 Encumbrance by Owner and Assignees. Owner and Owner Assignees have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, or interest under this Agreement for the benefit of their respective lenders without the consent of, but with prompt written Notice to, the City. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate any lender to perform any obligations or incur any liability under this Agreement unless the lender agrees in writing to perform such obligations or incur such liability. Provided the City has been given a copy of the documents creating the lender's interest, including Notice (hereinafter defined) information for the lender, then that lender shall have the right, but not the obligation, to cure any default under this Agreement and shall be given a reasonable time to do so in addition to the cure periods otherwise provided to the defaulting Party by this Agreement; and the City agrees to accept a cure offered by the lender as if offered by the defaulting Party. A lender is not a Party to this Agreement unless this Agreement is amended, with the consent of the lender, to add the lender as a Party. Notwithstanding the foregoing, however, this Agreement shall continue to bind the Property and shall survive any transfer, conveyance, or assignment occasioned by the exercise of foreclosure or other rights by a lender, whether judicial or non-judicial. Any purchaser from or successor owner through a lender of any portion of the Property shall be bound by this Agreement and shall not be entitled to the rights and benefits of this Agreement with respect to the acquired portion of the Property until all defaults under this Agreement with respect to the acquired portion of the Property have been cured.

13.4 Transfer of Warranties. Any Public Infrastructure that are transferred to the City shall be accompanied by all applicable third-party bonds and warranties related to construction and maintenance of such Public Infrastructure.

13.5 Assignees as Parties. An assignee authorized in accordance with this Agreement and for which notice of assignment has been provided in accordance with this Agreement shall be considered a "Party" for the purposes of this Agreement. With the exception of the End-Buyer of a lot within the Property, any person or entity upon becoming an owner of land or upon obtaining an ownership interest in any part of the Property shall be deemed to be a "Owner" and have all of the obligations of the Owner as set forth in this Agreement and all related documents to the extent of said ownership or ownership interest.

13.6 No Third-Party Beneficiaries. This Agreement only inures to the benefit of, and may only be enforced by, the Parties. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

#### **ARTICLE XIV** **RECORDATION AND ESTOPPEL CERTIFICATES**

14.1 Binding Obligations. This Agreement and all amendments hereto (including amendments to the Concept Plan as allowed in this Agreement) and assignments hereof shall be recorded in the deed records of the County. This Agreement binds and constitutes a covenant running with the Property. Upon the Effective Date, this Agreement shall be binding upon the Parties and their successors and assigns permitted by this Agreement and forms a part of any other requirements for development within the Property. This Agreement, when recorded, shall be

binding upon the Parties and their successors and assigns as permitted by this Agreement and upon the Property; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any end-buyer/homebuyer of a fully developed and improved lot (an "End-Buyer") and shall not negate the End-Buyer's obligation to comply with the City's Regulations, including but not limited to zoning ordinances, as they currently exist or may be amended.

14.2 Estoppel Certificates. From time to time upon written request of the Owner, if needed to facilitate a sale of all or a portion of the Property or a loan secured by all or a portion of the Property, the City will execute a written estoppel certificate in a form and substance satisfactory to the City, to its reasonable knowledge and belief, identifying any obligations of the Owner under this Agreement that are in default.

## **ARTICLE XV** **ADDITIONAL PROVISIONS**

15.1 Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the City Council of the City; and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

15.2 Notices. Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or transmitted by telecopy or facsimile transmission (which shall be immediately confirmed by telephone and shall be followed by mailing an original of the same within 24 hours after such transmission) or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City:	Attn: City Manager City of Denton 215 E McKinney St Denton, TX 76201
With a copy to:	Attn: City Attorney City of Denton, Texas 215 E. McKinney St. Denton, TX 76201
To the Owner:	Attn: Tommy Cansler Legends Ranch Development, LLC 3930 Glade Road, Suite 108-322 Colleyville, Texas 76034

With a copy to:

Attn: Mindy L. Koehne  
Coats Rose, P.C.  
14755 Preston Road, Suite 600  
Dallas, Texas 75254  
TEL: (972) 788-1600

Any party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

15.3 Interpretation. The Parties acknowledge that each has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

15.4 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is required.

11.5 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The Owner represents and warrants that this Agreement has been approved by appropriate action of the Owner, and that the individual executing this Agreement on behalf of the Owner has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.

15.6 Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties.

15.7 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

15.8 Applicable Law; Venue. This Agreement is entered into pursuant to, and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Denton County. Exclusive venue for any action to enforce or construe this Agreement shall be in the Denton County District Court.



15.9 Non-Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

15.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

15.11 Further Documents. The Parties agree that at any time after execution of this Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Agreement. This provision shall not be construed as limiting or otherwise hindering the legislative discretion of the City Council seated at the time that this Agreement is executed or any future City Council.

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

Exhibit A	Legal Description of the Property
Exhibit B	Depiction of the Property
Exhibit C	Concept Plan
Exhibit D	Development Standards
Exhibit E	Roadway Improvements
Exhibit F	Offsite Water Improvements
Exhibit G	Offsite Wastewater Improvements
Exhibit H	Creation Consent Resolution
Exhibit I	Annexation Consent Resolution
Exhibit J	Strategic Partnership Agreement
Exhibit K	Fire Service Agreement

15.13 Governmental Powers; Waivers of Immunity. By its execution of this Agreement, the City does not waive or surrender any of its respective governmental powers, immunities, or rights except as provided in this section. The Parties acknowledge that the City waives its sovereign immunity as to suit solely for the purpose of adjudicating a claim under this Agreement. This is an agreement for the provision of goods or services to the City under Section 271.151 et seq. of the Texas Local Government Code.

15.14 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 three business days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance, shall give notice to all the Parties, 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. The term "force majeure" shall include events or circumstances that are not within the reasonable control of Party whose performance is suspended and that could not have been avoided by such Party with the good faith exercise of good faith, due diligence and reasonable care.

15.15 Amendments. This Agreement cannot be modified, amended, or otherwise varied, except in writing signed by the City and Owner expressly amending the terms of this Agreement.

15.16 Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

[signatures on following pages]

EXECUTED by the City and Owner on the respective dates stated below.

Date: \_\_\_\_\_


**CITY OF DENTON**

By: \_\_\_\_\_  
Gerard Hudspeth, Mayor

ATTEST:

\_\_\_\_\_  
Rosa Rios, City Secretary

APPROVED AS TO FORM

 Digitally signed by Mack Reinwand  
Date: 2022.06.23 18:20:26 -05'00'

\_\_\_\_\_  
Mack Reinwand, Attorney for City

THIS AGREEMENT HAS BEEN  
BOTH REVIEWED AND APPROVED  
as to financial and operational obligations and business terms.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DEPARTMENT

STATE OF TEXAS                   §  
                                             §  
COUNTY OF DENTON           §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2022,

by \_\_\_\_\_, the Mayor of the City of Denton, Texas, on behalf of said City.

(SEAL)

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

\_\_\_\_\_  
Name printed or typed

Commission Expires:\_\_\_\_\_

**OWNER:**

**LEGENDS RANCH DEVELOPMENT, LLC,**

a Texas limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**STATE OF TEXAS**           §

§

**COUNTY OF**\_\_\_\_ §

BEFORE ME, a Notary Public in and for the State of Texas, duly authorized to take acknowledgments, on \_\_\_\_\_, 2022, personally appeared \_\_\_\_\_, \_\_\_\_\_ of Legends Ranch Development, LLC, a Texas limited liability company, and acknowledged that he executed the foregoing document on behalf of said limited liability company.

\_\_\_\_\_  
Notary Public in and for the State of Texas

**Exhibit A**  
**DESCRIPTION OF THE PROPERTY**

**BEING** a tract of land located in the Thomas J. Egan Survey, Abstract No. 406, the M.E.P & P. RR. Co. Survey, Abstract No. 1470, the George Orr Survey, Abstract No. 985, the William Davis Survey, Abstract No. 374, and the Thomas Polk Survey, Abstract No. 998, City of Denton and City of Denton Extraterritorial Jurisdiction (E.T.J.), Denton County, Texas, part of a called 565.364 acre tract described in the deed to Legends Ranch Development, LLC, recorded in Instrument No. 2019-146384 of the Official Records of Denton County, Texas (O.R.D.C.T.), and being more particularly described by metes and bounds as follows:

**BEGINNING** at a 1/2-inch iron rod found on the westerly right-of-way line of Thomas J. Egan Road (formerly Longhorn Drive), a 22.5 foot wide right-of-way dedication, according to the plat of Golden Hoof Ranchettes, an addition to Denton County, recorded in Volume 4, Page 8 of the Plat Records of Denton County, Texas (P.R.D.C.T.), at the northeast corner of a 10-foot wide right-of-way dedication according to the plat of Lot 1R1 and 1R2 of Golden Hoof Ranchettes, an addition to Denton County, recorded in Document No. 2015-319 P.R.D.C.T., for a northerly southeast corner of said 565.364 acre tract and an easterly southeast corner hereof;

**THENCE** North 83°08'15" West, with a northerly south line of said 565.364 acre tract, and the north line of said 10-foot right-of-way dedication, the north line of Lot 1R1 of said Lot 1R1 and 1R2 of Golden Hoof Ranchettes, and the north line of Lot 6, Block A of said Golden Hoof Ranchettes, a distance of 960.54 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set in the easterly right-of-way line of Golden Hoof Drive, a 60-foot right-of-way as dedicated according to the plat of said Golden Hoof Ranchettes, for the northwest corner of said Lot 6, an interior corner of said 565.364 acre tract, and an interior corner hereof;

**THENCE** South 0°26'45" West, with the easterly right-of-way line of said Golden Hoof Drive, the west line of said Lot 6, and an east line of said 565.364 acre tract, a distance of 417.42 feet to a 1/2-inch iron rod found for the southwest corner of said Lot 6 and an interior corner of said 565.364 acre tract, at the beginning of a tangent curve to the left having a central angle of 5°53'02", a radius of 367.50 feet, a chord bearing and distance of South 2°29'46" East, 37.72 feet;

**THENCE** across said 565.364 acre tract the following courses and distances:

In a southeasterly direction, with said curve to the left, an arc distance of 37.74 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the end of said curve,

South 5°26'18" East, a distance of 100.54 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the beginning of a tangent curve to the right having a central angle of 12°11'09", a radius of 432.50 feet, a chord bearing and distance of South 0°39'17" West, 91.81 feet,

In a southwesterly direction, with said curve to the right, an arc distance of 91.98 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the end of said curve,

South 6°44'51" West, a distance of 36.02 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner,



South 38°15'09" East, a distance of 28.28 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set on the northerly right-of-way line of U.S. Highway 380, for a southeast corner hereof;

**THENCE** North 83°15'09" West, along the northerly right-of-way line of said U.S. Highway 380, with the easterly south line of said 565.364 acre tract, a distance of 105.00 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for the easterly southwest corner hereof;

**THENCE** departing the northerly right-of-way line of said U.S. Highway 380, across said 565.364 acre tract, the following courses and distances:

North 51°44'51" East, a distance of 28.28 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner,

North 6°44'51" East, a distance of 36.02 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the beginning of a tangent curve to the left having a central angle of 12°11'09", a radius of 367.50 feet, a chord bearing and distance of North 0°39'17" East, 78.01 feet,

In a northeasterly direction, with said curve to the left, an arc distance of 78.16 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the end of said curve,

North 5°26'18" West, a distance of 100.54 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the beginning of a tangent curve to the right having a central angle of 5°53'02", a radius of 432.50 feet, a chord bearing and distance of North 2°29'46" West, 44.40 feet,

In a northwesterly direction, with said curve to the right, an arc distance of 44.42 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the end of said curve,

North 0°26'45" East, a distance of 142.96 feet to a point for an interior corner hereof,

North 83°20'39" West, a distance of 2051.52 feet to a point for an interior corner hereof,

South 6°44'41" West, a distance of 372.46 feet to a point on the northerly right-of-way line of said U.S. Highway 380, a southerly line of said 565.364 acre tract, for the westerly southeast corner hereof;

**THENCE** along the northerly right-of-way lines of said U.S. Highway 380, with southerly lines of said 565.364 acre tract, the following courses and distances:

North 83°15'19" West, a distance of 314.23 feet to an aluminum TxDOT right-of-way monument found for corner;

South 86°13'36" West, a distance of 355.99 feet to a 1/2-inch iron rod with cap stamped "RPLS 4561" found for corner;

North 83°15'09" West, a distance of 1703.98 feet to an aluminum TxDOT right-of-way monument found for the southeast corner of a called 30.470 acre tract of land described in the deed to Larry L. Bailey and spouse, Patricia L. Bailey, recorded in Volume 5409, Page 4755 of the Deed Records of Denton County, Texas (D.R.D.C.T.), the southerly



southwest corner of said 565.364 acre tract, and the southwesterly southwest corner hereof;

**THENCE** North 0°11'25" East, with the east line of said 30.470 acre tract and the southerly west line of said 565.364 acre tract, a distance of 1022.88 feet to a 2-inch pipe found in the south line of a called 43.92 acre tract described in the deed to Legends Ranch Development, LLC, recorded in Instrument No. 93-R0091889 O.R.D.C.T., for the northeast corner of said 30.470 acre tract, the southerly northwest corner of said 565.364 acre tract, and the southerly northwest corner hereof;

**THENCE** North 89°27'40" East, with the south line of said 43.92 acre tract and a southerly north line of said 565.364 acre tract, a distance of 1075.88 feet to a point on the approximate centerline of a creek, for the southeast corner of said 43.92 acre tract, an interior corner of said 565.364 acre tract and an interior corner hereof;

**THENCE** along the centerline of said creek, with easterly lines of said 43.92 acre tract, and westerly lines of said 565.364 acre tract, the following courses and distances:

North 54°19'43" West, a distance of 225.34 feet to a point for corner;

North 69°29'24" West, a distance of 449.26 feet to a point for corner;

North 17°39'04" West, a distance of 543.10 feet to a point for the northeast corner of said 43.92 acre tract, an interior corner of said 565.364 acre tract, and an interior corner hereof;

**THENCE** North 89°48'46" West, with the north line of said 43.92 acre tract and a northwesterly south line of said 565.364 acre tract, a distance of 2092.38 feet to a point within the margins of Nail Road, in the east line of a called 30.297 acre tract of land described in the deed to Brockland Properties, LLC, recorded in Instrument No. 2017-78184 O.R.D.C.T., for the northwest corner of said 43.92 acre tract, the northerly southwest corner of said 565.364 acre tract, and the northwesterly southwest corner hereof; a 1/2-inch iron rod found for reference on the east margin of said Nail Road bears South 89°48'46" East 18.00 feet from said point for corner;

**THENCE** North 0°13'42" East, within the margins of said Nail Road, with the east line of said 30.297 acre tract and the westernmost west line of said 565.364 acre tract, a distance of 631.58 feet to a 1/2-inch rod found in the southeasterly right-of-way line of Burlington Northern Railroad, on the northwest margin of said Nail Road, for the north corner of said 30.297 acre tract, a northwest corner of said 565.364 acre tract, and a northwest corner hereof;

**THENCE** North 28°40'26" East, with the southeast right-of-way line of said Burlington Northern Railroad, along the northwest margin of said Nail Road, with the Northwest line of said 565.364 acre tract, a distance of 1355.15 feet to a point within the margins of Jackson Road, for the westerly northwest corner of said 565.364 acre tract and the westerly northwest corner hereof;

**THENCE** North 89°32'55" East, within the margins of said Jackson Road, with the westerly north line of said 565.364 acre tract, the south line of a called 5.241 acre tract of land described in the deed to 2018 Stone Family Trust recorded in Instrument No. 2018-105715 O.R.D.C.T., and the southerly south line of said a called 298.204 acre tract of land described in the deed to McCart St, LLC, recorded in Instrument No. 2018-5215 O.R.D.C.T., a distance of 1746.66 feet



to a 1/2-inch iron rod found for the southerly southeast corner of said 298.204 acre tract, an interior corner of said 565.364 acre tract and an interior corner hereof;

**THENCE** North 0°57'04" East, continuing within the margins of said Jackson Road, with the southwesterly east line of said 298.204 acre tract, a northerly west line of said 565.364 acre tract, a distance of 138.90 feet to a 1/2-inch iron rod found for the southwest corner of a called 10.00 acre tract described in the deed to Russell Mark Sales and wife, Shelly Ann Sales, recorded in Instrument No. 93-R0030700 O.R.D.C.T., the northernmost northwest corner of said 565.364 acre tract and the northernmost northwest corner hereof;

**THENCE** North 89°14'20" East, continuing within the margins of said Jackson Road, with the south line of said 10.000 acre Sales tract, the south line of a called 10.00 acre tract of land described in the deed to Jimmy Lee Grozier recorded in Instrument No. 96-R0082430 O.R.D.C.T., and a north line of said 565.364 acre tract, a distance of 2597.71 feet to a 1/2-inch iron rod found for the southwest corner of a called 134 acre tract described in the deed to James T. Addington and wife, Carol L. Addington, recorded in Volume 611, Page 296 D.R.D.C.T., at an angle point in said north line of called 565.364 acre tract and an angle point in a north line hereof;

**THENCE** North 87°52'07" East, continuing within the margins of said Jackson Road, with a north line of said 565.364 acre tract, the south line of said 134 acre tract, the south line of Lot 1, Block A of Connolly Addition, an addition to Denton County, as shown on the plat recorded in Document No. 2017-51 P.R.D.C.T., and the south line of a called 10.035 acre tract described in the deed to Ira Sam Houston and wife, Helen Marie Houston, recorded in Volume 1239, Page 617 D.R.D.C.T., a distance of 2285.65 feet to a 1/2-inch iron rod found for the northwest corner of the right-of-way dedication at the intersection of Jackson Road and Thomas J. Egan Road according to the plat of Bent Rails Addition, an addition to the City of Denton E.T.J., recorded as Document No. 2020-57 P.R.D.C.T., the northeast corner of said 565.364 acre tract and the northeast corner hereof;

**THENCE** South 0°15'52" West, within the margins of said Thomas J. Egan Road, with the northerly east line of said 565.364 acre tract, the west line of the 32.5-foot right-of-way dedication for Thomas J. Egan Road according to the plat of said Bent Rails Addition, the west line of a called 5.134 acre tract of land described in the deed to Cesar Gonzalez Pegueros and wife, Gricelda Tovar-Galvan Gonzalez, recorded in Instrument No. 2013-62297 O.R.D.C.T., the west line of a called 175 acre tract of land described in the deed to Claude H. Smith recorded in Volume 362, Page 341 D.R.D.C.T., the west line of a variable width right-of-way dedication for Thomas J. Egan Road according to the plat of Moreno Addition, an addition to the City of Denton E.T.J., recorded in Document No. 2020-36 P.R.D.C.T., the west line of a called 30 acre tract described in the deed to Vickie Murdock recorded in Instrument No. 2004-80900 O.R.D.C.T., and the westerly west line of a called 5.000 acre tract described in the deed to Brandon Murdock recorded in Instrument No. 2017-55842 O.R.D.C.T., a distance of 3028.84 feet to a PK nail found at the northeast corner of the right-of-way dedication at the intersection of Tenderfoot Trail and said Thomas J. Egan Road (formerly Longhorn Drive) according to the plat of said Golden Hoof Ranchettes, for a northerly southeast corner of said 565.364 acre tract and a northerly southeast corner hereof;

**THENCE** North 83°08'15" West, with the northerly right-of-way dedication for said Tenderfoot Trail, and a northerly south line of said 565.364 acre tract, a distance of 19.54 feet to a 1/2-inch iron rod found for an interior corner of said 565.364 acre tract and an interior corner hereof;

**THENCE** South 0°26'45" West, across said Tenderfoot Trail, with a southerly east line of said 565.364 acre tract, the east line of Block A of said Golden Hoof Ranchettes, the west right-of-way line of said Thomas J. Egan Road (formerly Longhorn Drive) a distance of 834.84 feet to the **POINT OF BEGINNING** and containing 542.536 acres of land, more or less.



