

CITY COUNCIL

MEETING AGENDA

DECEMBER 19, 2022, 7:00 PM

CITY COUNCIL REGULAR MEETING

HISTORIC CHURCH BUILDING - 403 N 7TH STREET, SANGER, TEXAS



CALL THE REGULAR MEETING TO ORDER AND ESTABLISH A QUORUM

INVOCATION AND PLEDGE

CITIZENS COMMENTS

This is an opportunity for citizens to address the Council on any matter. Comments related to public hearings will be heard when the specific hearing begins. Citizens are allowed 3 minutes to speak. Each speaker must complete the Speaker's Form and include the topic(s) to be presented. Citizens who wish to address the Council with regard to matters on the agenda will be received at the time the item is considered. The Council is not allowed to converse, deliberate or take action on any matter presented during citizen input.

CONSENT AGENDA

All items on the Consent Agenda will be acted upon by one vote without being discussed separately unless requested by a Councilmember to remove the item(s) for additional discussion. Any items removed from the Consent Agenda will be taken up for individual consideration.

1. Consideration and possible action on the minutes from the December 5, 2022, meeting.
2. Consideration and possible action on the Assignment and Amendment of the Professional Services Reimbursement Agreement with Sanger Texas Land Development, LLC, to Centurion American Acquisitions, LLC, and authorize the Mayor to execute said agreement.

PUBLIC HEARING ITEMS

3. Conduct a public hearing on a Replat of Lot 2-R1 and Lot 2-R2 of the Saunders Addition, being 8.252 acres located within the City of Sanger's ETJ, generally located approximately 425 feet south of the intersection of FM 455 and Indian Trail.

4. Conduct a public hearing on a zoning change from (A) Agricultural District to (PD) Planned Development for approximately 131.82 acres of land, described as A1241A TIERWESTER, TR 56, TR 57, AND TR 40 generally located along Chapman Drive approximately 234 feet west of the intersection of I-35 and Chapman Drive.

ACTION ITEMS

5. Consideration and possible action on the Replat of Lot 2-R1 and Lot 2-R2 of the Saunders Addition, being 8.252 acres located within the City of Sanger's ETJ, generally located approximately 425 feet south of the intersection of FM 455 and Indian Trail.
6. Consideration and possible action on Ordinance No. 12-32-22 regarding a zoning change from (A) Agricultural District to (PD) Planned Development for approximately 131.82 acres of land, described as A1241A TIERWESTER, TR 56, TR 57, AND TR 40 generally located along Chapman Drive approximately 234 feet west of the intersection of I-35 and Chapman Drive.
7. Consideration and possible action on Addendum 6 with Dannenbaum Engineering Corporation related to FM 455/I-35 aesthetics and additional utility coordination and construction inspection services in the amount not to exceed \$231,356.76 and authorize the City Manager to execute said addendum.
8. Consideration and possible action authorizing the purchase of real property commonly identified as 117 and 123 Elm Street Sanger, Texas, from KW Elm Investments LLC in the amount of \$200,000.00; and authorizing the City Manager to execute all related documents.
9. Consideration and possible action of Ordinance 12-33-22, authorizing and ordering the issuance of City of Sanger, Texas Limited Tax Note, Series 2023; specifying the terms and features of such Note; levying a continuing direct annual ad valorem tax for the payment of said Note; and resolving other matters incident and related to the issuance, sale, payment, and delivery of a paying agent/registrar agreement; and providing for an effective date.

FUTURE AGENDA ITEMS

The purpose of this item is to allow the Mayor and Councilmembers to bring forward items they wish to discuss at a future meeting, A Councilmember may inquire about a subject for which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting. Items may be placed on a future meeting agenda with a consensus of the Council or at the call of the Mayor.

INFORMATIONAL ITEMS

Information Items are for informational purposes only. No action may be taken on items listed under this portion of the agenda.

[10.](#) Atmos Rider GCR - Rate Filing Docket No. 10170, November 28, 2022

[11.](#) All American Dogs Monthly Report for November 2022

ADJOURN

NOTE: The City Council reserves the right to adjourn into Executive Session as authorized by Texas Government Code, Section 551.001, et seq. (The Texas Open Meetings Act) on any item on its open meeting agenda in accordance with the Texas Open Meetings Act, including, without limitation Sections 551.071-551.087 of the Texas Open Meetings Act.

