

ORDINANCE NO. _____

AN ORDINANCE PROVIDING FOR ACCEPTANCE OF ELIGIBLE 212.172 NON-ANNEXATION AGREEMENT(S) FOR PROPERTIES THAT DO NOT HAVE AN AGRICULTURAL, WILDLIFE MANAGEMENT OR TIMBERLAND AD VALOREM TAX EXEMPTION WITHIN AN AREA OF LAND ADJACENT TO AND ABUTTING THE EXISTING CITY LIMITS OF THE CITY OF DENTON, TEXAS, GENERALLY IDENTIFIED AS PAA-3, AN AREA OF APPROXIMATELY 1,075 ACRES LOCATED ON THE SOUTH SIDE OF GANZER ROAD, NORTH AND SOUTH OF BARTHOLD ROAD, NORTH OF FM 1173, WEST OF I-35; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE. (24-2211)

WHEREAS, pursuant to Section 43.061, Subchapter C-1, Local Government Code, a home rule city is authorized to annex certain areas that are not required to be in an annexation plan, and the City desires to pursue annexation of property within PAA-3, as hereinafter described; and

WHEREAS, pursuant to Chapter 43 of the Tex. Loc. Gov't Code, the City had previously given notice of its intent to institute annexation proceedings in 2010, 2015, and again in 2016 for property located in PAA-3, which was and is subject to the provisions of Sec. 43.016 of Tex. Loc. Gov't Code; and

WHEREAS, in accordance with State law, the City offered all eligible property owners within PAA-3 non-annexation development agreements, as then contemplated by former Section 43.035 (as previously codified) and current Section 212.172 of Tex. Loc. Gov't Code, in lieu of the City's annexation in 2010, as well as extensions of said agreements in lieu of the City's annexation in 2015 and 2016; and

WHEREAS, under a non-annexation development agreement between an eligible property owner and the City, the land subject to the agreement retains its extraterritorial status and the owners of such land must abide by the City's development regulations as if such land were within the City limits, as provided further in such agreement; and

WHEREAS, the City Council has offered to extend the term of the non-annexation development agreement for an additional twenty (20) years to all eligible property owners within PAA-3; and

WHEREAS, the Denton County Appraisal District records show that some properties that formerly entered non-annexation development agreements with the City are not currently appraised for ad valorem tax purposes as land for agricultural or wildlife management use, or timber land pursuant to Ch. 23 of the Tex. Tax Code, Subchapters C, D, or E and thus not eligible to receive a Ch. 43 non-annexation development agreement; and

WHEREAS, despite no longer having a valid agricultural, wildlife management or timber land ad valorem tax exemption, the City desires to allow the properties that formerly had a non-annexation development agreement with the City to remain in the City's extraterritorial jurisdiction in accordance to the similar terms and conditions that are contained in a Ch. 43 non-annexation development agreement; and

WHEREAS, Sec. 212.172 of the Tex. Loc. Gov't Code authorizes a property owner and a municipality to enter into an agreement for purposes of retaining land in the extraterritorial jurisdiction in exchange for the property owner's covenant not to develop the property and to authorize the municipality to apply its regulations and development authority not inconsistent with agricultural use; and

WHEREAS, for all intents and purposes, 212.172 non-annexation development agreements are very similar to a Ch. 43 non-annexation development agreement, except that a 212.172 non-annexation development agreement does not require the property to possess a valid agricultural, wildlife management or timber land ad valorem tax exemption; and

WHEREAS, the City continues to desire to allow such properties to remain in the City's extraterritorial jurisdiction for a term of twenty (20) years through a 212.172 non-annexation development agreement, which agreement amends and extends the term of the prior Ch. 43 non-annexation development agreements previously executed by the parties; and

WHEREAS, upon expiration of the 212.172 non-annexation development agreement, the owners shall be deemed to have filed a petition for voluntary annexation, pursuant to Subchapter C-3 of Ch. 43 of the Tex. Loc. Gov't Code; and

WHEREAS, the City Council deems it to be in the best interests of the citizens of the City of Denton to enter into such 212.172 non-annexation development agreement with eligible property owners who timely submitted 212.172 non-annexation development agreement; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The findings and recitations contained in the preamble of this ordinance are incorporated herein by reference.

SECTION 2. The area of land which abuts and is adjacent to the existing corporate limits of the City of Denton, Texas, known as PAA-3, is described in Exhibit "A", attached hereto and incorporated herein, and depicted in Exhibit "B," attached hereto and incorporated herein (except that if there is conflict between the Exhibits, "A" shall control).

SECTION 3. Certain 212.172 non-annexation development agreement(s) relating to eligible properties within that parcel identified as PAA-3, which have been properly executed by the owners of those properties, are hereby approved by the City of Denton and are attached hereto and incorporated herein by reference as Exhibit "C".

SECTION 4. The City Manager is authorized and directed, as a ministerial act, to sign the non-annexation agreement attached as Exhibit "C", for and on behalf of the City of Denton. The effective date of the non-annexation agreement shall be the effective date of this Ordinance. The City Manager shall further arrange forthwith for the recordation of non-annexation agreements in the real property records of Denton County, Texas.