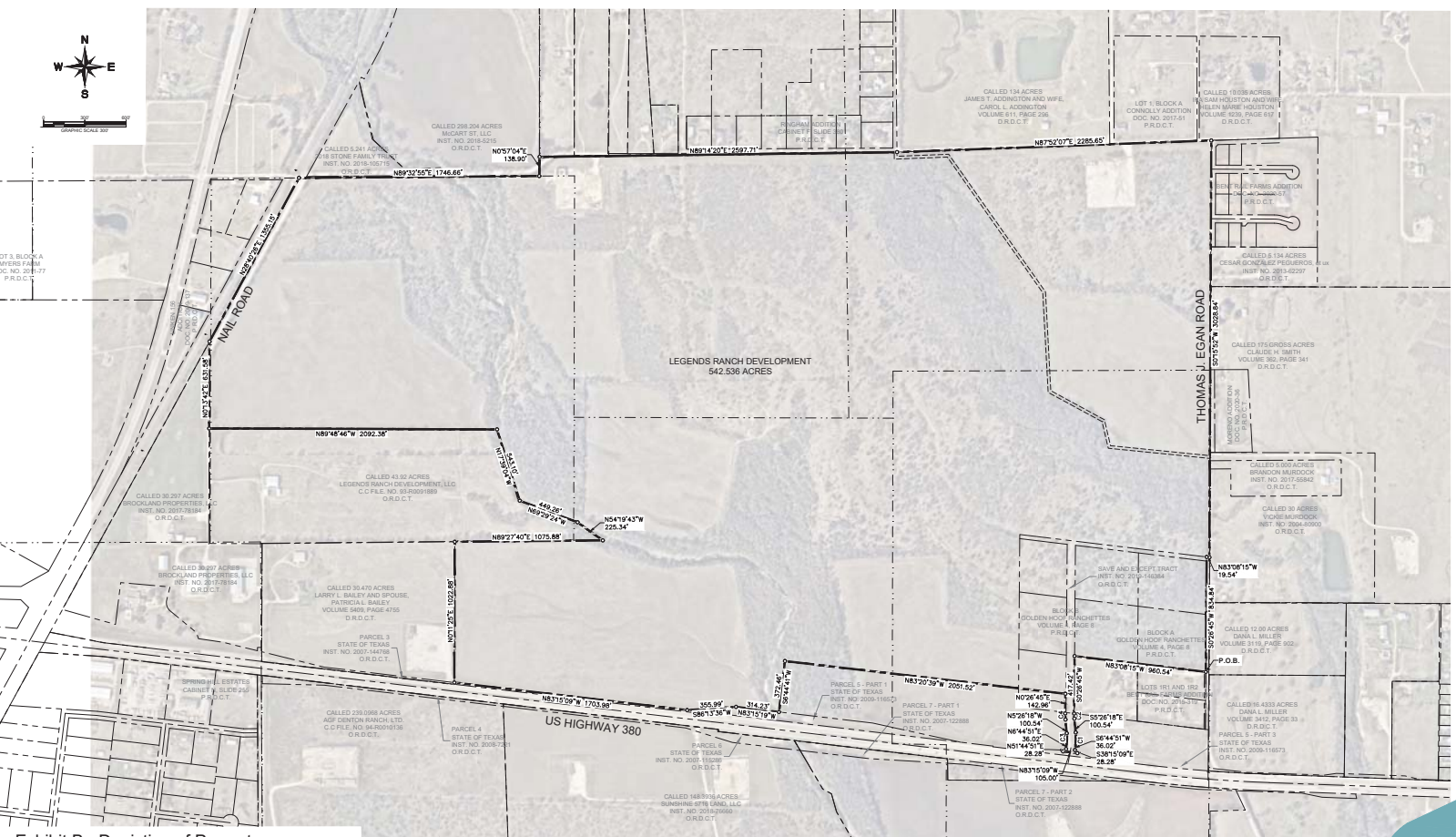


Exhibit B - Depiction of Property  
Legends Ranch

City of Denton - Division One ETJ, Texas  
June 28, 2022

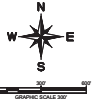
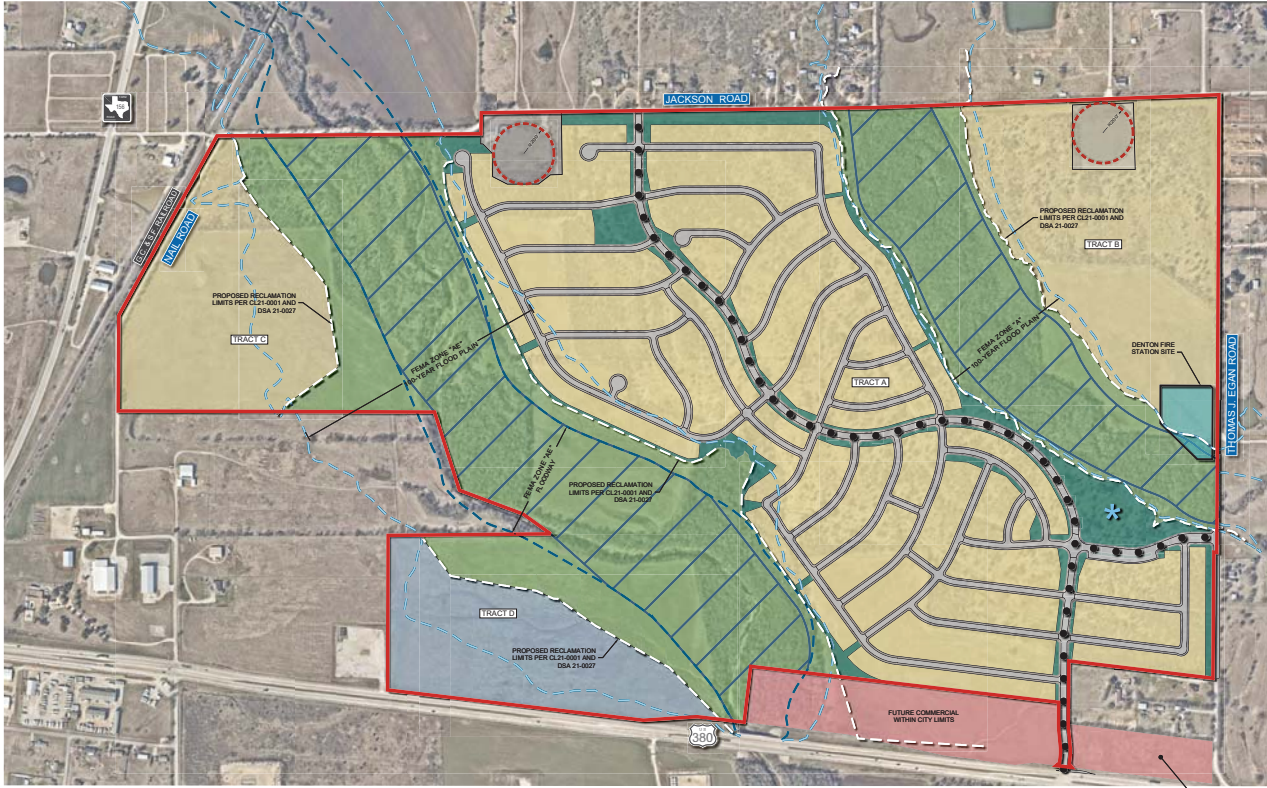
**LEGEND**

--- PROPERTY BOUNDARY

CURVE TABLE					
CURVE	RADIUS	LENGTH	CHORD BEARING	CHORD	DELTA TANGENT
C1	432.50'	91.98'	S03°31'17"W	91.81'	121°15'09"
C2	367.50'	37.74'	S22°59'46"E	37.72'	55°35'02"
C3	367.50'	78.16'	N03°39'17"E	78.01'	121°15'09"
C4	432.50'	44.42'	N22°59'46"W	44.40'	55°35'02"

**Kimley-Horn**

6160 Warren Parkway  
Suite 200  
Frisco, Texas 75034  
972.335.5588  
State of Texas Registration No. F-528



TRACT A, B & C	
TYPICAL LOT SIZE	PERCENTAGE
40' X 110'	MAX 55%
45' X 110'	MAX 55%
50' X 110'	MIN 30%

SF NET ACREAGE	
TRACT A NET ACREAGE	233.7 ACRES
TRACT B NET ACREAGE	60.3 ACRES
TRACT C NET ACREAGE	36.7 ACRES
TOTAL NET ACREAGE	330.7 ACRES
MAX YIELD	1,881 LOTS

TRACT D	
NET ACREAGE	32.4 ACRES
MAX UNITS	350 LOTS

MAX TOTAL SF & MF UNITS	1,881 LOTS
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LEGEND	
	AMENITY CENTER
	INTERNAL COLLECTOR
	LAND AREA TO BE DONATED TO PARKS

- NOTES:**
1. LOT DEPTHS MAY VARY BASED ON CUL-DE-SAC, KNICKLES, AND OTHER PROJECT CONSTRAINTS. HOWEVER NO MORE THAN 10% WILL BE LESS THAN TYPICAL.
  2. TRACTS A, B, & C CORRESPOND TO 408 ACRE TRACT AS REFERENCED IN DEVELOPMENT AGREEMENT.
  3. TRACT D CORRESPONDS TO 45 ACRE TRACT AS REFERENCED IN DEVELOPMENT AGREEMENT.

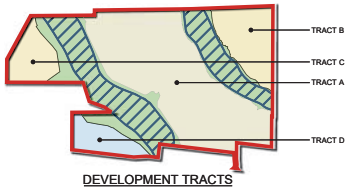


EXHIBIT C  
CONCEPT PLAN  
**Legends Ranch**  
City of Denton - Division One ETJ, Texas  
June 28, 2022

**Kimley»Horn**  
6160 Warren Parkway  
Suite 210  
Frisco, Texas 75034  
972.355.5555  
State of Texas Registration No. F-528  
KIMLEY-HORN AND ASSOCIATES, INC. IS AN EQUAL OPPORTUNITY FIRM.

## Exhibit D – Development Standards

- Any parcels adjacent to US 380 frontage developed with multi-family or nonresidential uses must comply with the Denton Development code regulations applicable to parcels zoned Highway Commercial (HC) including:
  - Section 7.7 Landscaping, Screening Buffering, and Fences
  - Section 7.8 Access and Circulation
- Any multi-family uses shall comply with the following regulations:
  - 1 parking space / bedroom not to be enclosed
  - 30% open space
  - Maximum 12 units / acre
  - 35' minimum setback from US 380
  - Street lighting will be provided at a maximum interval of 300' along the fire lane(s) and will be provided within any public parking lot.
  - Dumpsters will be screened on 3 sides.
  - Façade requirements do not apply to this development.
- Any single-family uses shall comply with the following regulations:
  - No more than 35% of the single-family residential homes to be built on the Land may be on lots that are between 40-44 feet wide.
  - No more than 35% of the single-family residential homes to be built on the Property may be built on lots that are between 45-49 feet wide.
  - The remaining 30% of the single-family residential homes to be built on the Property may be built on lots that are 50 feet or wider.
  - The City of Denton zoning requirements, including but not limited to façade requirements, do not apply for this development unless specifically provided otherwise in this Agreement.

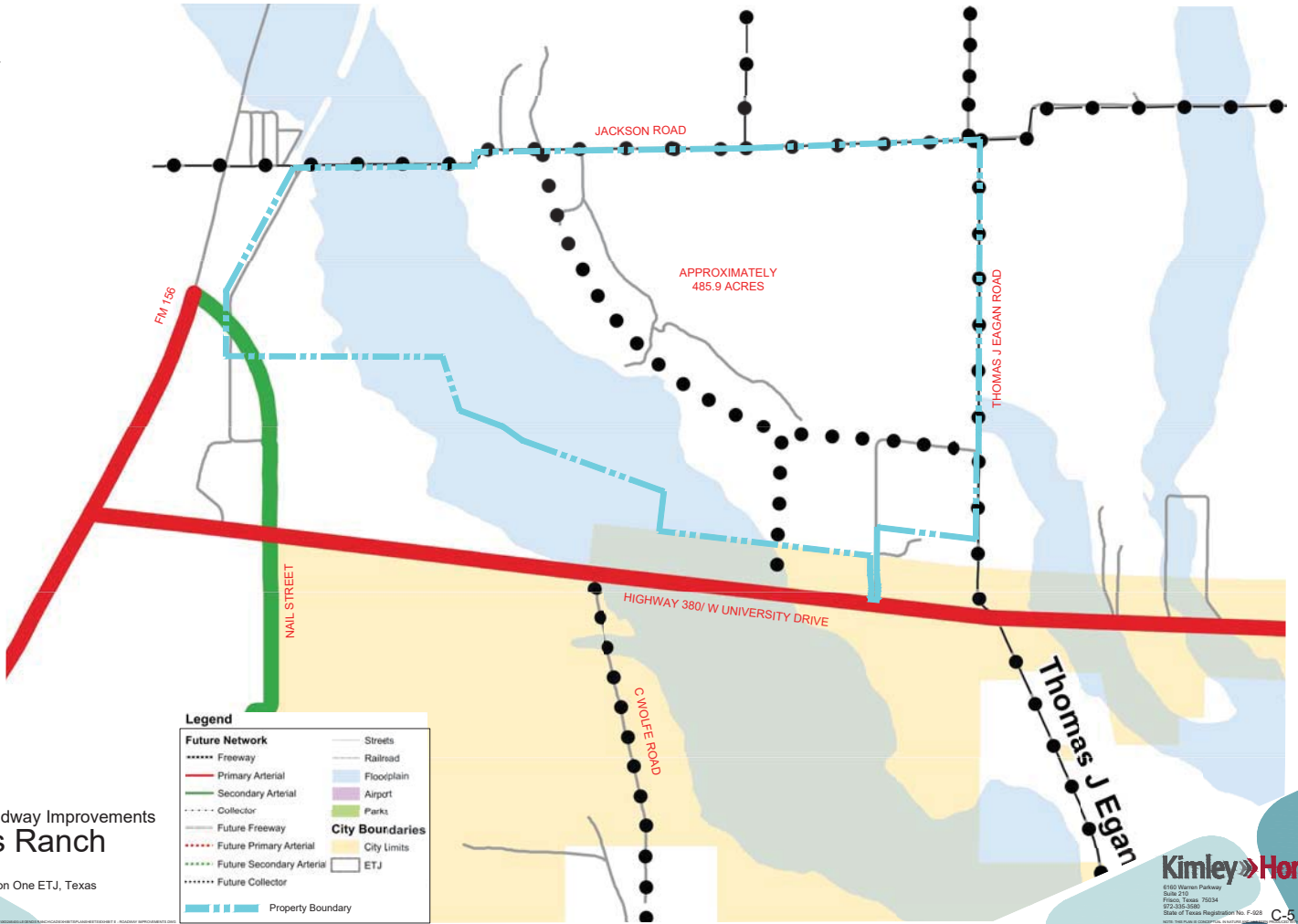
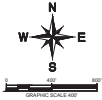
Single-Family Uses				
Min. Side Yard	Min. Rear Yard	Min. Front Yard	Min. Structure Size	Max Lot Coverage
5	10	20	1200	60%

- Lot width shall be measured at the front building line as established by the developer, but not less than twenty (20) feet from the right-of-way line; and
- Drive spacing requirements at intersections shall be measured from the back of curb to the edge of drive.
- All development within the Land shall comply with the density and number of acres proposed for each type of land use set forth in the Master Land Plan (provided as

Exhibit C), provided such densities and used may be relocated within the Property subject to approval of the City Manager, or the City Council, if the Developer request that the council consider the relocation, neither of which approvals shall be unreasonably withheld, with the City Council's approval.

- All development within the Land shall comply with the subdivision platting requirements set forth in the City's rules and regulations, unless specifically provided otherwise in this Agreement. Developer is authorized to develop the Land in phases by filing preliminary plats with the City, and to Create, activate, develop, and build-out the Land in a progressive and orderly manner, as approved by the City. Adjustments to the preliminary plat phasing plan that increases the number of lots included in any given phase shall be allowed and approved at a staff level as long as the proposed revision doesn't increase the total phase lot count by more than fifteen (15%) of what is shown on the approved preliminary plat.