CERTIFICATION

I certify that a copy of this meeting notice was posted on the bulletin board at City Hall that is readily accessible to the general public at all times and was posted on the City of Sanger website on December 14, 2022, at 4:00 PM.

/s/Kelly Edwards
Kelly Edwards, City Secretary

The Historical Church is wheelchair accessible. Request for additional accommodations or sign interpretation or other special assistance for disabled attendees must be requested 48 hours prior to the meeting by contacting the City Secretary's Office at 940.458.7930.



CITY COUNCIL COMMUNICATION

DATE: December 19, 2022

FROM: Kelly Edwards, City Secretary

AGENDA ITEM: Consideration and possible action on the minutes from the December 5, 2022, meeting.

SUMMARY:

N/A

FISCAL INFORMATION:

Budgeted: N/A

Amount: \$0.00

GL Account: N/A

RECOMMENDED MOTION OR ACTION:

Approve the minutes from the December 5, 2022, meeting.

ATTACHMENTS:

12-05-2022 City Council regular minutes

CITY COUNCIL MEETING MINUTES

DECEMBER 05, 2022, 6:00 PM

CITY COUNCIL REGULAR MEETING

HISTORIC CHURCH BUILDING - 403 N 7TH STREET, SANGER, TEXAS



CALL THE WORK SESSION TO ORDER AND ESTABLISH A QUORUM

Mayor Muir called the work session to order at 6:00 p.m.

COUNCILMEMBERS PRESENT

Mayor	Thomas Muir
Mayor Pro Tem, Place 2	Gary Bilyeu
Councilmember, Place 1	Marissa Barrett
Councilmember, Place 3	Dennis Dillon
Councilmember, Place 4	Allen Chick
Councilmember, Place 5	Victor Gann

COUNCILMEMBERS ABSENT

None

STAFF MEMBERS PRESENT:

City Manager John Noblitt, Assistant City Manager Alina Ciocan, City Secretary Kelly Edwards, City Attorney Hugh Coleman, Director of Development Services Ramie Hammonds, Parks & Recreation Superintendent Ryan Nolting, Marketing and Civic Engagement Director Donna Green, Assistant Chief of Police Jonathan Perkins, and Fire Marshal Casey Welborn.

DISCUSSION ITEMS

1. Discussion on New Juvenile Curfew Ordinance

Assistant Chief Perkins provided an overview of the Juvenile Curfew Ordinance, proposed revisions, and stated that the current ordinance expired in 2021.

Discussion ensued regarding the number of juvenile offenses, interactions with juveniles, exceptions, and providing updates to the City Council.

OVERVIEW OF ITEMS ON THE REGULAR AGENDA

Item 11 - Mayor Muir discussed including the State's guidelines defining Farmers Market products. Discussion ensued regarding not selling flea market items, establishing a timeframe for the SUP, and including a change of ownership clause.

Item 8 - Councilmember Bilyeu asked for clarification regarding the sizes of the fireworks Illumination would be shooting at the Freedom Fest event.

Item 6 and 7 – Discussion ensued regarding the size of the City's Fire District, determining the allocation of funds based on the Fire district's size, and including the area maps with each agreement.

Item 12-13 – Discussion ensued regarding why Staff recommended denial of the plats that is due to the applicants not resolving the engineering comments.

ADJOURN THE WORK SESSION

There being no further business, Mayor Muir adjourned the work session at 6:37 p.m.

CALL THE REGULAR MEETING TO ORDER AND ESTABLISH A QUORUM

Mayor Muir called the regular meeting to order at 7:00 p.m.

COUNCILMEMBERS PRESENT

Mayor	Thomas Muir
Mayor Pro Tem, Place 2	Gary Bilyeu
Councilmember, Place 1	Marissa Barrett
Councilmember, Place 3	Dennis Dillon
Councilmember, Place 4	Allen Chick
Councilmember, Place 5	Victor Gann

COUNCILMEMBERS ABSENT

None

STAFF MEMBERS PRESENT:

City Manager John Noblitt, Assistant City Manager Alina Ciocan, City Secretary Kelly Edwards, City Attorney Hugh Coleman, Director of Development Services Ramie Hammonds, Parks & Recreation Superintendent Ryan Nolting, Marketing and Civic Engagement Director Donna Green, Assistant Chief of Police Jonathan Perkins, and Fire Marshal Casey Welborn.

INVOCATION AND PLEDGE

Councilmember Chick gave the invocation, the Pledge of Allegiance was led by Councilmember Bilyeu.