SECTION 5. Should any paragraph, section, sentence, phrase, clause, or word of this Ordinance be declared unconstitutional or invalid for any reason, the remainder of this Ordinance shall not be affected thereby.

SECTION 6. This Ordinance shall take effect immediately on its passage and approval.

The motion to approve this ordinance was made by _____ and seconded by _____, the ordinance was passed and approved by the following vote [__ - __]:

	Aye	Nay	Abstain	Absent
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Paul Meltzer, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2024.

GERARD HUDSPETH, MAYOR

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: 

EXHIBIT "A"

EXHIBIT "A"
Annexation Tract PAA3

BEGINNING at a point on the present Denton city limits line , described as the southwest corner of an annexation tract established and described in Ordinance 1985-246 and further described therein as being on the centerline of F.M 1173;

THENCE North 87° 57' East, along the center line of F.M. 1173 and along the present Denton city limit line as established in said Ordinance 1985-246 a distance of 310.5 feet to a point for corner;

THENCE North 89° 39' East, along the center line of F.M. 1173 and along the present Denton city limit line as established in said Ordinance 1985-246 a distance of 2,153.5 feet to a point for corner, said point also lying 500 feet west of and perpendicular to the center line of Interstate Highway 35, said point also being on the westerly line of a City of Denton annexation tract established and described in Ordinance 1969-40 (Tract VI);

THENCE South 02° 57' East, parallel to and 500 feet west of the center line of Interstate Highway 35, same being the present Denton city limit line established and described in Ordinance 1969-40 (Tract VI), a distance of 45 feet to a point for corner, said point lying on the south right-of-way line of F.M. 1173 and also being the northeast corner of a City of Denton annexation tract established and depicted in Ordinance 2007-268 (Exhibit A-3 therein);

THENCE South 89° 19' 54" West along the south right-of-way line of F.M. 1173, same being the north line of said City of Denton annexation tract established, described and Depicted in Ordinance 2007-268 (Exhibit A and Exhibit A-3 therein), a distance of 1,801 Feet to a point for a corner;

THENCE South 88° 07' 35" West along the south right-of-way line of F.M. 1173, same being the north line of said City of Denton annexation tract established and described in Ordinance 2007-268 (Exhibit A therein), a distance of 99.83 feet to a point for a corner;

THENCE North 88° 37' 44" West along the south right-of-way line of F.M. 1173, same Being the north line of said City of Denton annexation tract established and described in Ordinance 2007-268 (Exhibit A therein), a distance of 401.49 feet to a point for a corner;

THENCE North 84° 33' 28" West along the south right-of-way line of F.M. 1173, same Being the north line of said City of Denton annexation tract established and described in Ordinance 2007-268 (Exhibit A therein), a distance of 100.64 feet to a point for a corner;

THENCE North 87° 39' 59" West along the south right-of-way line of F.M. 1173, same Being the north line of said City of Denton annexation tract established and described in Ordinance 2007-268 (Exhibit A therein), a distance of 1,634.99 feet to a point for a Corner, said point lying on the easterly right-of-way line of the Kansas City Southern

Railway (formerly Gulf, Colorado and Sante Fe Railroad Company), said point also being the northwest corner of said Ordinance 2007-268 annexation tract;

THENCE northwesterly, departing the existing Denton city limits and along the arcs courses and distances of the said easterly railroad right-of-way line a total distance of 9,591 feet to a point for a corner; said point being the intersection of the said easterly railroad right-of-way line and the south right-of-way line of Ganzer West Road;

THENCE in an easterly direction, along the courses and distances of the southerly implied right-of-way line of Ganzer West Road a total distance of 8,182 feet to a point for a corner, said point lying on the present Denton city limit line established and described by annexation Ordinance 1987-141;

THENCE South $01^{\circ} 58'$ East along the present Denton city limit line established and described by annexation Ordinance 1987-141, a distance of 922 feet to a point for corner, said point being the southwest corner of said Ordinance 1987-141 annexation tract and also lying on the north line of a City of Denton annexation tract established and described in Ordinance 1969-40 (Tract VI);

THENCE North $88^{\circ} 53'$ West along the present Denton city limit established and described by annexation Ordinance 1969-40 (Tract VI) a distance of 250 feet to a point for corner, said point lying 500 feet west of the said center line of Interstate Highway 35 and being the northwest corner of said annexation Ordinance 1969-40 (Tract VI);

THENCE South $00^{\circ} 44'$ East parallel to and 500 feet west of said center line of Interstate Highway 35 and along the present Denton city limit line established and described by annexation Ordinance 1969-40 (Tract VI) a distance of 6,087 feet to a point for corner, said point lying 500 feet west of the said center line of Interstate Highway 35 and being the northeast corner of said annexation tract established and described in Ordinance 1985-246;

THENCE North $89^{\circ} 29'$ West along the present Denton city limit line established and described by annexation Ordinance 1985-246 a distance of 324.6 feet to a point for corner;

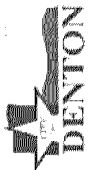
THENCE South $89^{\circ} 15' 40''$ West along the present Denton city limit line established and described by annexation Ordinance 1985-246 a distance of 1,000 feet to a point for corner;

THENCE North $89^{\circ} 28'$ West along the present Denton city limit line established and described by annexation Ordinance 1985-246 a distance of 1,034.21 feet to a point for corner;

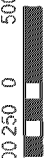
THENCE South $00^{\circ} 25' 30''$ West along the present Denton city limit line established and described by annexation Ordinance 1985-246 a distance of 1,271.72 feet to a point for corner;

THENCE South $00^{\circ} 42'$ West along the present Denton city limit line established and described by annexation Ordinance 1985-246 a distance of 426.35 to the POINT OF BEGINNING and containing 1,090 acres of land.