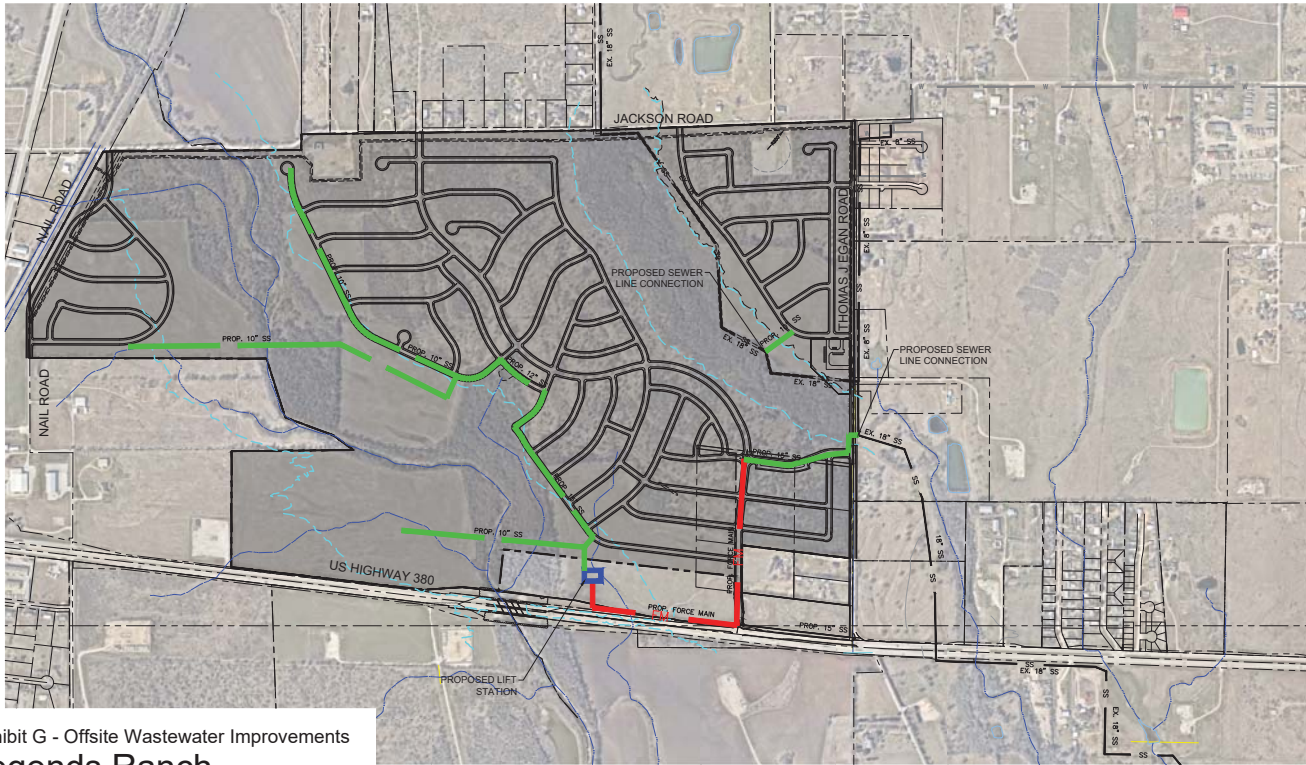




## Exhibit E - Roadway Improvements Legends Ranch

City of Denton - Division One ETJ, Texas  
June 28, 2022





**Kimley»Horn**  
6160 Warren Parkway  
Suite 210  
Frisco, Texas 75034  
972-335-3580  
State of Texas Registration No. F-928

NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND ANY RESULTS PRODUCED WITHOUT THE  
BENEFIT OF A SURVEY OR CONSTRUCTION.



## **EXHIBIT H**

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DENTON, TEXAS CONSENTING TO THE CREATION OF LEGENDS RANCH MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY, WHICH LIES WITHIN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF DENTON

WHEREAS, Legends Ranch Development, LLC, a Texas limited liability company (the “Petitioner”), desires that the City of Denton consent to the creation of Legends Ranch Municipal Utility District of Denton County (the “District”) to serve the approximately 496.136 acres of land, more or less, in Denton County, Texas as described in Exhibit “A” attached hereto and incorporated herein for all intents and purposes; and

WHEREAS, the land to be included within the District is located wholly within the extraterritorial jurisdiction of the City of Denton, Texas; and

WHEREAS, the Petitioner has submitted to the Mayor and City Council of the City of Denton, Texas a Petition for Consent to Creation of Legends Ranch Municipal Utility District of Denton County; and

WHEREAS, the general nature of the work to be done in the District is the construction, acquisition, maintenance and operation of a waterworks system, a sanitary sewer system, a storm water drainage system and roadway system; and

WHEREAS, the City Council of the City of Denton, Texas desires to adopt a Resolution for the purpose of consenting to the creation of the District and consenting to the issuance of bonds for the construction of a waterworks system, a sanitary sewer system, a storm water drainage system and roadway system;

NOW, THEREFORE, THE COUNCIL OF THE CITY OF DENTON HEREBY RESOLVES:

Section 1. Subject to the condition reflected in Section 3 of this Resolution, the City Council of the City of Denton hereby grants its consent to and the Mayor is instructed to execute such additional documents, if any, as required to evidence the City of Denton’s consent to the creation of Legends Ranch Municipal Utility District of Denton County on that portion of the property described on the attached metes and bounds description located within the extraterritorial jurisdiction of the City and to consent to issuance of bonds for the construction of a waterworks system, a sanitary sewer system, a storm water drainage system and roadway system.

Section 2. This Resolution take effect immediately from and after its passage and is accordingly so resolved.

Section 3. If requested by the City, the City and Petitioner may execute a development agreement regarding the development of the property within the District, pursuant to Texas Loc. Gov't Code Ch. 212.

The motion to approve this Resolution was made by \_\_\_\_\_ and seconded by \_\_\_\_\_, the Resolution was passed and approved by the following vote [\_\_\_\_ - \_\_\_\_]:

	Aye	Nay	Abstain	Absent
Gerard Hudspeth, Mayor:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Jesse Davis, District 3:	_____	_____	_____	_____
Alison Maguire, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Chris Watts, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
GERARD HUDSPETH, MAYOR

ATTEST:  
ROSA RIOS, CITY SECRETARY

BY: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:  
MACK REINWAND, CITY ATTORNEY

BY: \_\_\_\_\_

EXHIBIT "A"

PETITION FOR CONSENT TO CREATION OF  
LEGENDS RANCH MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY

THE STATE OF TEXAS                   §

COUNTY OF DENTON                   §

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF DENTON:

The undersigned (collectively, the "Petitioner"), acting pursuant to the provisions of Chapters 49 and 54 of the Texas Water Code, and Section 42.042 of the Texas Local Government Code, respectfully petitions this Honorable Council for its consent to the creation of a municipal utility district, and for cause would respectfully show the following:

I.

The name of the proposed District shall be "Legends Ranch Municipal Utility District of Denton County" (the "District").

II.

The District shall be organized under the terms and provisions of Article III, Section 52, and Article XVI, Section 59, of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, together with all amendments and additions thereto.

III.

The District shall contain an area of approximately 496.136 acres of land (the "Property"), situated within Denton County, Texas, described by meted and bounds in Exhibit "A," attached hereto and incorporated herein. The District is located wholly within the extraterritorial jurisdiction of the City of Denton, Denton County, Texas, and the District is not within the corporate limits or extraterritorial jurisdiction of any other city, town or village.

IV.

The undersigned constitutes a majority in value of the holders of title to the lands in the proposed District, as shown by the tax rolls and conveyances of record since the date of preparation of said county tax rolls.

V.

The proposed District shall be organized for the following purposes:



- (1) provide a water supply for the District for municipal and domestic uses;
- (2) collect, transport, process, dispose of and control all domestic, industrial, or communal wastes whether in fluid, solid, or composite state;
- (3) gather, conduct, divert and control local storm water or other local harmful excesses of water in the District;
- (4) construct, acquire, improve, maintain and operate macadamized, graveled, or paved roads and turnpikes, or other improvements in aid of those roads; and
- (5) such other construction, installation, maintenance, purchase, and operation of such additional facilities, systems, plants and enterprises as shall be consistent with the purposes for which the District is organized.

The aforementioned purposes may be accomplished by any mechanical and chemical means and processes incident, necessary or helpful to such purposes, to the extent authorized by law and the creation of the District, to the end that public health and welfare may be conserved and promoted, and the purity and sanitary condition of the State's waters protected, effected and restored.

## VI.

The general nature of the work anticipated to be done by the District at the present time is: (i) the construction of a water distribution system for domestic purposes; (ii) the construction of a sanitary sewer system; (iii) the control, abatement and amendment of the harmful excess of waters and the reclamation and drainage of overflowed lands within the District; (iv) the construction and financing of macadamized, graveled, or paved roads and turnpikes, or improvements in aid of those roads; and (v) such other construction, installation, maintenance, purchase and operation of such other facilities, systems, plants and enterprises as shall be consistent with the purposes for which the District is organized, all to the extent authorized by law from time to time.

## VII.

There is a necessity for the improvements above described because the District is located within an area which will experience a substantial and sustained residential growth within the foreseeable future, is urban in nature and is not supplied with adequate water, sanitary sewer, drainage facilities and services, or roads. The health and welfare of the future inhabitants of the District require the provision of adequate water, storm and sanitary sewer facilities and services, and roads.

The provisions of such water, storm and sanitary sewer facilities and services, and roads will conserve and preserve the natural resources of this State by promoting and protecting the purity and sanitary condition of the State's waters, and will promote and protect the public health and welfare of the community; therefore, a public necessity exists for the organization of said District.

The property cannot be developed without the creation of the District to finance the water, sanitary sewer, and drainage facilities and services, and roads; therefore, a public necessity exists.

VIII.

The proposed improvements are practicable and feasible, in that the terrain of the territory to be included in the proposed District is of such nature that water, storm and sanitary sewer facilities and services, and roads can be constructed or provided at a reasonable cost; and said territory will be rapidly developed for residential use.

IX.

A preliminary investigation has been instituted to determine the cost of the proposed improvements to be constructed by the District, and it is now estimated by those filing this petition, from such information as they have at this time, that the ultimate cost of such improvements will be approximately \$54,693,800.

X.

WHEREFORE, the undersigned respectfully pray that this Petition be granted in all respects and that the City Council of the City of Denton, Texas, adopt a resolution giving its written consent to the creation of the District.

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RESPECTFULLY SUBMITTED this the 13 day of February, 2020.

PETITIONER:

LEGENDS RANCH DEVELOPMENT, LLC,  
a Texas limited liability company

By: 

Name: Leonard S. Zak

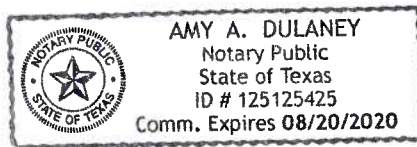
Title: Manager

STATE OF TEXAS §

COUNTY OF Parker §  
§

This instrument was acknowledged before me on the 13<sup>th</sup> day of February, 2020 by  
Leonard S. Zak, Manager of Legends Ranch Development, LLC, a Texas limited liability  
company, on behalf of said limited liability company.

(SEAL)



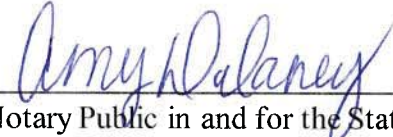
  
Notary Public in and for the State of Texas

EXHIBIT "A"

**LEGENDS RANCH MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY**

**496.136 ACRES**

**T. Polk Survey, Abst. No. 998,  
T. Egan Survey, Abst. No. 406,  
M. Davis Survey, Abst. No. 374,  
G. Orr Survey, Abst. No. 985  
M.E.P. & P.P.R. Co. Survey, Abst. No. 1470  
City of Denton ETJ, Denton County, Texas**

**BEING** all that certain lot, tract, or parcel of land situated in the G. Orr Survey Abstract Number 985, the W. Davis Survey Abstract Number 374, the T. Polk Survey Abstract Number 998, the T. Egan Survey Abstract Number 406 and the M.E.P. and P.R.R. Company Survey Abstract Number 1470 in the City of Denton, Denton County, Texas, being a part of that certain tract of land conveyed by deed from Wise Asset Management Corporation to Wise Asset #1, Ltd. recorded in Volume 4797, Page 528, Real Property Records, Denton County, Texas and being all of Lots 2-5, Block A and all of Lots 1-3, Block B of Golden Hoof Ranchettes, an Addition to Denton County, Texas, according to the plat thereof recorded in Volume 4, Page 8, Plat Records, Denton County, Texas and being more particularly described as follows:

**COMMENCING** at a right of way disc found for corner in the north line of U.S Highway Number 380, a public roadway having a variable width right of way, said point being the southeast of that certain tract of that certain tract of land conveyed by deed from Mark L. Schrimpf to Larry L. Bailey and Patricia L. Bailey, recorded in Volume 5409, Page 4755, Real Property Records, Denton County, Texas;

**THENCE** N 00° 12' 20" E, 1022.80 feet with the east line of said Bailey tract to an iron pipe found for corner, said point lying in the south line of said Orr Survey and in the south line of that certain tract of land conveyed by deed from Wise Asset Management Corporation to Jan K. Bradley, recorded under Clerk's File Number 93-R0091889, Real Property Records, Denton County, Texas;

**THENCE** N 89° 27' 40" E, 852.39 feet with said south line said Orr Survey and said south line of said Bradley tract to the **POINT OF BEGINNING**;

**THENCE** N 89° 27' 40" E, 222.97 feet with said south line said Orr Survey and said south line of said Bradley, said point being the southeast corner of said Bradley tract;

**THENCE** N 54° 20' 29" W, 225.34 feet with the east line of said Bradley tract to a point for corner in said Hickory Creek;

**THENCE** N 69° 29' 24" W, 449.26 feet with said east line of said Bradley tract to a point for corner in said Hickory Creek;

**THENCE N 17° 39' 04" W, 543.10 feet with said east line of said Bradley tract to a point in said Hickory Creek, said point being the northeast corner of said Bradley tract;**

**THENCE N 89° 48' 46" W, 2093.20 feet with the north line of said Bradley tract to a railroad spike set for corner point in an east line of the W. Stoneham Survey Abstract Number 1145 and in Nail Road, a public roadway, said point being the northwest corner of said Bradley tract;**

**THENCE N 00° 20' 22" E, 631.35 feet with said east line of said Stoneham Survey and with said Nail Road to an iron rod found for corner in the southeasterly line of the G.C. and S.F. Railroad Company right of way;**

**THENCE N 28° 39' 15" E, 1355.14 feet with said southeasterly line of the G.C. and S.F. Railroad Company right of way to a railroad spike set for corner in Jackson Road, a public roadway and in a south line of said Stoneham Survey;**

**THENCE N 89° 33' 44" E, 1746.85 feet with the said south line of said Stoneham Survey and with said Jackson Road to and iron rod found for corner, said point being the southeast corner of said Stoneham Survey;**

**THENCE N 00° 57' 04" E, 138.93 feet with the most easterly east line of said Stoneham Survey to an iron rod found for corner;**

**THENCE N 89° 14' 20" E, 2597.32 feet with said Jackson Road to and iron rod found for corner;**

**THENCE N 87° 52' 07" E, 2285.31 feet with said Jackson Road to and iron rod found for corner at the intersection of said Jackson Road and Thomas J. Egan Road, a public roadway;**

**THENCE S 00° 12' 20" W, 3028.48 feet with said Thomas J. Egan Road to a Mag Nail set for corner in said Thomas J. Egan Road;**

**THENCE N 83° 09' 51" W, 22.64 feet to an iron rod marked 4561 set for corner in the west line of said Thomas J Egan Road, said point being the northeast corner of said Golden Hoof Ranchettes, an Addition to Denton County, Texas, recorded in Volume 4, Page 8, Plat Records, Denton County;**

**THENCE S 00° 27' 25" W, 835.02 feet with said west line of said Thomas J. Egan Road to an iron rod for corner;**

**THENCE N 83° 09' 04" W, pass at 10.06 feet the northeast corner of Lot 1R1 of Golden Hoof Ranchettes, an Addition to Denton County, Texas according to the plat thereof recorded under Document Number 2015-319, Plat Records, Denton County, Texas and continuing a total distance of 960.42 feet with the north line of said Lot 1R1 of said Golden Hoof Ranchettes and with the north line of Lot 6, Block A, of said Golden Hoof Ranchettes,**

recorded in Volume 4, Page 8, Plat Records, Denton County, Texas to an iron rod found for corner in the east line of Golden Hoof Drive, a public roadway having a right of way of 60 feet.

**THENCE** S 00° 26' 47" W, 284.06 feet with said east line of said Golden Hoof Drive to an iron rod set for corner;

**THENCE** N 83° 15' 08" W, 2780.56 feet with the south line of said Lot 6 of said Golden Hoof Ranchettes and with the south line of Lot 1R2 of said Golden Hoof Ranchettes to an iron rod set for corner;

**THENCE** N 06°44'52" E, a distance of 225.39 feet, to an iron rod set for corner;

**THENCE** N 47°09'34" W, a distance of 126.12 feet, to an iron rod set for corner;

**THENCE** N 57°37'43" W, a distance of 396.06 feet, to an iron rod set for corner;

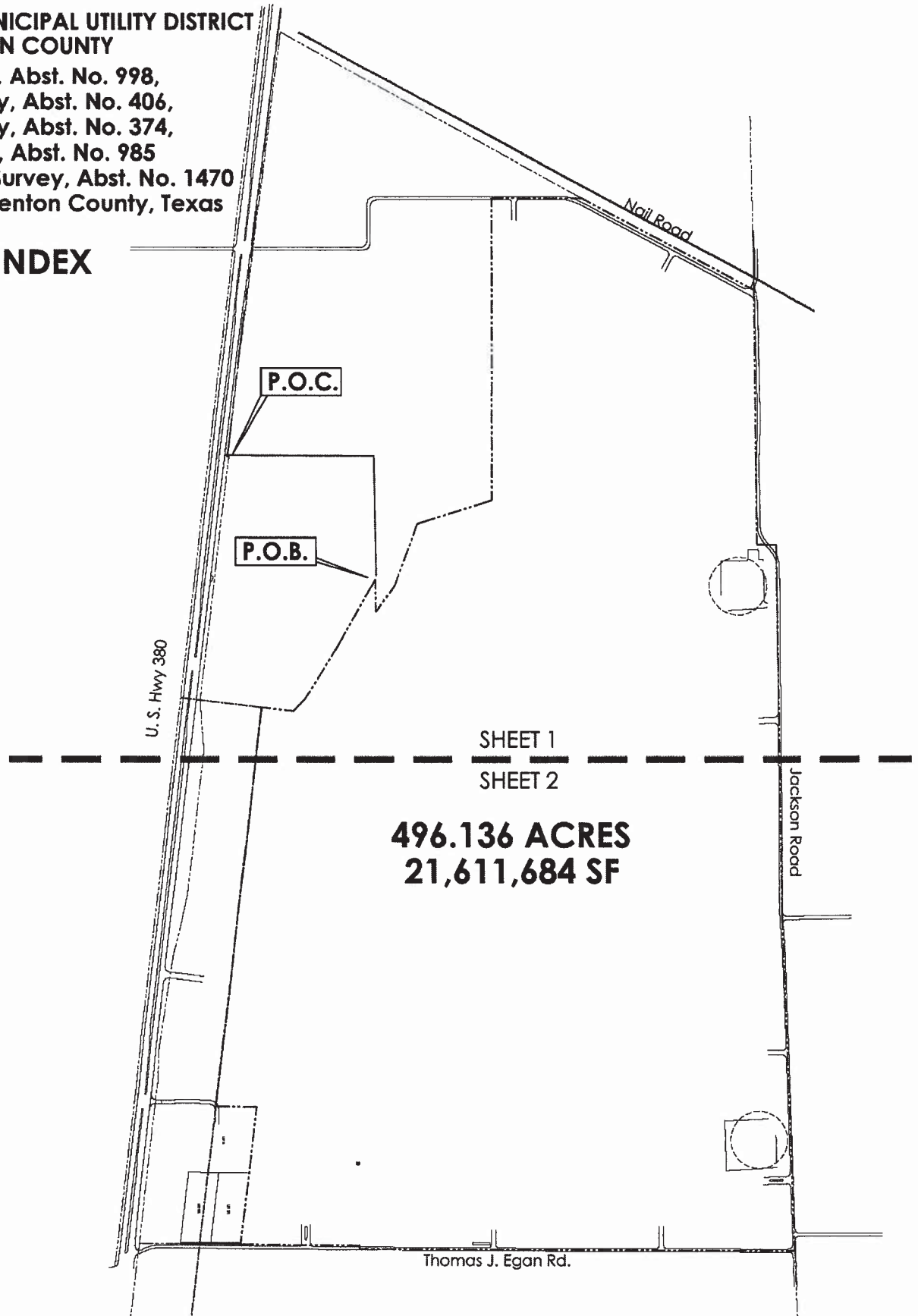
**THENCE** N 60°36'12" W, a distance of 559.09 feet, to the **PLACE OF BEGINNING** and containing 496.136 acres of land.