CITIZENS COMMENTS

Joyce Herzog, 2017 Brook Drive, spoke regarding the potential grocery store and asked that potholes and street cuts be filled in along the construction areas.

REPORTS

2. Construction update from DEC Engineering, Dannenbaum, regarding the IH-35 / FM 455 Expansion Project.

Mr. Joe Garcia, Project Manager, provided an overview of the construction project.

Discussion ensued regarding the completion of bores, removal of utilities, mobilization and staging of equipment, an overnight closure on 5th Street, and the possibility of a Pre-construction meeting in January 2023.

3. Presentation and overview of the Parks, Recreation and Facility Maintenance operations.

Director Nolting provided a presentation and overview of the operations of Parks and Recreation and Facility Maintenance.

Discussion ensued regarding services contracted out for major maintenance, pest control, and vandalism at the parks.

CONSENT AGENDA

4. Consideration and possible action on the minutes from the November 14, 2022, work session.
5. Consideration and possible action on the minutes from the November 21, 2022, meeting.
6. Consideration and possible action on the 2022-2023 Interlocal Cooperation Agreement Ambulance Services between Denton County and the City of Sanger
7. Consideration and possible action on the 2022-2023 Interlocal Cooperation Agreement Fire Protection Services between Denton County and the City of Sanger.
8. Consideration and possible action on awarding a bid to Illumination Fireworks for fireworks display for the 2023 Freedom Fest in an amount not to exceed \$36,550, authorizing the City Manager to execute an agreement, and further authorizing fireworks display for the duration of the agreement.

9. Consideration and possible action on a Interlocal Agreement for Library Services between Denton County and City of Sanger.

Motion made by Councilmember Bilyeu to approve the consent agenda and that Items 6-7 include the maps for each agreement, Seconded by Councilmember Gann.

Voting Yea: Councilmember Barrett, Councilmember Chick and Councilmember Dillon.
Motion passed unanimously.

PUBLIC HEARING ITEMS

10. Conduct a public hearing on a request for a Specific Use Permit (SUP) for Outside Sales and Display, on the west end of 8.17 acres of land described as A1241A TIERWESTER, TR 165, zoned as Business District 2 (B-2) and generally located on the east side of I-35 at the intersection of South Stemmons and Wood Street.

Mayor Muir opened the public hearing at 7:34 p.m.

Director Hammonds provided an overview of the item and stated that the applicant had received permission from the ISD to conduct a Farmers Market.

Mayor Muir closed the public hearing at 7:35 p.m.

ACTION ITEMS

11. Consideration and possible action on Ordinance No. 12-31-22 regarding a request for a Specific Use Permit (SUP) for Outside Sales and Display, on the west end of 8.17 acres of land described as A1241A TIERWESTER, TR 165, zoned as Business District 2 (B-2) and generally located on the east side of I-35 at the intersection of South Stemmons and Wood Street.

Director Hammonds provided an overview of the Specific User Permit stating that a Farmers Market was an allowable use in B-2.

Discussion ensued regarding setting a timeframe for the SUP, not selling flea market items, the State guideline defining Farmers Market items, the location of vendors, and sanitation.

Motion made by Councilmember Bilyeu to approve Ordinance 12-31-2022 with the conditions that the permit be for one (1) year, products sold are in compliance with any State guidelines for Farmers Markets, and if the ownership changes, the new owner must reapply for the permit, Seconded by Councilmember Barrett.

Voting Yea: Councilmember Chick, Councilmember Dillon, and Councilmember Gann.
Motion passed unanimously.

12. Consideration and possible action on a Final Plat of lots 1-30, Block A of Lonesome Dove Addition, 55.5 acres, located in the City of Sanger's ETJ, and generally located on the south west corner of Metz Road and Hoehn Road.

Director Hammonds provided an overview of the Final Plat recommending denial due to the engineering comments not being resolved.

Discussion ensued regarding the applicant currently addressing the comments.

Motion made by Councilmember Bilyeu to deny the plat due to the applicant not resolving the engineering comments made in Exhibit A, Seconded by Councilmember Barrett.

Voting Yea: Councilmember Chick, Councilmember Dillon, and Councilmember Gann.
Motion passed unanimously.

13. Consideration and possible action on a Preliminary Plat of the Glenn Polk Addition, being 10.418 acres, located in the City of Sanger, and generally located on the west side of I-35 approximately 670 feet south of Belz Road.