EXHIBIT "B"



500 250 0 500 Feet



PAA Boundary Parcels Centerline

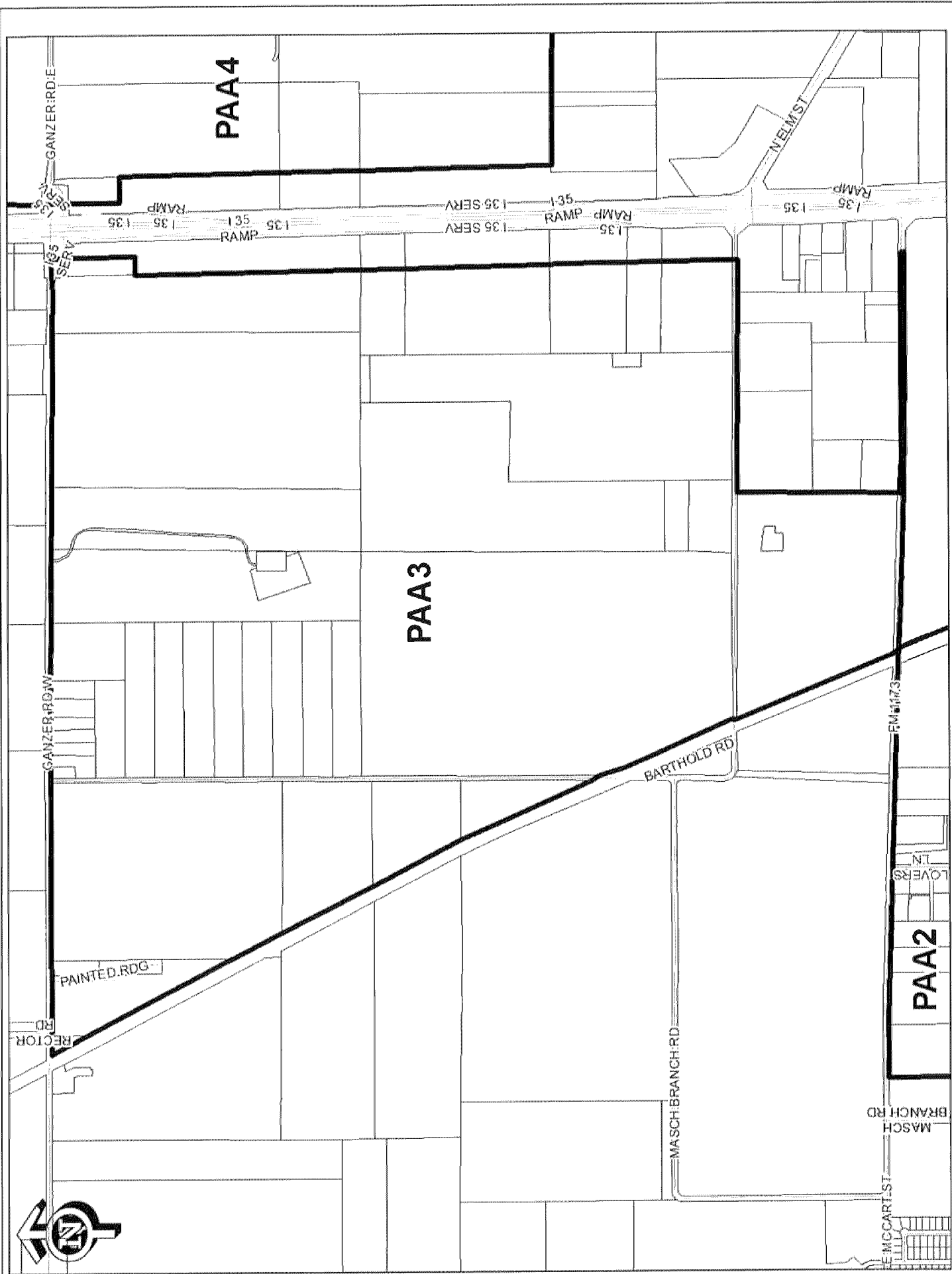


EXHIBIT "C"

**CHAPTER 212 TEXAS LOCAL GOVERNMENT CODE
2024 NON-ANNEXATION AGREEMENT**

This 2024 NON-ANNEXATION AGREEMENT (“Agreement” or “2024 NAA”), entered into on the Effective Date, is by and between the CITY OF DENTON, TEXAS (the “City”) and MERITT GANZER HOLDINGS LLC (“Owners”), the property owners of the hereinafter described property (the “Property”) in Denton County, Texas (Owners and City also singularly a “Party” or collectively “Parties”):

Being 2.50 acres of land, more or less, situated in the John Pearson Survey, Abstract No. 1049, the S.L. Johnson Survey, Abstract No. 683, Denton County, Texas, and being more fully described as the Save and Except Tract in that certain Assumption Warranty Deed dated August 31, 2005 from Bobby Joe Meritt and wife, Jackie Meritt to Meritt Bois-D’-Arc Enterprises, Inc. and Meritt Buffalo Events, LLC, filed for record on September 7, 2005 and recorded in Instrument Number 2005-111889 of the Real Property Records of Denton County, Texas. Said 2.50 acres of land, more or less, is commonly known as DCAD Property ID 60424 and DCAD Property ID 37682, respectively.