**LEGENDS RANCH MUNICIPAL UTILITY DISTRICT  
OF DENTON COUNTY**

T. Polk Survey, Abst. No. 998,  
T. Eagan Survey, Abst. No. 406,  
M. Davis Survey, Abst. No. 374,  
G. Orr Survey, Abst. No. 985  
M.E.P. & P.P.R. Co. Survey, Abst. No. 1470  
City of Denton ETJ, Denton County, Texas

**SHEET INDEX**

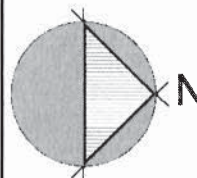


T. TABOR CONSULTING, PLLC  
FIRM I.D # 5279

**LEGENDS RANCH MUNICIPAL UTILITY DISTRICT  
OF DENTON COUNTY**

**BOUNDARY EXHIBIT  
496.136 AC.**

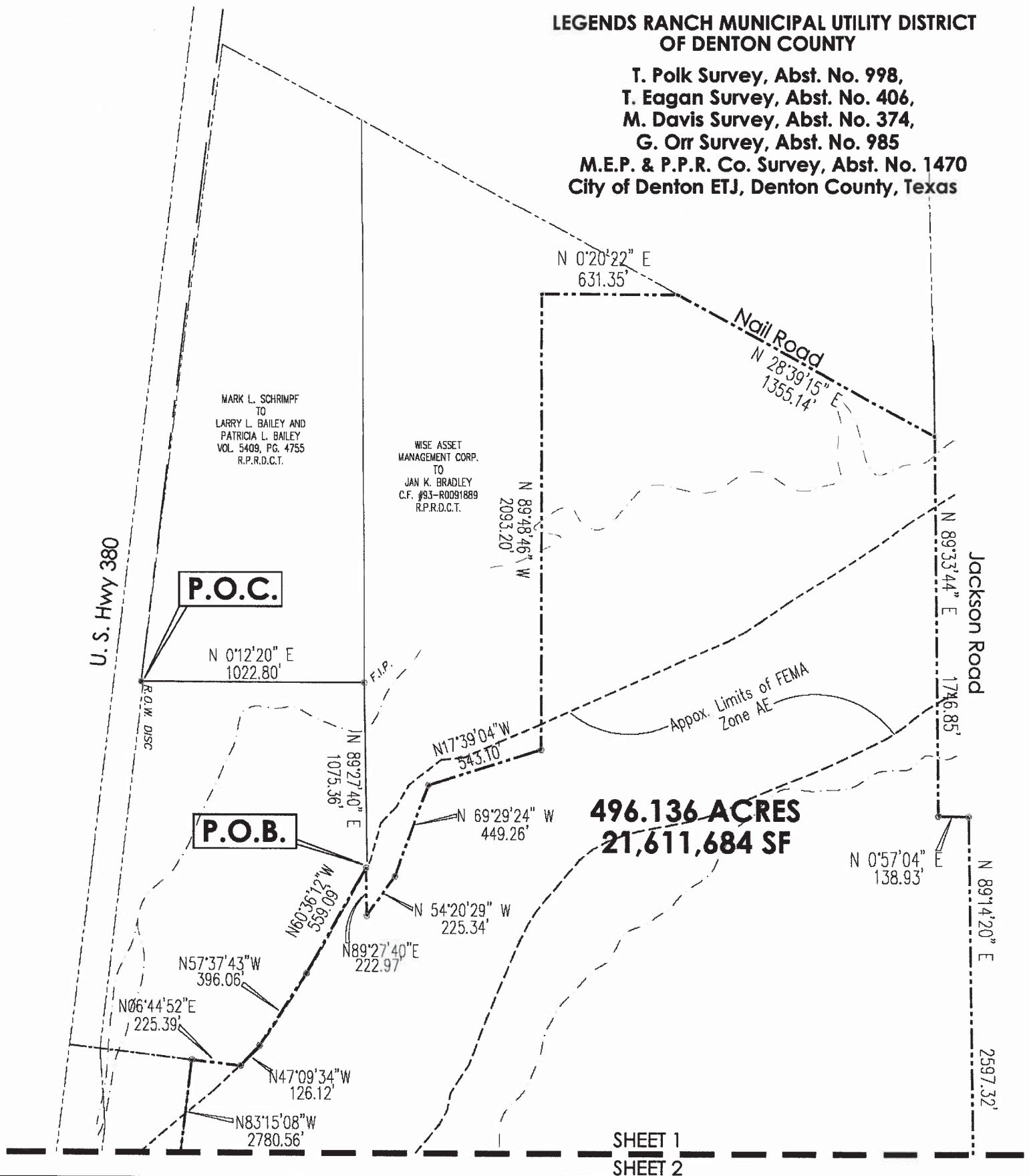
City of Denton ETJ  
Denton County, Texas



Scale: 1" = 1500'

**LEGENDS RANCH MUNICIPAL UTILITY DISTRICT  
OF DENTON COUNTY**

**T. Polk Survey, Abst. No. 998,  
T. Eagan Survey, Abst. No. 406,  
M. Davis Survey, Abst. No. 374,  
G. Orr Survey, Abst. No. 985  
M.E.P. & P.P.R. Co. Survey, Abst. No. 1470  
City of Denton ETJ, Denton County, Texas**

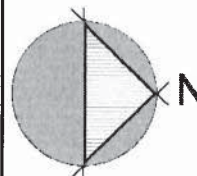


**T. TABOR CONSULTING, PLLC  
FIRM I.D # 5279**

**LEGENDS RANCH MUNICIPAL UTILITY DISTRICT  
OF DENTON COUNTY**

**BOUNDARY EXHIBIT  
496.136 AC.**

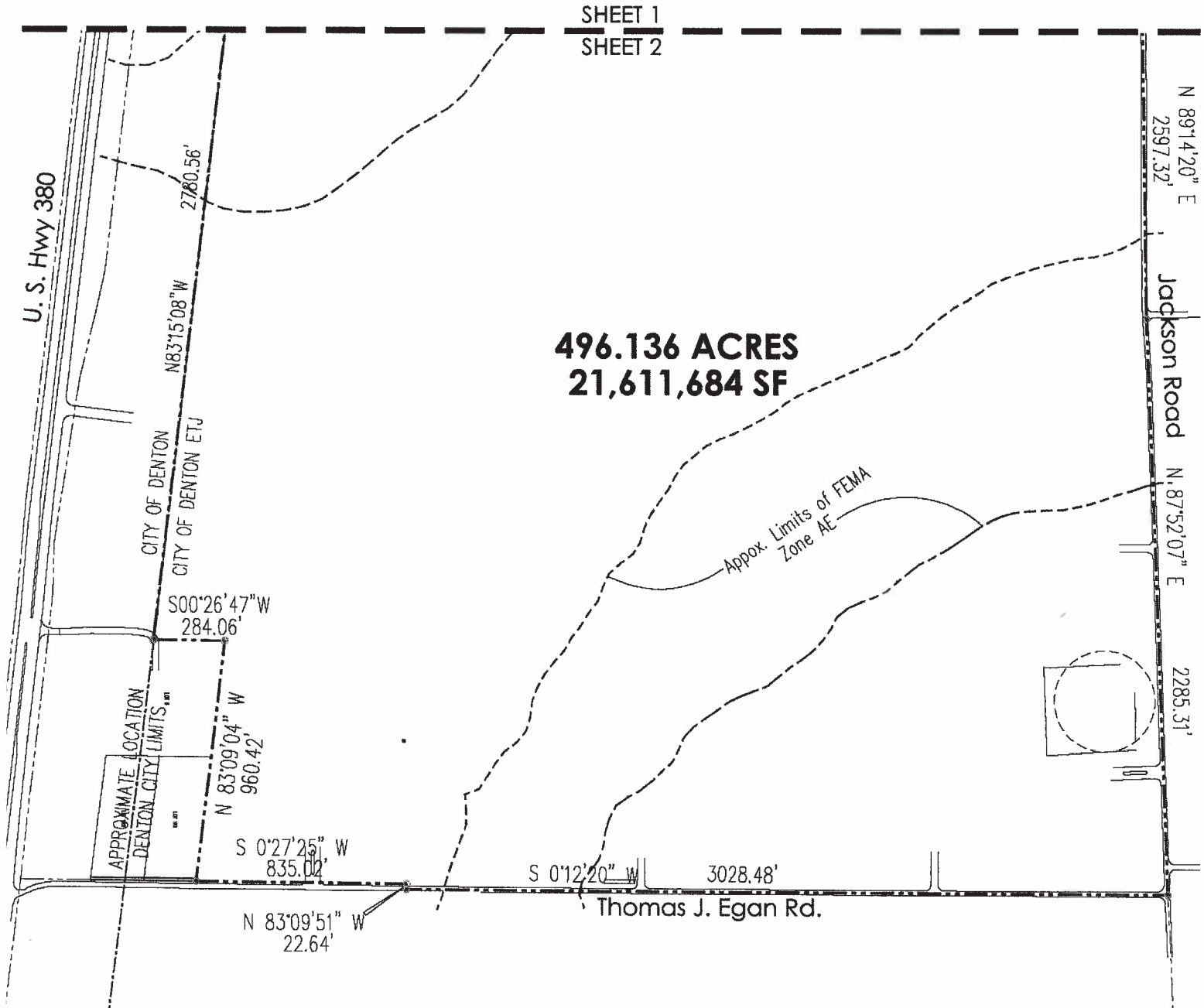
**City of Denton ETJ  
Denton County, Texas**



**Scale: 1" = 1500'**

LEGENDS RANCH MUNICIPAL UTILITY DISTRICT  
OF DENTON COUNTY

T. Polk Survey, Abst. No. 998,  
T. Eagan Survey, Abst. No. 406,  
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City of Denton ETJ, Denton County, Texas

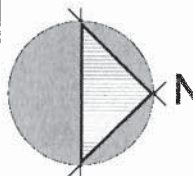


T. TABOR CONSULTING, PLLC  
FIRM I.D # 5279

LEGENDS RANCH MUNICIPAL UTILITY DISTRICT  
OF DENTON COUNTY

BOUNDARY EXHIBIT  
496.136 AC.

City of Denton ETJ  
Denton County, Texas



Scale: 1" = 1500'

## EXHIBIT I

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DENTON, TEXAS CONSENTING TO THE ADDITION OF CERTAIN LAND INTO LEGENDS RANCH MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY.

WHEREAS, the City of Denton, Texas (the "City") received a Petition for Consent to Addition of Land to a Municipal Utility District (the "Petition") executed by Legends Ranch Development, LLC, a Texas limited liability company (the "Petitioner"), attached hereto as Exhibit "A;" and

WHEREAS, the Petition seeks to add that certain 45.782 acre tract of land described therein (the "Property") to Legends Ranch Municipal Utility District of Denton County (the "District"), the same being located in the extraterritorial jurisdiction of the City; and

WHEREAS, Texas Local Government Code, Section 42.0425, provides that land within the extraterritorial jurisdiction of a city, town or village may not be added to the District without the written consent of such city, town or village; and

WHEREAS, the City Council of the City desires to give its consent to the addition of the Property to the District;

NOW, THEREFORE, THE COUNCIL OF THE CITY OF DENTON HEREBY RESOLVES:

Section 1. The facts set out in the preamble are true and correct and are incorporated herein for all purposes.

Section 2. Subject to the condition reflected in Section 4 of this Resolution, the City Council of the City hereby gives written consent, pursuant to Section 42.0425, Texas Local Government Code, to the addition of the Property to the District.

Section 3. The City Council of the City officially finds, determines, recites, and declares that a sufficient written notice of the date, hour, place, and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall and on the official website of the City in the manner and for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting was open to the public as required by law at all times during which this Resolution and the subject matter thereof was discussed, considered, and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

Section 4. If requested by the City, the City and Petitioner may execute a development agreement regarding the development of the property within the District, pursuant to Texas Loc. Gov't Code Ch. 212.

Section 5. This Resolution take effect immediately from and after its passage and is accordingly so resolved.

The motion to approve this Resolution was made by \_\_\_\_\_ and seconded by \_\_\_\_\_, the Resolution was passed and approved by the following vote [\_\_\_\_ - \_\_\_\_]:

	Aye	Nay	Abstain	Absent
Gerard Hudspeth, Mayor:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Jesse Davis, District 3:	_____	_____	_____	_____
Alison Maguire, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Chris Watts, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
GERARD HUDSPETH, MAYOR

ATTEST:  
ROSA RIOS, CITY SECRETARY

BY: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:  
MACK REINWAND, CITY ATTORNEY

BY: \_\_\_\_\_



EXHIBIT "A"

PETITION FOR CONSENT TO ADDITION OF LAND  
TO A MUNICIPAL UTILITY DISTRICT

THE STATE OF TEXAS                   §

COUNTY OF DENTON                   §

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF DENTON,  
TEXAS:

The undersigned, Legends Ranch Development, LLC, a Texas limited liability company (the "Owner"), acting pursuant to the provisions of Chapters 49 and 54 of the Texas Water Code, and Section 42.0425 of the Texas Local Government Code, respectfully petitions the City of Denton, Texas for its consent to the inclusion of land in the proposed Legends Ranch Municipal Utility District of Denton County (the "District"), and in support of this Petition would respectfully show the following:

I.

The approximately 45.782 acres sought to be added to the District (the "Tract") is described by metes and bounds in Exhibit "A," attached hereto and made a part hereof for all purposes.

II.

The Tract lies within Denton County, and not within the boundaries of any incorporated city or town. The Tracts lies within the exclusive extraterritorial jurisdiction of the City of Denton, Texas, as such term is determined pursuant to Chapter 42 V.T.C.A. Local Government Code.

III.

The Owner is the holder of title to the Tract as shown by the Denton County Tax Rolls and conveyances of record. There are no lienholders on the Tract.

IV.

The general nature of the work to be done by and within the Tract at the present time is the construction, maintenance and operation of a waterworks system for residential and commercial purposes; the construction, maintenance and operation of a sanitary sewer collection system and sewage disposal plant; the control, abatement and amendment of the harmful excess of waters and the reclamation and drainage of overflowed lands within the lands to be included within the District; and the construction of roads and of such additional facilities, systems, plants and enterprises as shall be consonant with the purposes for which the District is organized.

V.

There is a necessity for the improvements above described because the Tract is located within an area that is experiencing substantial and sustained residential and commercial growth, is urban in nature and is not supplied with adequate water, sanitary sewer and drainage facilities and roads. The health and welfare of the future inhabitants of the Tract requires the acquisition and installation of an adequate waterworks, sanitary sewer and storm drainage system and roads. The purchase, construction, extension, improvement, maintenance and operation of such waterworks system and storm and sanitary sewer collection and disposal systems and roads will conserve and preserve the natural resources of this State by promoting and protecting the purity and sanitary condition of the State's waters and will promote and protect the public health and welfare of the community; therefore, a public necessity exists for the inclusion of the Tract within the District.

VI.

Said proposed improvements are practicable and feasible, in that the terrain of the Tract is of such a nature that a waterworks system and sanitary and storm sewer systems and roads can be constructed at a reasonable cost; and said land will be rapidly developed for residential purposes.

VIII.

A preliminary investigation has been instituted to determine the cost of the project attributable to the Tract, and it is now estimated by the Owner, from such information as it has at this time, that the ultimate cost of the development contemplated will be approximately \$10,000,000.

WHEREFORE, the undersigned respectfully pray that this Petition be granted in all respects and that the City Council of the City of Denton, Texas, adopt a resolution giving its written consent to the inclusion of the Tract in the District.

[SIGNATURES ON THE FOLLOWING PAGES]

RESPECTFULLY SUBMITTED, this 23<sup>rd</sup> day of June, 2022.

OWNER:

LEGENDS RANCH DEVELOPMENT, LLC,  
a Texas limited liability company

By: 

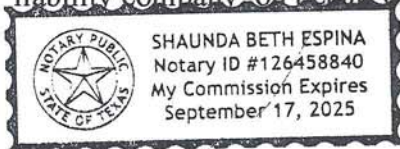
Name: Leonard S. Zak

Title: Manager

THE STATE OF TEXAS §

COUNTY OF Tarrant §

This instrument was acknowledged before me on this 23<sup>rd</sup> day of June, 2022, by Leonard S. Zak, Manager of Legends Ranch Development, LLC, a Texas limited liability company, on behalf of said limited liability company.