Director Hammonds provided an overview of the Preliminary Plat recommending denial due to the engineering comments not being resolved.

Motion Councilmember Bilyeu to deny the plat due to the applicant not resolving the engineering comment made in Exhibit A made by, Seconded by Councilmember Gann.
Voting Yea: Councilmember Barrett, Councilmember Chick, and Councilmember Dillon.
Motion passed unanimously.

14. Consideration and possible action on a Preliminary Plat of lots 1-23 and lots 1X and 2X, Block A of Palomino Bay Addition, being 54.34 acres, located in the City of Sanger's ETJ, and generally located on the west side of Jones Road approximately 782 feet north of the intersection of FM 1190 and Jones Road.

Director Hammonds provided an overview of the Preliminary Plat stating that the properties will be 2.0 to 2.68 acres, each property will have a septic system and well, the Planning and Zoning Commission recommended approval, and the Lake Ray Roberts Zoning Commission approved the plat.

Motion to approve made by Councilmember Bilyeu, Seconded by Councilmember Dillon.

Voting Yea: Councilmember Barrett, Councilmember Chick, and Councilmember Gann.
Motion passed unanimously.

FUTURE AGENDA ITEMS

Councilmembers discussed possible dates for a two (2) day to discuss various development processes and providing feedback to Staff.

ADJOURN

There being no further business, Mayor Muir adjourned the meeting at 8:09 p.m.

Thomas E. Muir, Mayor

Kelly Edwards, City Secretary



CITY COUNCIL COMMUNICATION

DATE: December 19, 2022

FROM: Ramie Hammonds, Development Service Director

AGENDA ITEM: Consideration and possible action on the Assignment and Amendment of the Professional Services Reimbursement Agreement with Sanger Texas Land Development, LLC, to Centurion American Acquisitions, LLC, and authorize the Mayor to execute said agreement.

SUMMARY:

- Sanger Texas Land Development, LLC, is requesting the assignment of the Professional Services Reimbursement Agreement to Centurion American Acquisitions, LLC.
- Centurion American Acquisitions, LLC will be the new developer for the property originally proposed for development by Sanger Texas Land Development, LLC.
- This property is generally located between McReynolds Road and Railroad Ave.
- The development is approximately 1000 acres.
- It will be a mixed use development including residential, multifamily, and commercial elements.
- The agreement would allow for the reimbursement of funds expended by the City in review of the potential PID.

FISCAL INFORMATION:

Budgeted: N/A

Amount: N/A

GL Account: N/A

RECOMMENDED MOTION OR ACTION:

Staff recommends APPROVAL

ATTACHMENTS:

Professional Service Agreement

ASSIGNMENT AND AMENDMENT OF PROFESSIONAL SERVICES REIMBURSEMENT AGREEMENT

THIS ASSIGNMENT AND AMENDMENT OF PROFESSIONAL SERVICES REIMBURSEMENT AGREEMENT (this “Assignment”) is entered into effective as of the _____ day of December 2022 (the “Effective Date”), by and among Sanger Texas Land Investments, a Texas limited liability company (“Assignor”), Centurion American Acquisitions, LLC, a Texas limited liability company and/or its assigns (“Assignee”), and the City of Sanger, Texas (the “City”). Assignor, Assignee and the City are sometimes referred to herein collectively as the “Parties” and individually as a “Party”.

WITNESSETH:

WHEREAS, Assignor entered into a purchase and sale agreement to purchase approximately 1000 acres of land in the E.T.J. of the City of Sanger, Texas (the “Property”);

WHEREAS, Assignor and the City entered into that certain Professional Services Reimbursement Agreement dated effective as of May 2, 2022 (the “Reimbursement Agreement”), pursuant to which Assignor agreed to finance a portion of the costs of the City’s incurred professional fees for Assignor’s desired development of the Property;

WHEREAS, Assignor entered into that certain Real Estate Sales Contract with Assignee dated October 12, 2022, wherein Assignee agreed to purchase from Assignor the Property pursuant to the terms and conditions therein;

WHEREAS, Assignor now desires to assign to Assignee all of Assignor’s rights, title, and interests in and to the Reimbursement Agreement, for due consideration, and inclusive of all of the deposited funds by Assignor to the City, and Assignee desires to accept such assignment and assume all of Assignor’s obligations, benefits and liabilities under the Reimbursement Agreement, subject to the terms and provisions of this Assignment; and

WHEREAS, Assignee and the City wish to further amend the Reimbursement Agreement as more specifically provided for in this Assignment;

NOW, THEREFORE, for and in consideration of the premises, covenants, and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignment. Assignor hereby assigns, conveys, transfers, and sets over unto Assignee, effective as of the Effective Date, all of Assignor’s right, titles, and interests in, to, and under the Reimbursement Agreement, including, without limitation, all sums, monies, or funds deposited with the City under the Reimbursement Agreement, for the benefit and in favor of Assignee.