RECITALS

WHEREAS, pursuant to Chapter. 43 of the Tex. Loc. Gov’t Code, the City had previously given notice of its intent to institute annexation proceedings in 2010, 2015, and again in 2016 for an “Annexation Area” that includes the above-described Property, which was and is subject to the provisions of Sec. 43.016 of Tex. Loc. Gov’t Code; and

WHEREAS, in accordance with State law, the City offered, and Owners accepted, a non-annexation development agreement (“Ch. 43 NAAs”), as then contemplated by former Section 43.035 (as previously codified) and current Section 212.172 of Tex. Loc. Gov’t Code, in lieu of the City’s annexation in 2010, as well as extensions of said NAAs in lieu of the City’s annexation in 2015 and 2016 (collectively, “Extended Ch. 43 NAAs”), of the Property in the Annexation Area not otherwise excluded by operation of State law; and

WHEREAS, the Property is located within a non-annexation area, and since 2010 the Property has held a valid Ch. 43 NAA that was executed by the Owners and the City pursuant to Chapter 43 of the Tex. Loc. Gov’t Code, and subsequently extended in 2015 and 2016; and

WHEREAS, the term of the Extended Ch. 43 NAA ended on August 1, 2020; and

WHEREAS, the Denton City Council has offered to extend the term of the Extended Ch. 43 NAAs for an additional twenty (20) years to all eligible property owners; and

WHEREAS, the Denton County Appraisal District records show that the Property is not currently appraised for ad valorem tax purposes as land for agricultural or wildlife management use, or timber land pursuant to Ch. 23 of the Tex. Tax Code, Subchapters C, D, or E and thus is not eligible to receive a Ch. 43 NAA; and

WHEREAS, despite no longer having a valid agricultural, wildlife management or timber land ad valorem tax exemption, the Owners and the City desire to allow the Property to remain in the extraterritorial jurisdiction (“ETJ”) in accordance to the similar terms and conditions that are contained in a Ch. 43 NAA; and

WHEREAS, Sec. 212.172 of the Tex. Loc. Gov’t Code authorizes a property owner and a municipality to enter into an agreement (“212.172 NAA”) for purposes of retaining land in the ETJ in exchange for the property owner’s covenant not to develop the property and to authorize the municipality to apply its regulations and development authority not inconsistent with agricultural use; and

WHEREAS, for all intents and purposes, a 212.172 NAA is very similar to a Ch. 43 NAA, except that a 212.172 NAA does not require the Property to possess a valid agricultural, wildlife management or timber land ad valorem tax exemption; and

WHEREAS, the City continues to desire to allow the Property to remain in the City’s ETJ for a term of twenty (20) years through this 212.172 NAA, which agreement amends and extends the term of the Ch. 43 NAA and Extended Ch. 43 NAA, previously executed by the Parties for all purposes, until such time as stated herein; and

WHEREAS, Owners hereby accept this offer and agree to the terms of this 212.172 NAA, as set forth herein, and Owners represent that it is their intention not to develop the Property during the term of this Agreement; and

WHEREAS, the Parties agree that this 212.172 NAA is entered into pursuant to Section 212.172 of the Tex. Loc. Gov’t Code, in order to address the desires of the Owners to remain in the City’s ETJ and the procedures of the City; and

WHEREAS, upon expiration of the 212.172 NAA, Owners shall be deemed to have filed a petition for voluntary annexation, pursuant to Subch. C-3 of Ch. 43 of the Tex. Loc. Gov’t Code, incorporating the agreed terms and schedule of the Written Agreement for Services, attached hereto as Exhibit “A”; and

WHEREAS, Owners and the City acknowledge that this Agreement between them is binding upon the City and the Owners and their respective successors and assigns for the term of the Agreement; and

WHEREAS, this Agreement is to be recorded in the Real Property Records of Denton County, Texas;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties hereto agree as follows:

Section 1. Continuation of ETJ Status. The City guarantees the continuation of the extraterritorial status of the Property and agrees not to annex the Property for the term of this

Agreement, as hereinafter defined, and any subsequent renewals as may be agreed upon by the Parties, subject, however, to the provisions of this Agreement.

Section 2. Development Plan. The Owners covenant and agree that use of the Property for the term of this Agreement, as hereinafter defined, and any extensions agreed to by the Parties shall be limited to farm-related and ranch-related uses and customary accessory uses, and single-family detached farm or ranch dwellings, provided that no single-family dwelling may be located or constructed on a lot smaller than five (5) acres, unless the lot was created prior to the date of this Agreement. The property owner may apply to the City for division of the land subject to this Agreement into parcels, each of which is at least five (5) acres in size, for the purposes set forth in this section without being in violation of this Agreement. Such uses and activities constitute the development plan for the Property (the "Development Plan") in satisfaction of Sec. 212.172(b) of the Tex. Loc. Gov't Code.