(NOTARY SEAL)



Notary Public in and for the State of Texas



# EXHIBIT "A"

**BEING** a tract of land located in the M.E.P. & P. RR. Co. Survey, Abstract No. 1470, City of Denton and City of Denton Extraterritorial Jurisdiction (E.T.J.), Denton County, Texas, part of a called 565.364 acre tract described in the deed to Legends Ranch Development, LLC, recorded in Instrument No. 2019-146384 of the Official Records of Denton County, Texas (O.R.D.C.T.), and being more particularly described by metes and bounds as follows:

**BEGINNING** at an aluminum TxDOT right-of-way monument found on the northerly right of way line of U.S. Highway 380, same being on the east line of a called 30.470 acre tract of land described in the deed to Larry L. Bailey and spouse, Patricia L. Bailey, recorded in Volume 5409, Page 4755 of the Deed Records of Denton County, Texas (D.R.D.C.T.), same also being the southerly southwest corner of said 565.364 acre tract;

**THENCE** North 00°11'25" East, with the east line of said 30.470 acre tract and the southerly west line of said 565.364 acre tract, a distance of 1022.88 feet to a 2-inch pipe found in the south line of a called 43.92 acre tract described in the deed to Legends Ranch Development, LLC, recorded in Instrument No. 93-R0091889 O.R.D.C.T., for the northeast corner of said 30.470 acre tract and the southerly northwest corner of said 565.364 acre tract;

**THENCE** North 89°27'40" East, with the south line of said 43.92 acre tract and a southerly north line of said 565.364 acre tract, a distance of 852.55 feet to a point for corner;

**THENCE** departing the south line of said 43.92 acre tract and the southerly north line of said 565.364 acre tract, crossing said 565.364 acre tract, the following courses and distances:

South 60°36'12" East, a distance of 559.24 feet to a point for corner;

South 57°37'43" East, a distance of 396.06 feet to a point for corner;

South 47°09'34" East, a distance of 126.12 feet to a point for corner;

South 06°44'52" West, a distance of 226.96 feet to a point for corner;

South 83°20'39" East, a distance of 664.20 feet to a point for an interior corner of said 565.364 acre tract;

**THENCE** South 06°44'41" West, a distance of 372.46 feet to a point on the northerly right-of-way line of said U.S. Highway 380, same being the westerly southeast corner of said 565.364 acre tract;

**THENCE** along the northerly right-of-way lines of said U.S. Highway 380, with southerly lines of said 565.364 acre tract, the following courses and distances:

North 83°15'19" West, a distance of 314.23 feet to an aluminum TxDOT right-of-way monument found for corner;

South 86°13'36" West, a distance of 355.99 feet to a 1/2-inch iron rod with cap stamped "RPLS 4561" found for corner;

North 83°15'09" West, a distance of 1703.98 feet to the **POINT OF BEGINNING** and containing 45.782 acres (1,994,261 square feet) of land, more or less.

## EXHIBIT "A"

M.E.P. & P. RR. Co. SURVEY,

ABSTRACT NO. 1470

CITY OF DENTON AND CITY OF DENTON E.T.J.

DENTON COUNTY, TEXAS

## PRELIMINARY

THIS DOCUMENT SHALL  
NOT BE RECORDED FOR  
ANY PURPOSE AND  
SHALL NOT BE USED OR  
VIEWED OR RELIED  
UPON AS A FINAL  
SURVEY DOCUMENT

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

**Kimley»Horn**

6160 Warren Parkway, Suite 210  
Frisco, Texas 75034

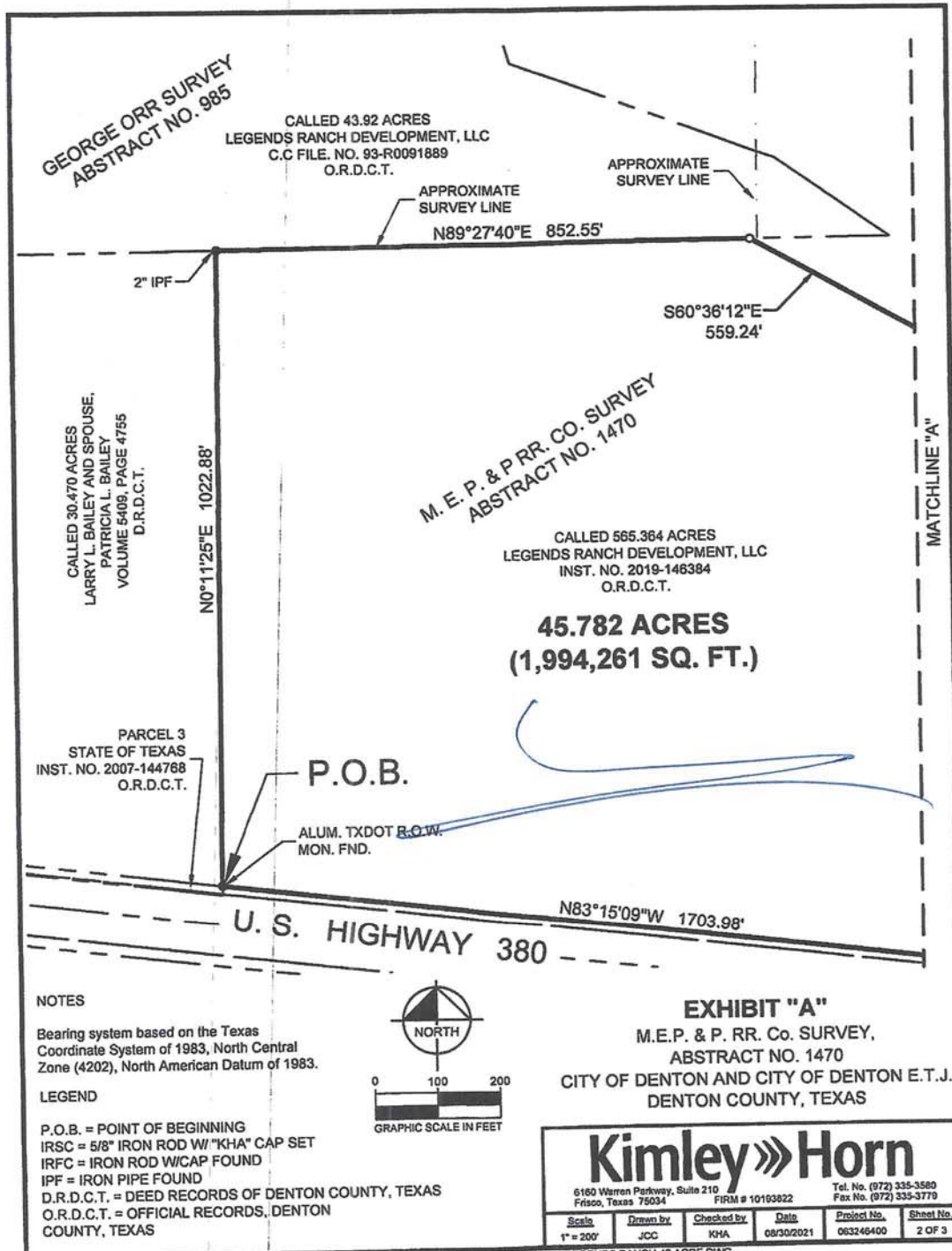
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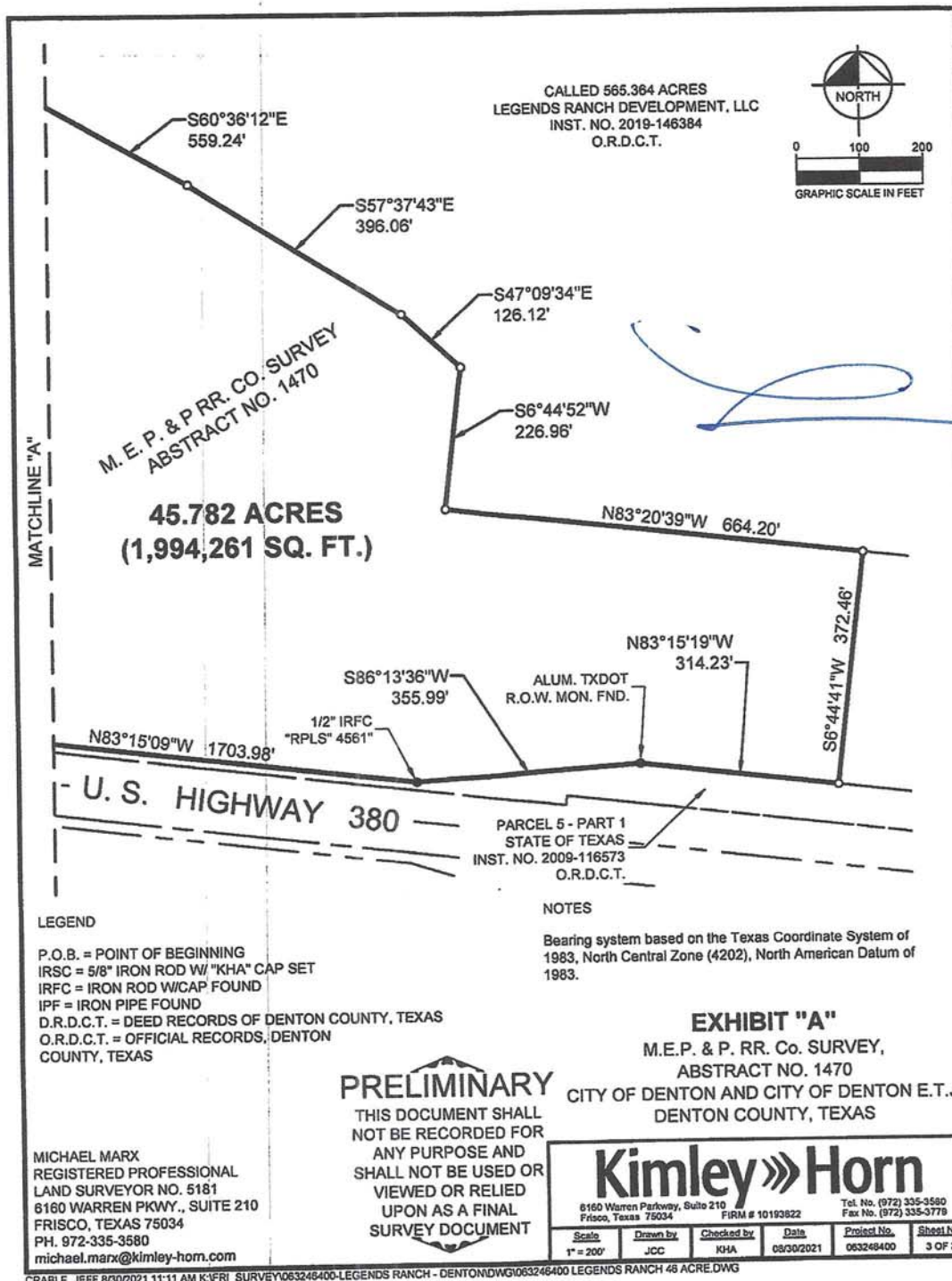
Tel. No. (972) 335-3580  
Fax No. (972) 335-3779

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
N/A	JCC	KHA	08/30/2021	063248400	1 OF 3

CRAWLE, JEFF 8/30/2021 11:11 AM K:\FRI\_SURVEY\063248400-LEGENDS RANCH - DENTON\DWG\063248400 LEGENDS RANCH 48 ACRE.DWG







## **EXHIBIT J**

### **STRATEGIC PARTNERSHIP AGREEMENT BY AND BETWEEN THE CITY OF DENTON, TEXAS AND LEGENDS RANCH MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY**

STATE OF TEXAS

COUNTY OF DENTON

This Strategic Partnership Agreement (this “Agreement”) is entered into by the City of Denton, Texas (the “City”), and Legends Ranch Municipal Utility District of Denton County, a political subdivision of the State of Texas, acting by and through its duly authorized Board of Directors (the “District”), under the authority of Section 43.0751 of the Texas Local Government Code (the “Local Government Code”).

#### **RECITALS**

WHEREAS, Local Government Code Section 43.0751 (the “Act”) authorizes the City and the District to negotiate and enter into a strategic partnership agreement by mutual consent; and

WHEREAS, the District encompasses approximately 542.536 acres, all of which is located within the City’s extraterritorial jurisdiction, described by metes and bounds and depicted on Exhibit “A” (the “Property”); and

WHEREAS, this Agreement authorizes the City to annex certain portions of the Property that have been or may in the future be designated for commercial use for limited purposes for the purpose of collecting Sales and Use Tax Revenues (hereinafter defined) within such tracts designated for Commercial Use and to annex all of the Property for full purposes upon the terms contained herein; and

WHEREAS, pursuant to this Agreement, the City will retain fifty percent (50%) of all Sales and Use Tax Revenues (hereinafter defined); and

WHEREAS, the City and the District acknowledge that this Agreement provides benefits to each party, including revenue, services and regulatory benefits.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants and conditions contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the District agree as follows:

ARTICLE I  
FINDINGS

A. The District is a municipal utility district encompassing approximately 542.536 acres that is located within the City's extraterritorial jurisdiction.

B. The District was created pursuant to Article XVI, Section 59, and Article III, Section 52(b)(3), of the Texas Constitution;

C. On \_\_\_\_\_, 2022, the City Council adopted Resolution No. \_\_\_\_\_ consenting to the creation of the District (the "Consent Resolution").

D. The District provided notice of two public hearings concerning the adoption of this Agreement following the District's notification procedures for other matters of public importance, in accordance with the procedural requirements of the Act.

E. The Board of Directors of the District conducted two public hearings regarding this Agreement, at which members of the public who wished to present testimony or evidence regarding this Agreement and the proposed limited purpose annexation were given the opportunity to do so, in accordance with the procedural requirements of the Act, on \_\_\_\_\_, 202\_, at \_\_\_\_\_ p.m. at \_\_\_\_\_, and on \_\_\_\_\_, 202\_, at \_\_\_\_\_ p.m. at \_\_\_\_\_.

F. The Board of Directors of the District approved this Agreement on \_\_\_\_\_, 202\_, in open session at a meeting held in accordance with Chapter 551 of the Texas Government Code.

G. The City provided notice of two public hearings concerning the adoption of this Agreement by publishing said notices in a newspaper of general circulation in the City and in the District, in accordance with the procedural requirements of the Act.

H. The City Council conducted two public hearings regarding this Agreement, at which members of the public who wished to present testimony or evidence regarding this Agreement and the proposed limited purpose annexation were given the opportunity to do so, in accordance with the procedural requirements of the Act, on \_\_\_\_\_, 202\_, at \_\_\_\_\_ p.m. at the City Council Chambers, and on \_\_\_\_\_, 202\_, at \_\_\_\_\_ p.m. at the City Council Chambers.

I. The City Council approved this Agreement on \_\_\_\_\_, 202\_, in open session at a meeting held in accordance with Chapter 551 of the Texas Government Code, which approval occurred after the Board of Directors of the District approved this Agreement.

J. All procedural requirements imposed by law for the adoption of this Agreement have been met.



K. In accordance with the requirements of Subsection (p)(2) of the Act, this Agreement provides benefits to the City and the District, including revenue, services and regulatory benefits which are reasonable and equitable with regard to the benefits provided to the other.

## ARTICLE II DEFINITIONS

Terms used in this Agreement shall have the following meanings:

“Act” means the Texas Local Government Code, Section 43.0751, and any amendments thereto.

“Agreement” means this Strategic Partnership Agreement between the City and the District.

“Board of Directors” means the Board of Directors of the District.

“City” means the City of Denton, Texas, a general law municipal corporation of the State of Texas.

“City Council” means the City Council of the City.

“City Share” means the City’s share of the Sales and Use Tax Revenues as defined in Section 4.2 of this Agreement.

“Commercial Property” means those certain tracts hereinafter designated for commercial uses, which said tracts are within the City’s ETJ.

“Comptroller” means the Comptroller of Public Accounts for the State of Texas.

“Consent Resolution” means the City’s Resolution No. \_\_\_\_\_ consenting to the creation of the District.

“Development Agreement” means the Development Agreement by and between the City and Owner, effective \_\_\_\_\_, 2022, regarding development of the Property.

“District” means Legends Ranch Municipal Utility District of Denton County.

“District Share” means the District’s share of the Sales and Use Tax Revenues as defined by Section 4.2 of this Agreement.

“ETJ” means the extraterritorial jurisdiction of a city as defined by the Local Government Code, as amended.

“Effective Date” means the date on which the City adopts this Agreement.

“Government Code” means the Texas Government Code, as amended.

“Limited Purpose Annexation Period” means the period commencing on the effective date of the limited purpose annexation of the Limited Purpose Property and ending upon the full purpose annexation or disannexation of such property.

“Limited Purpose Property” means the property in the District that is within the City’s ETJ and is annexed for limited purposes pursuant to this Agreement.

“Local Government Code” means the Texas Local Government Code, as amended.

“Notice” means notice as defined in Section 8.1 of this Agreement.

“Party” means, individually, the City or the District, their successors and assigns as permitted by Section 8.8 of this Agreement.

“Property” means the approximately 542.536 acres within the City’s extraterritorial jurisdiction, described by metes and bounds and depicted on Exhibit “A”

“Sales and Use Tax Revenues” means those revenues received by the City from the sales and use tax authorized to be imposed by the City on sales consummated at locations within the Limited Purpose Property pursuant to the Act and Chapter 321 of the Tax Code and whose use is not otherwise controlled or regulated, in whole or in part, by another governmental entity, authority or applicable law, ordinance, rule or regulation.

“Tax Code” means the Texas Tax Code, as amended.

ARTICLE III  
ADOPTION OF AGREEMENT AND  
LIMITED PURPOSE ANNEXATION OF COMMERCIAL PROPERTY

3.1 Public Hearings. The District and the City acknowledge and agree that prior to the execution of this Agreement, the governing bodies of the District and the City have conducted two public hearings for the purpose of considering the adoption of this Agreement and that such hearings were noticed and conducted in accordance with the terms of the Act, this Agreement and Chapter 551 of the Government Code.

3.2 Effective Date. Pursuant to Subsection (c) of the Act, this Agreement is effective on the date of adoption of this Agreement by the City.

3.3 Filing in Property Records. The City shall file this Agreement in the Real Property Records of Denton County, Texas.

3.4 Limited Purpose Annexation of Commercial Property. The District and the City agree that the City may annex all or any portion of the Commercial Property for the limited purpose of collecting Sales and Use Tax Revenues within the Commercial Property pursuant to Subsection (k) of the Act. The District acknowledges that the City Council may adopt one or more limited purpose annexation ordinances at one or more meetings conducted in accordance with Chapter 551 of the Government Code and further acknowledges that no additional notices, hearings or other procedures are required by law in order to approve such limited purpose annexations. The City may annex for limited purposes any portion of the Commercial Property at any time after Owner, or any subsequent owner of the Commercial Property, submits a final plat for such property to the City.