Section 3. Governing Regulations. The City regulations, including but not limited to the following, shall apply to any development of the Property, as such regulations may hereafter be amended from time to time during the term of this Agreement, as hereinafter defined, provided that the application of such regulations does not result in interference with the use of the land for agricultural, wildlife management or forestry-related residential dwellings and accessory uses and does not prevent the continuation of a use established prior to the effective date of this Agreement and which remains lawful at the time the Agreement is executed:

- (1) Zoning standards contained in the Denton Development Code, as amended pursuant to the Denton Plan 2040, as amended, including but not limited to the Residential Rural (RR) Zoning District regulations, and standards incorporated therein;
- (2) The subdivision and development regulations contained within the Denton Development Code, as amended, together with applicable Design Criteria Manuals, Denton Mobility Plan, and other approved Master Plans of the City of Denton, Texas, as amended, and the most recent North Central Texas Council of Governments Standard Specifications for Public Works Construction, as amended or replaced;
- (3) Denton building codes, as adopted by the City and currently contained within Chapters 17, 28, and 29 of the Denton Code of Ordinances and Subchapter 7 in the Denton Development Code, as amended, along with local amendments, as amended, and more particularly set forth as follows:
 - a. International Building Code, 2021 Edition with local amendments;
 - b. International Residential Code, 2021 Edition with Appendix G and local amendments;
 - c. The International Fire Code, 2021 Edition with local amendments;
 - d. International Plumbing Code, 2021 Edition with local amendments;
 - e. International Fuel Gas Code, 2021 Edition with local amendments;
 - f. International Mechanical Code, 2021 Edition with local amendments;
 - g. Code of Ordinances of Chapter 17, Property Maintenance Code, as amended;
 - h. International Energy Conservation Code, 2021 Edition, with regional amendments;

- i. National Electric Code, 2020 Edition, with local amendments;
 - j. National Electric Safety Code, 2021 Edition, with regional amendments;
 - k. Minimum housing and building standards, Code of Ordinances, Sections 17-141 – 196, as amended and as applicable; and
 - l. Irrigation Systems, Code of Ordinances, Sections 28-441 – 457;
- (4) Sign regulations, as contained within Subchapter 33 of the Code of Ordinances, as amended;
- (5) 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, Texas Natural Resources Code, as amended, Texas Utilities Code, as amended, and applicable administrative standards of the Texas Commission on Environmental Quality, as amended;
- (6) Applicable flood protection, drainage and related standards, as contained within Chapter 30 of the Denton 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, Texas Natural Resources Code, as amended, applicable administrative standards of the Texas Commission on Environmental Quality, as amended, and applicable administrative standards of the Federal Emergency Management Administration, as amended; and
- (7) Gas well platting, drilling and production standards, as contained within Subchapters 2 and 6 of the Denton Development Code, as amended and as applicable, and as supplemented by requirements of the Texas Utilities Code, the Texas Natural Resources Code, the Texas Water Code, and applicable administrative standards of the Texas Railroad Commission and Texas Commission on Environmental Quality, as amended; and
- (8) The City states and specifically reserves its authority pursuant to Chapter 251 of the Tex. Loc. Gov't Code to exercise eminent domain on the Property.

Section 4. Development Plan to Remain in Effect. Following expiration or termination of this Agreement for any reason, the Development Plan set forth in Section 2 shall remain in effect for a period of 180 calendar days thereafter, or until the effective date of the annexation and permanent zoning of the Property, whichever first occurs. The Parties covenant and agree that the City may deny any development application or plan of development that is submitted to the City for the Property during such period if such application or plan is inconsistent with the Development Plan. The Owners expressly waive any vested rights that might arise under Chapter 245 of the Tex. Loc. Gov't Code, local or state law, or by common law, from the submittal of such inconsistent development application. The Owners further agree that no use commenced or completed on the Property that is inconsistent with the Development Plan shall be considered established or in existence prior to the expiration of the 180-day period during which the Development Plan is in effect.

Section 5. Agreement Deemed Void in Part; Petition for Voluntary Annexation; Service Plan.

(A) If an Owner files any application or plan of development for or otherwise commences development of any portion of the Property inconsistent with the Development Plan provided in Section 2, then Sections 1 and 3 of this Agreement shall become null and void, and remedy provisions of Section 5(B) of this Agreement will apply.

(B) UPON EXPIRATION, OR UPON BREACH OR TERMINATION OF THIS AGREEMENT FOR ANY REASON, OR AT ANY POINT THEREAFTER, THEN IN ADDITION TO THE CITY'S OTHER REMEDIES, SUCH ACT WILL CONSTITUTE A PETITION FOR VOLUNTARY ANNEXATION BY THE OWNER, PURSUANT TO SUBCH. C-3 OF CH. 43 OF THE TEX. LOC. GOV'T CODE AND THE PROPERTY WILL BE SUBJECT TO ANNEXATION AT THE DISCRETION OF THE CITY COUNCIL. OWNER AGREES THAT SUCH ANNEXATION IS VOLUNTARILY MADE AND HEREBY CONSENTS TO ANNEXATION PURSUANT TO SEC. 212.172(B)(7) OF THE TEX. LOC. GOV'T. CODE. OWNER HEREBY AGREES TO THE CITY'S LIST AND SCHEDULE OF MUNICIPAL SERVICES SET FORTH IN EXHIBIT "A" BY SIGNING THIS AGREEMENT AND OWNER AGREES THAT THE 212.172 NAA SERVES AS THE WRITTEN AGREEMENT REGARDING SERVICES, PURSUANT TO SEC. 43.0672 OF THE TEX. LOC. GOV'T CODE. IN THE EVENT THAT THE WRITTEN AGREEMENT REGARDING SERVICES ARE NO LONGER REQUIRED BY CH. 43 ON THE DATE OF ANNEXATION, THEN THE MUNICIPAL SERVICES TO BE PROVIDED TO THE PROPERTY WILL BE IN ACCORDANCE WITH EXISTING CITY POLICY ON THE DATE OF ANNEXATION, AND AS AMENDED THEREAFTER. No subsequent change in the law regarding annexation shall affect the enforceability of this written Agreement or of the City's ability to annex the Property, pursuant to the terms of this Agreement. This section shall survive any termination of this Agreement.

Section 6. Notice of Sale or Exemption Status Change. Any of the Owners who sells or conveys any portion of the Property shall, prior to such sale or conveyance, give 30 days' written notice of this Agreement to the prospective purchaser or grantee. A copy of the notice shall be provided to the City 30 days prior to such sale or conveyance, and notice of the change in the exemption status of the Property shall be provided to the City within 14 days of any change at the following address:

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

Section 7. Recording. This Agreement is to run with the Property and be recorded in the real property records, Denton County, Texas.

Section 8. Severability. Invalidation of any provision of this Agreement by judgment, court order, legislation, or otherwise shall not invalidate any of the remaining provisions which shall remain in full force and effect.

Section 9. Remedies. This Agreement may be enforced by either Owners or the City by any proceeding at law or in equity. Failure to do so shall not be deemed a waiver to enforce the provisions of this Agreement thereafter. Entry into this Agreement by Owners waives no rights as to matters not addressed in this Agreement.

Section 10. Change in Law. No subsequent change in the law regarding annexation shall affect the enforceability of this Agreement or the City's ability to annex the properties covered herein pursuant to the terms of this Agreement.

Section 11. Venue. Venue for this Agreement shall be in Denton County, Texas.

Section 12. Execution in Multiple Copies. This Agreement may be separately executed in individual counterparts and, upon execution, shall constitute one and the same instrument.

Section 13. Effective Date; Term and Extension. The Effective Date of the Agreement shall be the date the Agreement is executed by the City. This Agreement shall terminate on August 1, 2040 ("Term") unless otherwise terminated pursuant to the provisions of this Agreement. The Term may be extended upon mutual agreement of the Parties. Owners and the City agree that this Agreement is binding upon both the City and Owners, and Owners' heirs, successors, and assigns for the term of the Agreement. Owners, and all of Owner's heirs, successors, and assigns shall be deemed to have filed a petition for voluntary annexation before the end of the Term, for annexation of the Property to be completed on or after the end of the Term. Prior to the end of the Term, the City may commence the voluntary annexation of the Property. Owner agrees that such annexation shall be voluntary and consents to the annexation pursuant to Sec. 212.172(b)(7) of Tex. Loc. Gov't Code.

Section 14. Survival of Covenants. The covenants in Sections 2, 4, and 5 shall survive termination of this Agreement, together with any other provisions, as may be necessary for the implementation of those sections.

Section 15. OWNERS REPRESENT AND ACKNOWLEDGE THAT EACH AND EVERY OWNER OF THE PROPERTY HAS SIGNED THIS AGREEMENT, AND OWNERS COVENANT AND AGREE, JOINTLY AND SEVERALLY, TO INDEMNIFY, HOLD HARMLESS, AND DEFEND THE CITY AGAINST ANY AND ALL LEGAL CLAIMS, BY ANY PERSON CLAIMING AN OWNERSHIP INTEREST IN THE PROPERTY WHO HAS NOT SIGNED THE AGREEMENT, ARISING IN ANY WAY FROM THE CITY'S RELIANCE ON THIS AGREEMENT.

Entered into this 30 day of April, 2024.

OWNERS

X Ernie Merritt

[Signature]

THE CITY OF DENTON, TEXAS

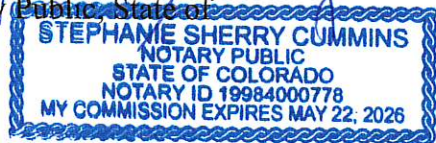
By: _____
Its: City Manager, Deputy City Manager, or
Assistant City Manager

THE STATE OF Colorado }

COUNTY OF Denver }

This instrument was acknowledged before me on the 30 day of April,
2024, by Stephanie Sherry Cummins

Stephanie Sherry Cummins
Notary Public, State of



THE STATE OF TEXAS }

COUNTY OF DENTON }

This instrument was acknowledged before me on the _____ day of _____,
20____, by _____.