3.5 Consent to Limited Purpose Annexation. The District, on behalf of itself and all present and future owners of land within the District, hereby requests that the City annex the Commercial Property for limited purposes as provided in this Agreement. The District consents to such annexation and to the collection of Sales and Use Tax Revenues by the City within such Limited Purpose Property. Such consent shall bind the District and all current and future owners of land within the District.

#### ARTICLE IV TAXATION AND PROVISIONS OF SERVICES

4.1 Collection of Sales and Use Tax Revenues. The City may impose a sales and use tax within the Limited Purpose Property pursuant to Subsection (k) of the Act. The sales and use tax shall be imposed on all eligible commercial activities at the rate of two percent (2%), or other rate allowed under future amendments to Chapter 321 of the Tax Code and imposed by the City. Collection of the Sales and Use Tax Revenues shall take effect on the date described in Section 321.102 of the Tax Code.

4.2 Payment of Sales and Use Tax. In return for the benefits received by the City pursuant to this Agreement, the City shall pay to the District an amount equal to fifty percent (50%) of the Sales and Use Tax Revenues paid to the City as reflected in sales tax reports provided by the Comptroller to the City to be used for any lawful purpose of the District. All amounts payable to the District are hereafter referred to as the "District Share." The City shall pay the District Share within thirty (30) days after the City receives the payment and the sales tax report reflecting such revenue from the Comptroller. Any payment of the District Share not made within such thirty (30) day period shall bear interest calculated in accordance with Section 2251.025 of the Government Code. The City shall retain all Sales and Use Tax Revenues that do not constitute the District

Share (the “City Share”). To the extent allowed by law, the City shall deliver to the District a condensed version of each monthly area sales tax report provided by the Comptroller, containing only the contents of the sales tax report relating to retail sales and retailers in the Property within thirty (30) days of the City’s receipt of the sales tax report.

4.3 Notification of Comptroller. The City shall send notice of this Agreement, together with other required documentation, to the Comptroller in the manner provided by Section 321.102 of the Tax Code, after the City Council annexes any portion of the Limited Purpose Property for limited purposes.

## ARTICLE V

### FULL PURPOSE ANNEXATION

5.1 Full Purpose Annexation and Conversion Date. In accordance with the provisions of Section 43.0751(f)(5) of the Act, the District consents to the full purpose annexation of the District by the City at any time on or after one hundred percent (100%) of the land in the District capable of being developed has been developed with water, sanitary sewer, and drainage facilities and roads (collectively, “Facilities”) and the District has issued its bonds to fully reimburse the developer of such Facilities to the fullest extent allowed under the then current rules of the Texas Commission on Environmental Quality. The City agrees not to annex the District for full municipal purposes prior to such time. At least sixty (60) days prior to the date the City intends to annex the District, the City shall provide the District with a written notice of intent to annex the District and the date planned for annexation, which date shall constitute the full purpose annexation conversion date under the Act. The City further agrees that the full purpose annexation of the District by the City is further subject to the limitations contained in the Development Agreement.

5.2 Assumption of District Duties. Prior to the full purpose annexation conversion date, the District remains authorized to exercise all powers and functions of a municipal utility district provided by existing law or any amendments or additions thereto. The District's assets, liabilities, indebtedness, and obligations will remain the responsibility of the District during the period preceding full-purpose annexation and conversion. The District agrees that beginning on the Effective Date and until the full purpose annexation conversion date, the District shall maintain all of its roadway, property and utility infrastructure in good condition and repair. Upon the full purpose annexation conversion date Sections 43.075(c) and (d) of the Act shall apply and, (i) the City shall succeed to the powers, duties, assets, and obligations of the District; and (ii) the City shall take over all the property and other assets of the District, assume all the debts, liabilities, and obligations of the District, and perform all the functions of the District. The City and the District agree to fully comply with all requirements in Section 43.075 of the Texas Local Government Code.

ARTICLE VI  
TERM

This Agreement commences on the Effective Date and continues until the City annexes all of the Property for full purposes in accordance with the terms hereof. The provisions of this Agreement relating to the collection of sales and use tax will automatically terminate with regard to any portion of the Property upon disannexation or full purpose annexation of such property.

ARTICLE VII  
BREACH, NOTICE AND REMEDIES

7.1 Notification of Breach. If either Party commits a breach of this Agreement, the non-breaching Party shall give Notice to the breaching Party that described the breach in reasonable detail.

7.2 Cure of Breach. The breaching Party shall commence curing such breach within fourteen (14) calendar days after receipt of Notice of the breach and shall complete the cure within fourteen (14) calendar days from the date of commencement of the cure; however, if the breach is not reasonable susceptible to cure by the breaching Party within such fourteen (14) day period, the non-breaching Party shall not bring any action so long as the breaching Party has commenced to cure the breach within such fourteen (14) day period and diligently completes the cure within a reasonable time without unreasonable cessation.

7.3 Remedies for Breach. If the breaching Party does not substantially cure such breach within the stated period of time, the non-breaching Party may, in its sole discretion, and without prejudice to any other right under this Agreement, law, or equity, seek relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act, specific performance, mandamus and injunctive relief; provided, however, the non-breaching Party shall not be entitled to terminate this Agreement. The Parties specifically waive any right that they have or in the future may have to terminate this Agreement. Damages, if any, to which any non-breaching Party may be entitled shall be limited to actual damages and shall not include special or consequential damages.

ARTICLE VIII  
ADDITIONAL PROVISIONS

8.1 Notices. All notices under this Agreement (“Notice”) shall be in writing, shall be signed by or on behalf of the Party giving the Notice, and shall become effective as follows: (a) on the third (3rd) business day after being deposited with the United States mail service, Certified Mail, Return Receipt Requested with a confirming copy sent by facsimile; (b) on the day delivered by private delivery or private messenger service (such as FedEx or UPS) as evidenced by a receipt signed by any person at the delivery address (whether or not such person is the person to whom the Notice is addressed); or (c) otherwise on the day actually received by the person to whom the



Notice is addressed, including, but not limited to, delivery in persona and delivery by regular mail. All Notices given pursuant to this section shall be addressed as follows:

To the City:

Attn: City Manager  
City of Denton, Texas  
215 E. McKinney St.  
Denton, TX 76201

With a copy to: Attn: City Attorney  
City of Denton, Texas  
215 E. McKinney St.  
Denton, TX 76201

To the District: Legends Ranch Municipal Utility District  
of Denton County  
Attn: Mindy L. Koehne  
Coats Rose, P.C.  
14755 Preston Road, Suite 600  
Dallas, Texas 75254

8.2 No Waiver. Any failure by a Party to insist upon strict performance by the other Party of any provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all of the provisions of this Agreement. No provision of this Agreement may be waived except in writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purpose for which it is given. No waiver by any Party hereto of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

8.3 Governing Law and Venue. This Agreement must be construed and enforced in accordance with the laws of the State of Texas, as they apply to contracts performed within the State of Texas and without regard to any choice of law rules or principles to the contrary. The Parties acknowledge that this Agreement is performable in Denton County, Texas, and hereby submit to the jurisdiction of the courts of Denton County, Texas, and agree that any such court with proper jurisdiction shall be a proper forum for the determination of any dispute arising hereunder.

8.4 Authority to Execute. The City warrants that this Agreement has been approved by the City Council in accordance with all applicable public meeting and public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been authorized to do so. The District warrants that this Agreement has been approved by the Board in accordance with all applicable public meeting and public notice requirements (including, but not limited to, notices

required by the Open Meetings Act) and the individual executing this Agreement on behalf of the District has been authorized to do so.

8.5 Entire Agreement; Severability. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

8.6 Changes in State or Federal Law. If any state or federal law changes so as to make it impossible for the City or the District to perform its obligations under this Agreement, the Parties will cooperate to amend this Agreement in such a manner that is most consistent with the original intent of this Agreement and legally possible.

8.7 Additional Documents and Acts. The Parties agree that at any time after execution of this Agreement, they will, upon request of the other Party, execute and/or exchange any other documents necessary to effectuate the terms of this Agreement and perform any further acts as the other Party may reasonably request to effectuate the terms of this Agreement.

8.8 Assignability, Successors and Assigns. This Agreement shall not be assignable by any Party without the other Party's written consent. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective representatives, successors and assigns.

8.9 Amendment. This Agreement may be amended only by written agreement with approval of the governing bodies of both the City and the District.

8.10 Interpretation. The Parties acknowledge that each Party and, if it so chooses, its counsel, have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto. As used in this Agreement, the term "including" means "including, without limitation" and the term "days" means calendar days, not business days. Wherever required by the context, the singular shall include the plural, and the plural shall include the singular. Each defined term herein may be used in its singular or plural form whether or not so defined

8.11 No Third-Party Beneficiaries. This Agreement is solely for the benefit of the City and the District. Neither the City nor the District intends by any provision of this Agreement to create any rights in any third-party beneficiaries or to confer any benefit or enforceable rights under this Agreement or otherwise upon anyone other than the City and the District.

8.12 Governmental Powers. By execution of this Agreement, neither the City nor the District waives or surrenders any of its respective governmental powers, immunities or rights, except as specifically waived pursuant to this section. The City and the District mutually waive their governmental immunity from suit and liability only as to any action brought by a Party to pursue the remedies available under this Agreement and only to the extent necessary to pursue such remedies. Nothing in this section shall waive any claims, defenses or immunities that the City or the District has with respect to suits against the City or the District by persons or entities not a party to this Agreement. Nothing in this Agreement is intended to delegate or impair the performance by the City of its governmental functions, and the City waives any claim or defense that any provision of this Agreement is unenforceable on the grounds that it constitutes an impermissible delegation or impairment of the City's performance of its governmental functions.

8.13 Incorporation of Exhibits by Reference. All exhibits attached to this Agreement are incorporated into this Agreement by reference for the purposes set forth herein, as follows:

Exhibit A      Legal Description and Map of Property

8.14 Counterpart Originals. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

CITY OF DENTON, TEXAS

By: \_\_\_\_\_  
Mayor

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
City Secretary

APPROVED AS TO FORM

By: \_\_\_\_\_  
City Attorney

STATE OF TEXAS §

COUNTY OF DENTON §

This instrument was acknowledged before me, the undersigned notary, on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_, Mayor, and \_\_\_\_\_, City Secretary, of the city of Denton, Texas, on behalf of said city.

\_\_\_\_\_  
Notary Public in and for the State of Texas

(NOTARY SEAL)

LEGENDS RANCH MUNICIPAL UTILITY DISTRICT

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF TEXAS           §

COUNTY OF \_\_\_\_\_ §

          This instrument was acknowledged before me, the undersigned notary, on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_, \_\_\_\_\_ of the Board of Directors of Legends Ranch Municipal Utility District, on behalf of said district.

\_\_\_\_\_  
Notary Public in and for the State of Texas

(NOTARY SEAL)



## **Exhibit A**

**BEING** a tract of land located in the Thomas J. Egan Survey, Abstract No. 406, the M.E.P & P. RR. Co. Survey, Abstract No. 1470, the George Orr Survey, Abstract No. 985, the William Davis Survey, Abstract No. 374, and the Thomas Polk Survey, Abstract No. 998, City of Denton and City of Denton Extraterritorial Jurisdiction (E.T.J.), Denton County, Texas, part of a called 565.364 acre tract described in the deed to Legends Ranch Development, LLC, recorded in Instrument No. 2019-146384 of the Official Records of Denton County, Texas (O.R.D.C.T.), and being more particularly described by metes and bounds as follows:

**BEGINNING** at a 1/2-inch iron rod found on the westerly right-of-way line of Thomas J. Egan Road (formerly Longhorn Drive), a 22.5 foot wide right-of-way dedication, according to the plat of Golden Hoof Ranchettes, an addition to Denton County, recorded in Volume 4, Page 8 of the Plat Records of Denton County, Texas (P.R.D.C.T.), at the northeast corner of a 10-foot wide right-of-way dedication according to the plat of Lot 1R1 and 1R2 of Golden Hoof Ranchettes, an addition to Denton County, recorded in Document No. 2015-319 P.R.D.C.T., for a northerly southeast corner of said 565.364 acre tract and an easterly southeast corner hereof;

**THENCE** North 83°08'15" West, with a northerly south line of said 565.364 acre tract, and the north line of said 10-foot right-of-way dedication, the north line of Lot 1R1 of said Lot 1R1 and 1R2 of Golden Hoof Ranchettes, and the north line of Lot 6, Block A of said Golden Hoof Ranchettes, a distance of 960.54 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set in the easterly right-of-way line of Golden Hoof Drive, a 60-foot right-of-way as dedicated according to the plat of said Golden Hoof Ranchettes, for the northwest corner of said Lot 6, an interior corner of said 565.364 acre tract, and an interior corner hereof;

**THENCE** South 0°26'45" West, with the easterly right-of-way line of said Golden Hoof Drive, the west line of said Lot 6, and an east line of said 565.364 acre tract, a distance of 417.42 feet to a 1/2-inch iron rod found for the southwest corner of said Lot 6 and an interior corner of said 565.364 acre tract, at the beginning of a tangent curve to the left having a central angle of 5°53'02", a radius of 367.50 feet, a chord bearing and distance of South 2°29'46" East, 37.72 feet;

**THENCE** across said 565.364 acre tract the following courses and distances:

In a southeasterly direction, with said curve to the left, an arc distance of 37.74 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the end of said curve,

South 5°26'18" East, a distance of 100.54 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the beginning of a tangent curve to the right having a central angle of 12°11'09", a radius of 432.50 feet, a chord bearing and distance of South 0°39'17" West, 91.81 feet,

In a southwesterly direction, with said curve to the right, an arc distance of 91.98 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the end of said curve,

South 6°44'51" West, a distance of 36.02 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner,

South 38°15'09" East, a distance of 28.28 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set on the northerly right-of-way line of U.S. Highway 380, for a southeast corner hereof;

THENCE North 83°15'09" West, along the northerly right-of-way line of said U.S. Highway 380, with the easterly south line of said 565.364 acre tract, a distance of 105.00 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for the easterly southwest corner hereof;

THENCE departing the northerly right-of-way line of said U.S. Highway 380, across said 565.364 acre tract, the following courses and distances:

North 51°44'51" East, a distance of 28.28 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner,

North 6°44'51" East, a distance of 36.02 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the beginning of a tangent curve to the left having a central angle of 12°11'09", a radius of 367.50 feet, a chord bearing and distance of North 0°39'17" East, 78.01 feet,

In a northeasterly direction, with said curve to the left, an arc distance of 78.16 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the end of said curve,

North 5°26'18" West, a distance of 100.54 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the beginning of a tangent curve to the right having a central angle of 5°53'02", a radius of 432.50 feet, a chord bearing and distance of North 2°29'46" West, 44.40 feet,

In a northwesterly direction, with said curve to the right, an arc distance of 44.42 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the end of said curve,

North 0°26'45" East, a distance of 142.96 feet to a point for an interior corner hereof,

North 83°20'39" West, a distance of 2051.52 feet to a point for an interior corner hereof,

South 6°44'41" West, a distance of 372.46 feet to a point on the northerly right-of-way line of said U.S. Highway 380, a southerly line of said 565.364 acre tract, for the westerly southeast corner hereof;

THENCE along the northerly right-of-way lines of said U.S. Highway 380, with southerly lines of said 565.364 acre tract, the following courses and distances:

North 83°15'19" West, a distance of 314.23 feet to an aluminum TxDOT right-of-way monument found for corner;

South 86°13'36" West, a distance of 355.99 feet to a 1/2-inch iron rod with cap stamped "RPLS 4561" found for corner;

North 83°15'09" West, a distance of 1703.98 feet to an aluminum TxDOT right-of-way monument found for the southeast corner of a called 30.470 acre tract of land described in the deed to Larry L. Bailey and spouse, Patricia L. Bailey, recorded in Volume 5409, Page 4755 of the Deed Records of Denton County, Texas (D.R.D.C.T.), the southerly



southwest corner of said 565.364 acre tract, and the southwesterly southwest corner hereof;

THENCE North 0°11'25" East, with the east line of said 30.470 acre tract and the southerly west line of said 565.364 acre tract, a distance of 1022.88 feet to a 2-inch pipe found in the south line of a called 43.92 acre tract described in the deed to Legends Ranch Development, LLC, recorded in Instrument No. 93-R0091889 O.R.D.C.T., for the northeast corner of said 30.470 acre tract, the southerly northwest corner of said 565.364 acre tract, and the southerly northwest corner hereof;

THENCE North 89°27'40" East, with the south line of said 43.92 acre tract and a southerly north line of said 565.364 acre tract, a distance of 1075.88 feet to a point on the approximate centerline of a creek, for the southeast corner of said 43.92 acre tract, an interior corner of said 565.364 acre tract and an interior corner hereof;

THENCE along the centerline of said creek, with easterly lines of said 43.92 acre tract, and westerly lines of said 565.364 acre tract, the following courses and distances:

North 54°19'43" West, a distance of 225.34 feet to a point for corner;

North 69°29'24" West, a distance of 449.26 feet to a point for corner;

North 17°39'04" West, a distance of 543.10 feet to a point for the northeast corner of said 43.92 acre tract, an interior corner of said 565.364 acre tract, and an interior corner hereof;

THENCE North 89°48'46" West, with the north line of said 43.92 acre tract and a northwesterly south line of said 565.364 acre tract, a distance of 2092.38 feet to a point within the margins of Nail Road, in the east line of a called 30.297 acre tract of land described in the deed to Brockland Properties, LLC, recorded in Instrument No. 2017-78184 O.R.D.C.T., for the northwest corner of said 43.92 acre tract, the northerly southwest corner of said 565.364 acre tract, and the northwesterly southwest corner hereof; a 1/2-inch iron rod found for reference on the east margin of said Nail Road bears South 89°48'46" East 18.00 feet from said point for corner;

THENCE North 0°13'42" East, within the margins of said Nail Road, with the east line of said 30.297 acre tract and the westernmost west line of said 565.364 acre tract, a distance of 631.58 feet to a 1/2-inch rod found in the southeasterly right-of-way line of Burlington Northern Railroad, on the northwest margin of said Nail Road, for the north corner of said 30.297 acre tract, a northwest corner of said 565.364 acre tract, and a northwest corner hereof;

THENCE North 28°40'26" East, with the southeast right-of-way line of said Burlington Northern Railroad, along the northwest margin of said Nail Road, with the Northwest line of said 565.364 acre tract, a distance of 1355.15 feet to a point within the margins of Jackson Road, for the westerly northwest corner of said 565.364 acre tract and the westerly northwest corner hereof;