Notary Public, State of Texas

THE STATE OF TEXAS }

COUNTY OF DENTON }

This instrument was acknowledged before me on the ____ day of _____,
20__, by _____.

Notary Public, State of Texas

THE STATE OF TEXAS }

COUNTY OF DENTON }

This instrument was acknowledged before me on the ____ day of _____,
20__, by _____.

Notary Public, State of Texas

THE STATE OF TEXAS }

COUNTY OF DENTON }

This instrument was acknowledged before me on the ____ day of _____, 20__,
by _____, City Manager/Deputy City
Manager/Assistant City Manager, on behalf of the City of Denton, Texas.

Notary Public, State of Texas

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY



BY: _____

After recording return to:
City of Denton
Attn.: City Secretary
215 E. McKinney St.
Denton, TX 76201

EXHIBIT "A"

**LIST AND SCHEDULE OF MUNICIPAL SERVICES
(PURSUANT TO TEX. LOC. GOVT. CODE SEC. 43.0672(b))**

I. MUNICIPAL SERVICES. Commencing on the effective date of annexation, City will provide the municipal services set forth below. As used in this Agreement, "providing services" includes having services available by any method or means by which the City makes such municipal services available to any other area of the City, including per the City's infrastructure extension policies, ordinances, and developer or property owner participation in accordance with applicable city ordinances, rules, regulations, and policies.

A. Police

Police protection from City's Police Department shall be provided to the area annexed at a level consistent with current methods and procedures presently provided to areas with similar topography, land use, and population density, on the effective date of the ordinance. Some of these services include:

1. Normal patrols and responses;
2. Handling of complaints and incident reports;
3. Special units, such as traffic enforcement, investigations and special weapons; and
4. Coordination with other public safety support agencies.

As development commences in these areas, sufficient police protection, including personnel and equipment will be provided to furnish these areas with the level of police services consistent with other areas in the City having similar characteristics of topography, land use, and population density.

Upon ultimate development, police protection will be provided at a level consistent with other areas within the city limits having similar characteristics of topography, land use, and population density.

B. Fire Protection

The Denton Fire Department (DFD) will provide emergency and fire prevention services to the annexation area. These services include:

1. Fire suppression and rescue;
2. Pre-hospital medical services including triage, treatment and transport by Advanced Life Support (ALS) fire engines, trucks and ambulances;
3. Hazardous materials response and mitigation;
4. Emergency prevention and public education efforts;
5. Technical rescue response; and
6. Construction Plan Review and required inspections.

Fire protection from the City of Denton shall be provided to the areas annexed at a level consistent with current methods and procedures presently provided to areas of the City of Denton having similar characteristics of topography, land use, and population density, on the effective date of the ordinance.

As development commences in these areas, sufficient fire protection, including personnel and equipment will be provided to furnish these areas with the level of services consistent with other areas having similar characteristics of topography, land use, and population density. It is anticipated that fire stations planned to serve areas currently within the City of Denton will be sufficient to serve areas now being considered for annexation.

Upon ultimate development, fire protection will be provided at a level consistent with other areas within the city limits having similar characteristics of topography, land use, and population density.

C. Emergency Medical Service

The Denton Fire Department (DFD) will provide the following emergency and safety services to the annexation area. These services include:

1. Emergency medical dispatch and pre-arrival First Aid instructions;
2. Pre-hospital emergency Advanced Life Support (ALS) response; and transport;
3. Medical rescue services.

Emergency Medical Services (EMS) from the City of Denton shall be provided to the areas annexed at a level consistent with current methods and procedures presently provided to areas of the City of Denton having similar characteristics of topography, land use, and population density, on the effective date of the ordinance.

As development commences in these areas, sufficient EMS, including personnel and equipment will be provided to furnish these areas with the level of services consistent with other areas of the City having similar characteristics of topography, land use, and population density.

Upon ultimate development, EMS will be provided at a level consistent with other within the city limits having similar characteristics of topography, land use, and population density.

D. Solid Waste

The City of Denton is the sole provider of solid waste and recycling collection services to all residents, and sole provider for trash collection service to commercial entities in the City. Recycling collection services for commercial entities are managed on the open market, and the City of Denton is one option for service provision. Solid waste and recycling collection services will be provided to the newly annexed property immediately upon the effective date of the annexation at a level consistent with current methods and

procedures presently provided to areas within the city having similar characteristics of topography, land use, and population density. Customers receiving their existing services from private solid waste collection service providers operating in the affected area immediately prior to annexation may continue to utilize provide their existing service for up to 2 years in accordance with Texas Local Government Code. Should that private service end prior to the expiration of the two (2) year term, the customer must initiate solid waste and recycling services with the City of Denton, pursuant to Chapter 24 of the Code of Ordinances.

E. Wastewater Facilities

The proposed annexation area is located within the City of Denton Sewer Service Area as defined by Certificate of Convenience and Necessity (CCN) Number 20072, as issued by the Texas Commission on Environmental Quality (TCEQ).