THENCE North 89°32'55" East, within the margins of said Jackson Road, with the westerly north line of said 565.364 acre tract, the south line of a called 5.241 acre tract of land described in the deed to 2018 Stone Family Trust recorded in Instrument No. 2018-105715 O.R.D.C.T., and the southerly south line of said a called 298.204 acre tract of land described in the deed to McCart St, LLC, recorded in Instrument No. 2018-5215 O.R.D.C.T., a distance of 1746.66 feet

to a 1/2-inch iron rod found for the southerly southeast corner of said 298.204 acre tract, an interior corner of said 565.364 acre tract and an interior corner hereof;

**THENCE** North 0°57'04" East, continuing within the margins of said Jackson Road, with the southwesterly east line of said 298.204 acre tract, a northerly west line of said 565.364 acre tract, a distance of 138.90 feet to a 1/2-inch iron rod found for the southwest corner of a called 10.00 acre tract described in the deed to Russell Mark Sales and wife, Shelly Ann Sales, recorded in Instrument No. 93-R0030700 O.R.D.C.T., the northernmost northwest corner of said 565.364 acre tract and the northernmost northwest corner hereof;

**THENCE** North 89°14'20" East, continuing within the margins of said Jackson Road, with the south line of said 10.000 acre Sales tract, the south line of a called 10.00 acre tract of land described in the deed to Jimmy Lee Grozier recorded in Instrument No. 96-R0082430 O.R.D.C.T., and a north line of said 565.364 acre tract, a distance of 2597.71 feet to a 1/2-inch iron rod found for the southwest corner of a called 134 acre tract described in the deed to James T. Addington and wife, Carol L. Addington, recorded in Volume 611, Page 296 D.R.D.C.T., at an angle point in said north line of called 565.364 acre tract and an angle point in a north line hereof;

**THENCE** North 87°52'07" East, continuing within the margins of said Jackson Road, with a north line of said 565.364 acre tract, the south line of said 134 acre tract, the south line of Lot 1, Block A of Connolly Addition, an addition to Denton County, as shown on the plat recorded in Document No. 2017-51 P.R.D.C.T., and the south line of a called 10.035 acre tract described in the deed to Ira Sam Houston and wife, Helen Marie Houston, recorded in Volume 1239, Page 617 D.R.D.C.T., a distance of 2285.65 feet to a 1/2-inch iron rod found for the northwest corner of the right-of-way dedication at the intersection of Jackson Road and Thomas J. Egan Road according to the plat of Bent Rails Addition, an addition to the City of Denton E.T.J., recorded as Document No. 2020-57 P.R.D.C.T., the northeast corner of said 565.364 acre tract and the northeast corner hereof;

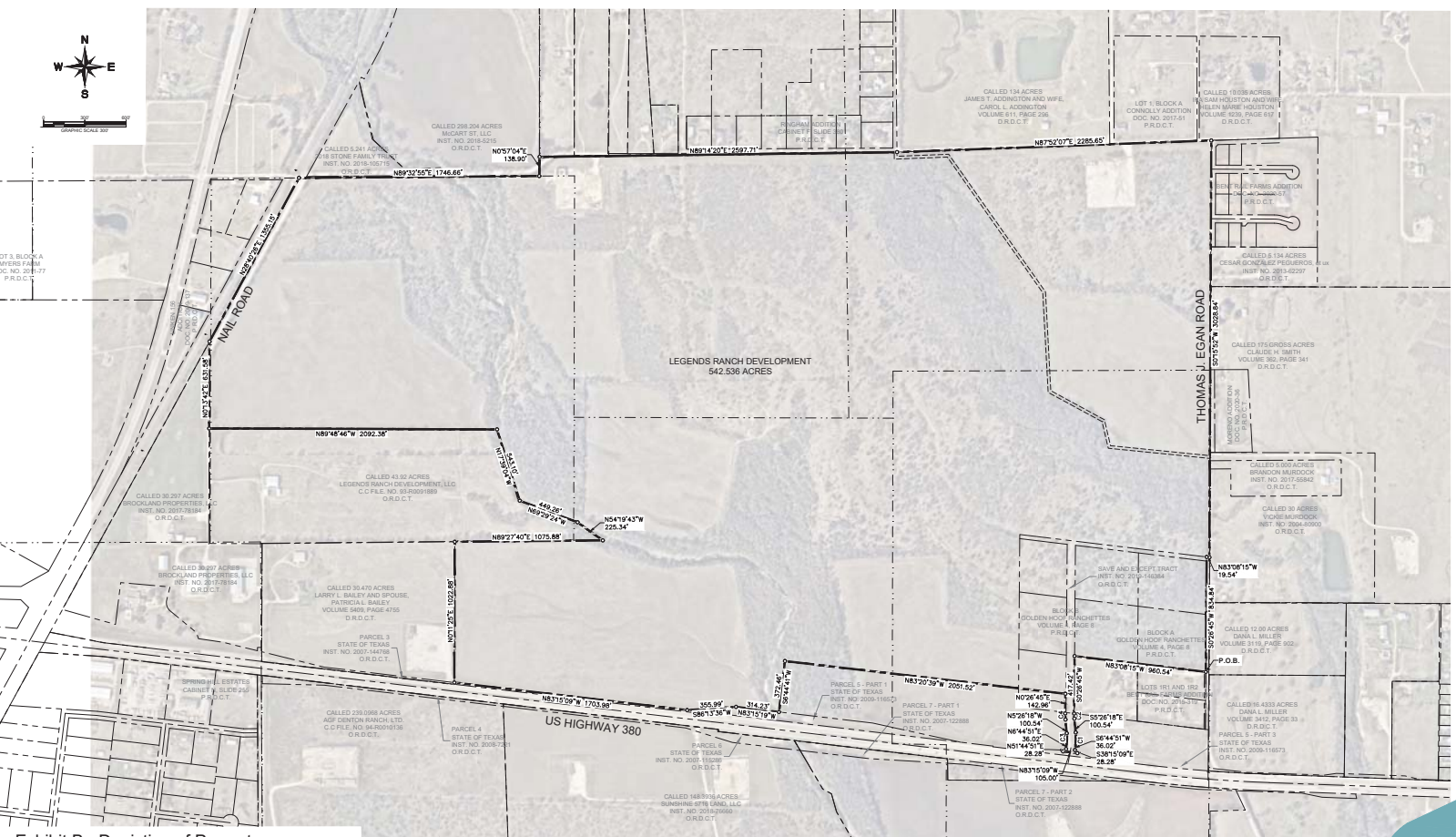
**THENCE** South 0°15'52" West, within the margins of said Thomas J. Egan Road, with the northerly east line of said 565.364 acre tract, the west line of the 32.5-foot right-of-way dedication for Thomas J. Egan Road according to the plat of said Bent Rails Addition, the west line of a called 5.134 acre tract of land described in the deed to Cesar Gonzalez Pegueros and wife, Gricelda Tovar-Galvan Gonzalez, recorded in Instrument No. 2013-62297 O.R.D.C.T., the west line of a called 175 acre tract of land described in the deed to Claude H. Smith recorded in Volume 362, Page 341 D.R.D.C.T., the west line of a variable width right-of-way dedication for Thomas J. Egan Road according to the plat of Moreno Addition, an addition to the City of Denton E.T.J., recorded in Document No. 2020-36 P.R.D.C.T., the west line of a called 30 acre tract described in the deed to Vickie Murdock recorded in Instrument No. 2004-80900 O.R.D.C.T., and the westerly west line of a called 5.000 acre tract described in the deed to Brandon Murdock recorded in Instrument No. 2017-55842 O.R.D.C.T., a distance of 3028.84 feet to a PK nail found at the northeast corner of the right-of-way dedication at the intersection of Tenderfoot Trail and said Thomas J. Egan Road (formerly Longhorn Drive) according to the plat of said Golden Hoof Ranchettes, for a northerly southeast corner of said 565.364 acre tract and a northerly southeast corner hereof;

**THENCE** North 83°08'15" West, with the northerly right-of-way dedication for said Tenderfoot Trail, and a northerly south line of said 565.364 acre tract, a distance of 19.54 feet to a 1/2-inch iron rod found for an interior corner of said 565.364 acre tract and an interior corner hereof;



**THENCE** South  $0^{\circ}26'45''$  West, across said Tenderfoot Trail, with a southerly east line of said 565.364 acre tract, the east line of Block A of said Golden Hoof Ranchettes, the west right-of-way line of said Thomas J. Egan Road (formerly Longhorn Drive) a distance of 834.84 feet to the **POINT OF BEGINNING** and containing 542.536 acres of land, more or less.





**Exhibit B - Depiction of Property  
Legends Ranch**

City of Denton - Division One ETJ, Texas  
June 28, 2022

## **EXHIBIT K**

### **FIRE SERVICE AGREEMENT CONCERNING LEGENDS RANCH MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY**

This Fire Service Agreement Concerning Denton County Municipal Utility District No. \_\_\_\_ (this “Fire Agreement”) is entered into by the City of Denton, Texas, a Texas Home Rule municipality (the “City”) and Legends Ranch Development, LLC, a Texas limited liability company (“Developer”). The Legends Ranch Municipal Utility District of Denton County, a municipal utility district created pursuant to Article XVI, Section 59, of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code (the “District”), which District, after the District Confirmation Date, will become a party to this Fire Agreement as set forth below. The City, Developer, and the District are each a “Party” and collectively the “Parties” to this Agreement. This Fire Agreement shall become effective on \_\_\_\_\_, 20\_\_ (the “Effective Date”).

### **ARTICLE I RECITALS**

**WHEREAS**, Developer and City entered into that certain Development Agreement concerning Legends Ranch Municipal Utility District of Denton County, effective \_\_\_\_\_, 2022 (the “Development Agreement”); and

**WHEREAS**, the defined terms herein shall have the same meaning as provided in the Development Agreement, unless specifically provided otherwise herein; and

**WHEREAS**, since the effective date of the Development Agreement, Developer and the City have agreed that the City will provide the hereinafter defined Fire Protection Services to the Property; and

**WHEREAS**, since the effective date of the Development Agreement the Texas Commission on Environmental Quality (the “TCEQ”) has created the District, which encompasses all of the Property; and

**WHEREAS**, the Parties wish to provide the terms under which the City will provide the Fire Protection Services to the Property; and

**WHEREAS**, the Development Agreement contemplates this Fire Agreement being incorporated into and a part of the Development Agreement upon its execution; and

**WHEREAS**, this Fire Agreement is entered into pursuant to Texas Local Government Code Section 212.172 to set out the mutually agreeable terms and conditions relating to the City providing Fire Protection Services to the Property; and

**NOW THEREFORE**, for and in consideration of the mutual agreements, covenants, and conditions hereinafter set forth, the Parties contract and agree as follows:

1. The Development Agreement hereby incorporates the following:

#### **ARTICLE IV** **FIRE PROTECTION SERVICES**

**Section 4.1. Definitions.** In this Fire Agreement:

“Connection” means a single-family residential unit or its commercial equivalent that receives water supply from a District’s internal potable water distribution system. For purposes of this Fire Agreement, a Connection shall be considered to have been made at the time of physical attachment to the District’s internal water distribution lines, regardless of whether the customer is actually utilizing utility service at such time.

“Fire Tax” means that ad valorem tax levied by the District to pay for Fire Protection Services.

“Fire Protection Services” means all fire suppression and emergency medical/first responder and rescue services regularly provided by the City to persons and property located within the City, which shall also, by this Fire Agreement, be provided by the City to persons and property located within the Property, except for fire inspections of buildings and properties, code enforcement services, and arson investigations (which shall not be included in services provided to persons and property located within the Property).

**Section 4.2. Applicability to the District.**

(a) The District shall develop a fire plan in accordance with Section 49.351, Texas Water Code, and the rules of the TCEQ (the “Plan”), incorporating the terms of this Fire Agreement, and submit the Plan to the TCEQ for its approval. Upon TCEQ’s approval of the Plan, the District shall call an election and obtain voter approval of the Plan and this Fire Agreement (the “Fire Plan Election”). The Fire Plan Election shall include a request of voter authorization for the District to levy a tax not to exceed \$0.16 per \$100 assessed valuation solely to support Fire Protection Services (“Fire Tax”). The District will use its best efforts to cause this Fire Agreement and the Plan to be submitted to the TCEQ for approval and obtain voter approval of the Plan in accordance with the terms of this Fire Agreement.

(b) Other than the provisions of Section 4.2(a) which are effective as to the District upon the Effective Date, this Fire Agreement will take effect as to the District at such time as the District has held and declared the results of a successful Fire Plan Election, including the approval of the Fire Tax. The District shall notify the City of the successful Fire Plan Election within fourteen (14) days after canvassing such election.

### **Section 4.3. Fire Protection Services.**

(a) The City has an existing fire station located within the corporate limits of the City and described in the attached Exhibit “A” (“City Fire Station”). The City will respond to calls for Fire Protection Services from the City Fire Station or, at the City’s sole discretion, other fire stations owned and operated by the City. The City shall staff the City Fire Station with trucks, equipment and necessary personnel to provide the Fire Protection Services twenty-four (24) hours per day, seven (7) days per week. In providing Fire Protection Services to residents and property located in the District, the City shall be solely responsible for the operation and maintenance of the City Fire Station and equipment and staffing.

(b) The Parties acknowledge that in providing Fire Protection Services to the residents and property in the District, the City will use the fire hydrants, connections, and water distribution system located within the District (“Water Distribution System”), but the City shall not be responsible for providing for, constructing, inspecting, maintaining, or repairing any part of the Water Distribution System, and the City shall not be liable to the District, Developer or any District occupant, resident or property owner for any deficiency or malfunction of the Water Distribution System or harm caused by such deficiency or malfunction.

(c) During the term of this Fire Agreement, the City will provide Fire Protection Services to persons, buildings, and property located within the District, including, any land that is added to the District via annexation (“Annexation Area”), upon notification to the City of final District action annexing any land and the payment for Fire Protection Services for such land in accordance with this Fire Agreement. The City will provide Fire Protection Services to residents and property in the District in the same manner and with the same standard of care as it would to those residences and structures located in other areas of City coverage.

(d) The Parties acknowledge that the City must also respond to requests for Fire Protection Services in other areas outside the District and that the City may now, or in the future, have contracts to provide Fire Protection Services to other entities. In providing Fire Protection Services to the District, the City will follow its adopted standard operating procedures, subject to its sole discretion, without being in breach of this Fire Agreement and without liability to the District or its occupants, residents, or property owners, to determine: (1) whether Fire Protection Services are needed in a particular case; (2) whether and when personnel or equipment are available to respond to a request for Fire Protection Services; (3) the order in which to respond to requests for Fire Protection Services; (4) the time in which to respond to a request for Fire Protection Services; or (5) whether to respond to a request for Fire Protection Services from the City Fire Station or another fire station owned and operated by the City.

(e) The District and City assume no responsibility for the reliability, promptness, or response time of the City. The District's sole obligation for provision of Fire Protection Services to its residents is to make payments as described below.

(f) It is understood and acknowledged, that, because of the distance between the City’s Fire Station and the District, response times to calls within the District may be longer than response times to locations within the City’s corporate limits, unless and until the City constructs a fire station closer to, or within the Fire Protection Services Area (hereinafter defined), and that the City

shall not be in default of this Fire Agreement resulting from such difference in response times of ISO fire insurance rates.

(g) City shall maintain records of response to emergency calls, including, but not limited to date, time, location of emergency, type of emergency, time to response and results. City agrees to provide a report to the District, containing the foregoing information for a period not exceeding twelve (12) months not later than thirty (30) days after receipt of a written request in accordance with the Texas Open Records Act, Tex. Gov. Code Chapter 552. Requests for data for a period earlier than one (1) year prior than the date the request is received shall be delivered to the District as soon as reasonably feasible. It is understood and acknowledge that City shall not be required to provide data and information relating to periods of time beyond City's standard records retention period for such data and/or information if such data and/or information has been deleted or destroyed in accordance with City's records retention policy, or if such data or information is confidential by law.

#### **Section 4.4. Personnel.**

(a) The City shall provide all required personnel who meet, at least, minimum state qualifications to perform the Fire Protection Services required by this Fire Agreement. The City shall be responsible for the salaries and benefits of the personnel providing the Fire Protection Services. The District assumes no responsibility for the actions of the City's personnel in performing their fire protection duties. The District will make no recommendations and is in no way responsible for the selection, sufficiency, or qualifications of the City's personnel.

(b) City shall be responsible for providing all general and personal liability coverage necessary for the adequate protection of City employees or volunteers providing Fire Protection Services at the same level of protection afforded officers and employees while performing the same or similar duties in City's corporate limits.

#### **Section 4.5. Payment for Fire Protection Services.**

(a) In consideration of the City providing Fire Protection Services, the District agrees to make the payments specified in subsections 4.5(b) – (f) to the City. The payments hereunder shall be mailed or delivered to the City at:

City of Denton, Finance Department  
215 E McKinney St.  
Denton, TX 76210

(b) Within six (6) months after the Effective Date of this Fire Agreement, the District shall pay to the City a one-time fee of \$300,000. The District shall pay an additional fee to the City equal to \$550 per acre for any land annexed into the District after the Effective Date.



(c) Within six (6) months after the Effective Date of this Fire Agreement, the District shall pay to the City a one-time fee of \$250,000, to be held in escrow, for capital costs associated with a future City fire station to be located at the City airport to provide service to the District.

(d) During each year that the District levies an ad valorem tax, the District agrees to levy and collect the Fire Tax against all taxable property located within the District (as of January 1 of such tax year) in the amount of \$0.16 per \$100 assessed valuation and to transfer to the City all of the collected Fire Tax with the first payment due by March 31, following the first year such tax is levied by the District. The District agrees to pay the City any subsequently collected Fire Tax received after March 15<sup>th</sup> of the applicable year during each subsequent calendar quarter. The District agrees to provide annual tax collection reports or customer collection reports to the City, upon written request by the City. Such contract tax will expire upon the annexation of the Property into the City's corporate limits.

(e) At the issuance of each single-family residential building permit within the Property, the District shall collect and pay to the City a "Fire Protection Facilities Capital Fee" equal to \$550. The District shall only be required to collect and pay one Fire Protection Services Capital Fee for each developed lot.

(f) At the issuance of each multi-family residential building permit within the Property, the District shall collect and pay to the City a "Fire Protection Facilities Capital Fee" equal to \$250 for each separate residential unit within the building.

(g) Each of the fees collected in accordance with subsections 4.5(e) – (f) shall be paid to the City at the time of issuance of the building permit. The District may fund the payments described in subsection (c) through any legally available funds of the District, including adopting and enforcing a mandatory fee for firefighting services, as authorized by Sections 49.212 and 49.351, Texas Water Code, as amended; provided, however, if the District elects to fund the annual payments through a mandatory fee, the District agrees that such payments to the City shall be reflective of an amount that would have been collected if the District implemented the Fire Tax.

(h) The City agrees to use the monies paid to the City pursuant to subsections 4.5(b) - (c) solely to fund Fire Protection Services, including, but not limited to, providing personnel, equipment and a fire station. The City agrees to receive the "Fire Protection Facilities Capital Fees" paid pursuant to subsections (e) – (f) above and deposit them in a separate account to be used solely to build a fire station located within the Property reflected on the attached Exhibit "B" or otherwise within the Fire Protection Services Area.

#### **Section 4.6. Cost Sharing with Other Developments in the City Fire Protection Services Area.**

The City agrees to work in good faith with Denton County and the District to require other developments ("New Participant") located in the area described in Exhibit "C" ("Fire Protection Services Area") to contribute proportionately to the costs of providing Fire Protection Services, including personnel, equipment and construction of a fire station located closer to the District. The City agrees to use its good faith efforts to require the New Participant to pay its pro-rata share of

all such costs based upon the number of lots to be developed in such project. If the City is providing Fire Protection Services to other developments within the Fire Protection Services Area, so that the costs being paid by the District are also being funded by others receiving Fire Protection Services from the City, the City agrees to renegotiate in good faith a decrease in the amount of any payments due by the District pursuant to Section 4.5 so that the costs of the Fire Protection Services and Fire Protection Facilities Capital Fees are spread pro-rata over the parties receiving such service.

**Section 4.7. Dedication of Land and Construction of Fire Station in the Fire Station Services Area.**

(a) Owner and District agree to dedicate two and one half (2.5) acres of land located in the southeast corner of the District and described in Attachment “B” (the “Fire Station Site”) at no cost to the City for the City to construct a future fire station.

(b) If the City determines, in its sole discretion, that additional facilities are required in order to provide the Fire Protection Services to the District at the same standard as it would to other areas of City coverage, the City may construct of a fire station within the Fire Protection Services Area. The City will construct a future City fire station to be located on the Fire Station Site within the District at such time that the call volume and response times are determined to be outside the industry standards by the City’s Fire Department. The City will work in good faith to begin design of a fire station upon the 1,000th Connection within the District, but failure to commence the design by such date does not constitute a breach of this Fire Agreement. The City will work in good faith to begin construction of a fire station upon the 1,200th Connection within the District, but failure to commence the construction by such date does not constitute a breach of this Fire Agreement. Upon completion of said fire station, it will be defined as a City Fire Station for the purposes of this Fire Agreement. The City shall own the fire station and all equipment, land, furniture, fixtures, equipment, fire apparatus, and vehicles related thereto.

(c)

**Section 4.8. Term of City Obligation to Provide Fire Protection Services.**

The initial term of the provisions of this Fire Agreement shall begin on the Effective Date of this Fire Agreement and continue for successive five (5) year terms, unless the City or the District terminates the Fire Agreement upon no less than two (2) years advance notice to the other. In the event either the District or the City timely exercises its right to terminate hereunder prior to the City beginning design and construction of a fire station in the Fire Protection Services Area, all unexpended monies then held by the City as Fire Protection Service Capital Fees shall be returned to the District. At such time as the City initiates design or construction of a fire station in the Fire Protection Services Area, the term of this Fire Agreement shall extend thirty (30) years from the date of the initiation of such construction project and then continue for successive five (5) year terms unless terminated by the District or City upon two (2) years advance notice.

2. Except as specifically provided herein, all provisions of the Development Agreement shall remain in effect.

IN WITNESS WHEREOF, each Party has caused this Fire Agreement to be executed by its undersigned duly authorized representative.

**ATTEST:**  
**ROSA RIOS, CITY SECRETARY**

**CITY OF DENTON**

By:\_\_\_\_\_

By:\_\_\_\_\_

Name: Sara Hensley

Title: City Manager

Date:\_\_\_\_\_

STATE OF TEXAS §

§

COUNTY OF DENTON §

This instrument was acknowledged before me on \_\_\_\_\_, 2022 by Sara Hensley, City Manager of the City of Denton, Texas on behalf of said city.

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

**APPROVED AS TO FORM:**  
**MACK REINWAND, CITY ATTORNEY**

By:\_\_\_\_\_

THIS AGREEMENT HAS BEEN  
BOTH REVIEWED AND APPROVED  
as to financial and operational obligations and business terms.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DEPARTMENT

**LEGENDS RANCH DEVELOPMENT, LLC**  
a Texas limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

THE STATE OF TEXAS           §

§

COUNTY OF \_\_\_\_\_ §

      This instrument was acknowledged before me on \_\_\_\_\_, 2022, by  
\_\_\_\_\_, \_\_\_\_\_ of Legends Ranch Development, LLC, a Texas limited  
liability company and on behalf of said company.

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

Following the District Confirmation Date, the District has executed this Fire Agreement.

LEGENDS RANCH MUNICIPAL UTILITY  
DISTRICT OF DENTON COUNTY

By: \_\_\_\_\_  
President, Board of Directors  
Date: \_\_\_\_\_

STATE OF TEXAS                   §  
                                          §  
COUNTY OF DENTON           §

This instrument was acknowledged before me, on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
by \_\_\_\_\_, President of the Board of Directors of Legends Ranch Municipal  
Utility District of Denton County, on behalf of said District.

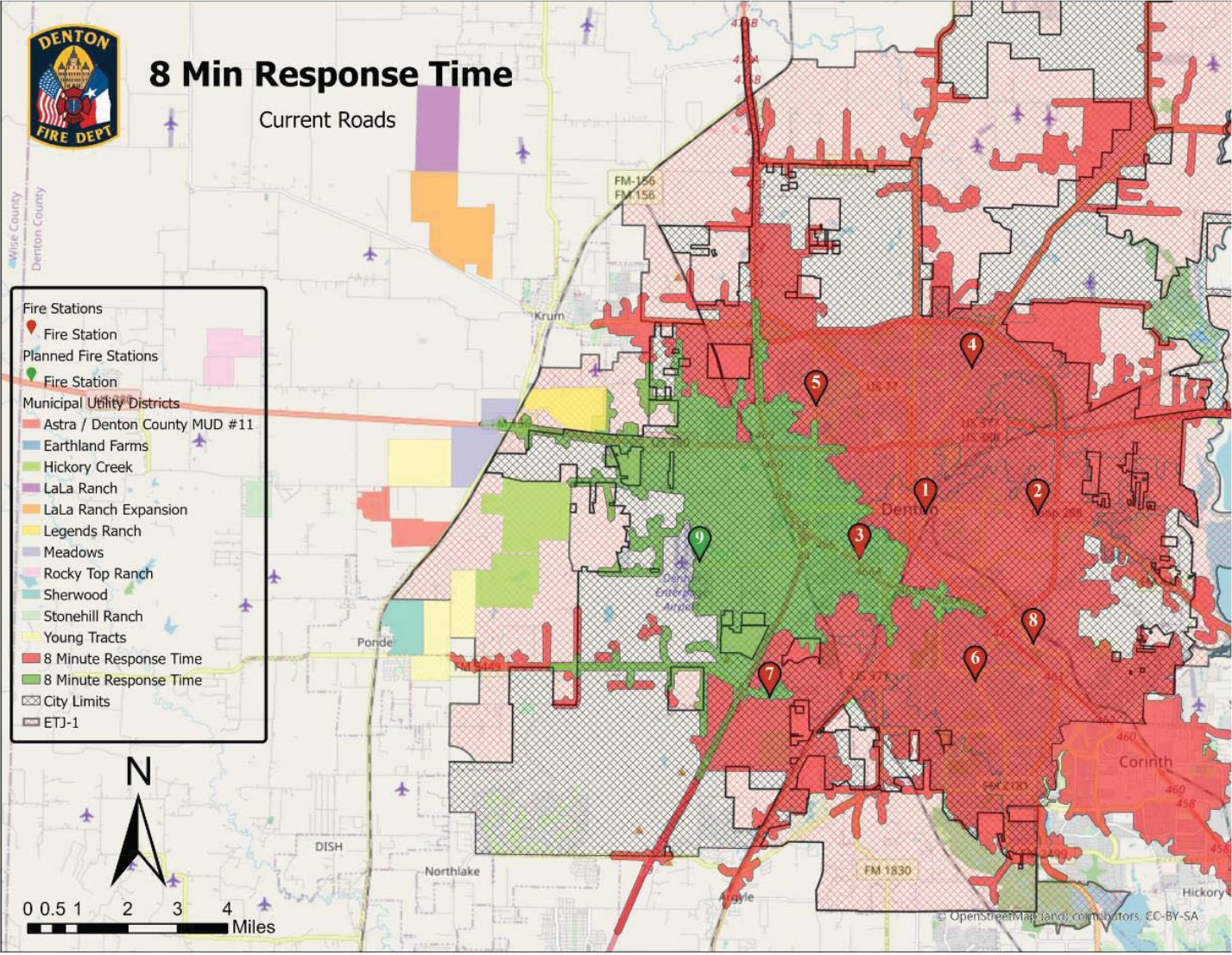
\_\_\_\_\_  
Notary Public, State of Texas  
Printed Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

[SEAL]



**EXHIBIT “A”**  
**“CITY FIRE STATION”**

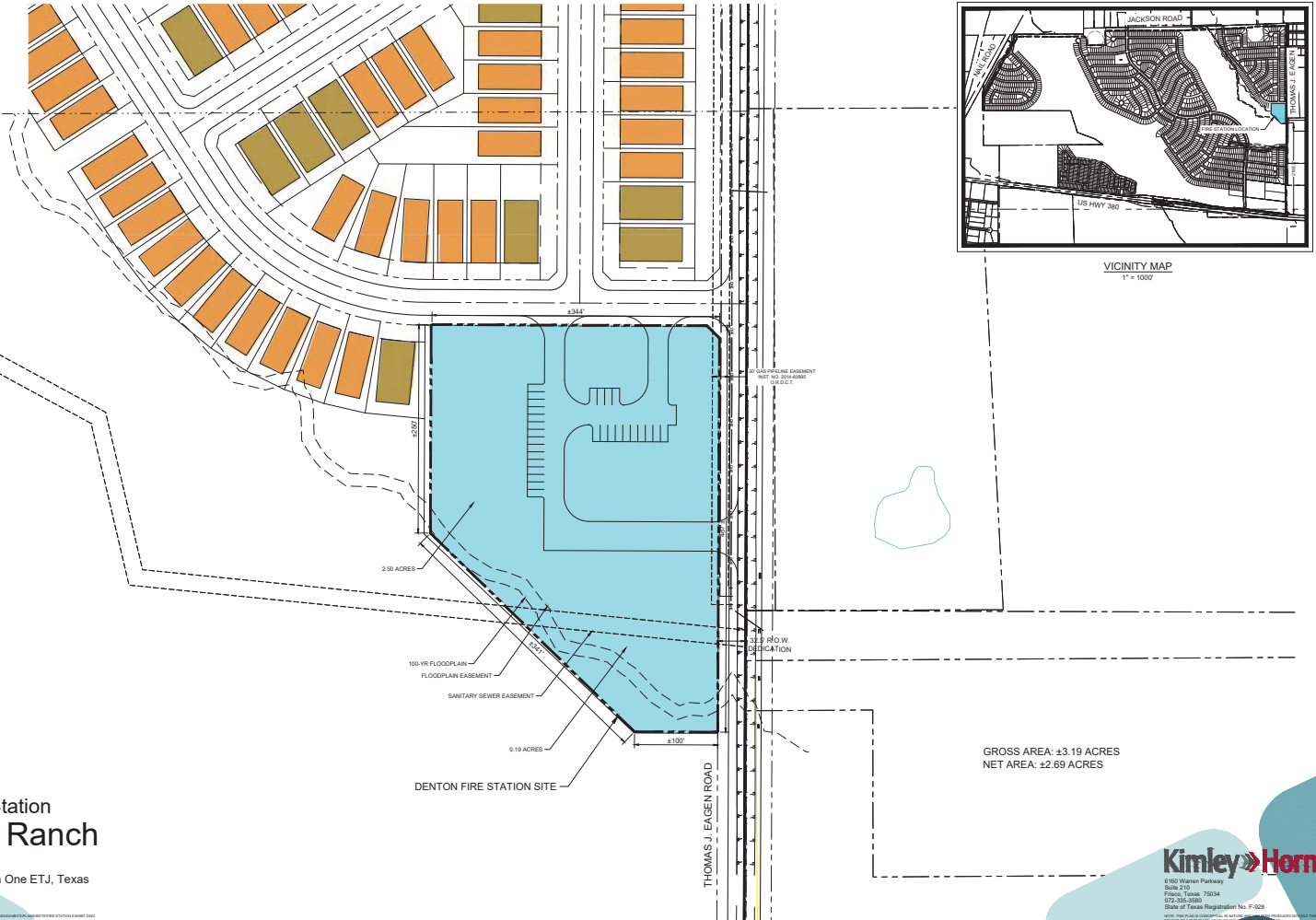
FIRE STATION #9



**EXHIBIT “B”**

**“AREA WITHIN WHICH NEW FIRE STATION WILL BE BUILT”**

*{Legal Description to be inserted}*



DWG NAME K:\PE\_CIVIL\2022\WILLIAMS RANCH\CD\EXHIBIT\PLAN\THEFT\FE STATION EXHIBIT.DWG  
 LAST SAID 6/22/2022 1:58 PM

**Kimley-Horn**

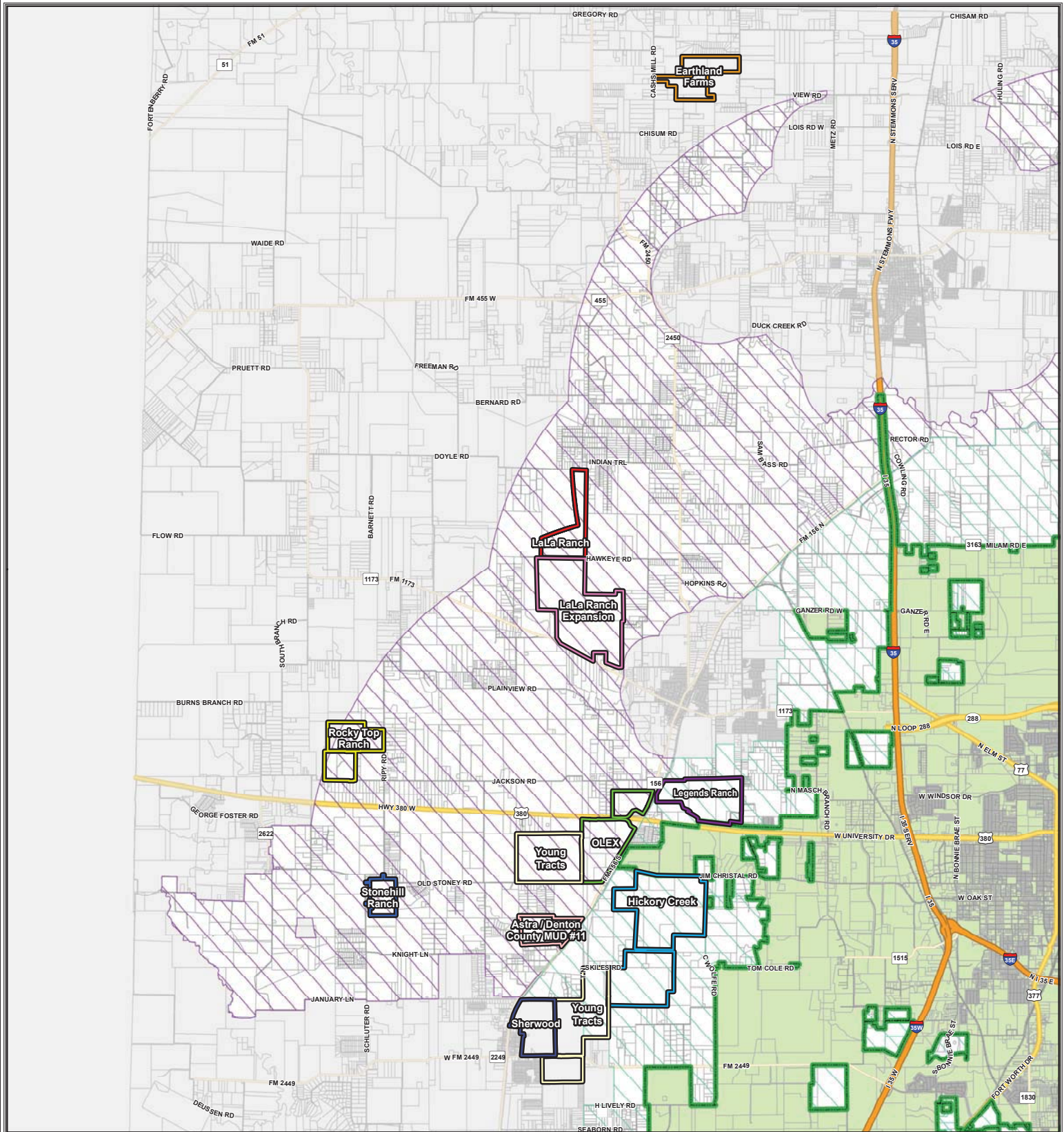
6160 Warren Parkway  
Suite 210  
Frisco, Texas 75034  
972-335-3580  
State of Texas Registration No. F-908

NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND DOES NOT PRODUCE WITHOUT THE BENEFIT OF A SURVEY OR CONTACT WITH THE LOCAL COMMUNITY.

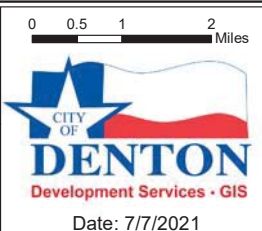
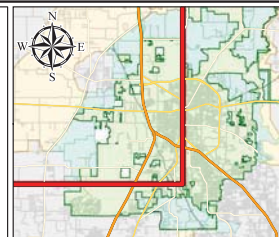
**EXHIBIT “C”**  
**“CITY FIRE PROTECTION SERVICES AREA”**



# Municipal Utility Districts (MUDs)



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