As development commences in these areas, sanitary sewer mains will be extended in accordance with the provisions of the Denton Development Code, Water/Wastewater Criteria Manual, ordinances and regulations. City participation in the costs of these extensions shall be in accordance with applicable City ordinances and regulations. Capacity shall be provided consistent with other areas having similar characteristics of topography, land use, and population density.

Upon annexation, sanitary sewer mains and lift stations which are located within dedicated easements, rights-of-way, or any other acceptable locations approved by the City Engineer, shall be maintained by the City on the effective date of this ordinance, if installed or improved to City standards within the annexed areas.

Operation and maintenance of wastewater facilities and infrastructure lying within the service area of another water utility will be the responsibility of that utility. Similarly, operation and maintenance of private wastewater facilities will be the responsibility of the private property owner.

F. Water Facilities

The annexation area is located within the City of Denton Water Service Area as defined by Certificate of Convenience and Necessity (CCN) Number 10195 as issued by the Texas Commission on Environmental Quality (TCEQ).

Connections to existing City of Denton water distribution mains for water service will be provided in accordance with the Denton Development Code, associated Water/Waste Water Criteria Manual, and existing City ordinances and policies. Upon connection to existing distribution mains, water service will be provided at rates established by city ordinance.

As new development occurs within these areas, extensions of water distribution mains and cost participation shall be in accordance with the Denton Development Code, Water/Wastewater Criteria Manual, and with existing City ordinances and policies. Water

service capacity shall be provided consistent with service to areas of the City having similar characteristics of topography, land use and population density.

Operation and maintenance of water facilities and infrastructure that lie within the service area of another water utility will be the responsibility of that utility.

Existing developments, businesses or homes that are on individual water wells or private water systems will be allowed to remain on those systems until a request for water service is made to the City. These requests for service will be handled in accordance with the applicable utility service line extension and connection policies currently in place at the time the request for service is received.

G. Roads and Streets

Emergency street maintenance, defined as repairs necessary to prevent imminent damage or injury to the health or safety of the public or any person, as determined by the Director of Public Works, shall be provided within the annexation area upon the effective date of the annexation ordinance. Routine maintenance will be provided within the annexation areas and will be scheduled as part of the City's annual program, in accordance with the current policies and procedures defined by ordinance, or otherwise established by the City Council.

Any construction or reconstruction will be considered within the annexation area on a Citywide basis and within the context of the City's Capital Improvement Plan and/or yearly fiscal budgetary allotments by the City Council.

Roadway signage and associated posts will be replaced in priority of importance starting with regulatory signs, then warning signs, then informational signs, in conformance with fiscal allotments by the City Council. If an existing sign remains, it will be reviewed and placed on the City's inventory listing for routine replacement, based upon an engineering study. New signs will be installed when necessary, based upon an engineering study.

Routine maintenance of road/street markings will be evaluated and scheduled within the yearly budgetary allotments by the City Council.

H. Drainage

Connections to existing City of Denton drainage facilities will be provided in accordance with the Denton Development Code, associated Stormwater Criteria Manual, and with existing City ordinances and policies. Drainage fees will be assessed at the rates established by city ordinance and will be charged on the utility bill after annexation. All runoff, whether directly tied into the system or not, impacts the system and will be charged.

As new development occurs within these areas, drainage facilities will be extended or improved by the developer. Any cost participation shall be in accordance with the Denton Development Code, Stormwater Criteria Manual, and with existing City ordinances and policies. Drainage facilities extended by the City will have to be a CIP project and bonds

will need to be sold. Drainage capacity shall be provided consistent with other areas of the City having similar characteristics of topography, land use and population density.

Existing developments, businesses or homes that are on existing drainage systems will be allowed to continue to remain on these systems until a request for drainage facilities is made to the City. Any requests for City improvements to existing drainage facilities will be handled in accordance with the applicable extension and connection policies currently in place at the time the request for improved drainage facilities is received by the City. These will be ranked in the CIP project matrix, in accordance with the City Drainage Plan.

I. Parks, Playgrounds, Swimming Pools

Residents of the annexed area may utilize all existing park and recreation facilities as of the effective date of this ordinance. Fees for such usage shall be in accordance with current fees established by ordinance.

As development commences in this area, additional park and recreation facilities shall be constructed based on park policies defined in the Park Master Plan and other existing City ordinances and policies.

J. Publicly Owned Facilities. Any publicly owned facility, building, or service located within the annexed area, and not otherwise owned or maintained by another governmental entity, shall be maintained by the City of Denton on the effective date of the annexation ordinance.

K. Permitting and Inspections. Permitting and Inspections shall be obtained through the City of Denton, as outlined in the Code of Ordinances.

L. Other Services. Other services that may be provided by the City of Denton, such as municipal and general administration, will be made available as of the effective date of the annexation. The City of Denton shall provide a level of services, infrastructure, and infrastructure maintenance that is comparable to the level of services, infrastructure, and infrastructure maintenance available in other parts of the City of Denton having similar topography, land use, and population density similar to those reasonably contemplated or projected in the area.

II. UNIFORM LEVEL OF SERVICES IS NOT REQUIRED

Nothing in this Agreement shall require City to provide a uniform level of full municipal services to each area of the City, including the annexed area, if different characteristics of topography, land use, and population density justify different levels of service.