2. Assumption. Assignee hereby accepts, assumes, and agrees to pay, perform, and discharge, in accordance with the terms thereof, all of the duties, liabilities, and obligations of Assignor accruing or otherwise attributable to the time period from and after the Effective Date arising under the Reimbursement Agreement.

3. Mutual Indemnification. Assignor shall indemnify and hold harmless Assignee from and against any liability for all obligations arising prior to the Effective Date under the Reimbursement Agreement. Assignee shall indemnify and hold harmless Assignor from and against all obligations arising from and after the Effective Date under the Reimbursement Agreement.

4. Representation and Warranty. Assignor warrants and represents to Assignee that Assignor is not in default under and knows of no event which, with the passage of time, would create a default on the part of Assignor under the Reimbursement Agreement.

5. Termination. Section 3 of the Reimbursement Agreement is hereby deleted in its entirety and replaced with the following:

“This Agreement shall terminate upon the first issuance of the PID Bonds. Notwithstanding the foregoing, either party may terminate this Agreement prior to the issuance of the first PID Bonds by providing the other party with five (5) business days prior written notice, at which time the City shall return all unexpended funds to Developer.”

6. City Consent. Pursuant to Section 6 of the Reimbursement Agreement, an assignment or transfer of an interest in the Reimbursement Agreement requires the prior written consent of the City. By affixing its signature below, the City consents to and does hereby approve the assignment of Assignor’s right, title, and interest in and to the Reimbursement Agreement to Assignee, and the amendments to the Reimbursement Agreement as provided herein.

7. Notices Under the Reimbursement Agreement. City and Assignee agree that as of the Effective Date, Section 7 of the Reimbursement Agreement is hereby revised to provide that notices to the “Developer” shall be sent to the following address:

“To the Developer: Centurion American Acquisitions, LLC
1800 Valley View Lan, Suite 300
Farmers Branch, Texas 75234
Attn: Jack Dawson (jack@centurionamerican.com)

With Copy to: Attn: Travis Boghetich (travis@txreallaw.com)
Boghetich Law, PLLC d/b/a Texas Real Estate Law
1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234

8. Governing Law and Venue. This Assignment is being executed and delivered and is intended to be performed in the State of Texas, and the laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Assignment. This Agreement is performable in, and the exclusive venue for any action brought with respect hereto shall lie in Denton County, Texas.

9. Counterparts. This Assignment may be executed in multiple counterparts, each of which shall considered an original, but all of which shall constitute one instrument.

IN WITNESS WHEREOF, the Parties have executed this Assignment to be effective as of the Effective Date.

ASSIGNOR:

Centurion American Acquisitions, LLC
a Texas limited liability company

By: Pars Investments, Inc.
a Texas corporation
its Manager

By: _____
Name: Mehrdad Moayedi
Its: President

ASSIGNEE:

Sanger Texas Land Development, LLC
a Texas limited liability company

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

CITY:

THE CITY OF SANGER, TEXAS

By: _____
Name: _____
Title: _____



CITY COUNCIL COMMUNICATION

DATE: December 19, 2022

FROM: Ramie Hammonds, Development Services Director

AGENDA ITEM: Conduct a public hearing on a Replat of Lot 2-R1 and Lot 2-R2 of the Saunders Addition, being 8.252 acres located within the City of Sanger's ETJ, generally located approximately 425 Feet south of the intersection of FM 455 and Indian Trail.

SUMMARY:

- The applicant is proposing to create 2 single family lots of 4.126 acres each, from 1 previously platted tract of 8.252 acres.
- Lot 2-R1 has approximately 318 feet of frontage and Lot 2-R2 has approximately 251 feet of frontage.
- There was no right-of-way dedication required.
- Staff mailed out 6 notices and at the time of this report has not received any responses.
- The property is located in the City of Sanger's ETJ.
- The Planning & Zoning Commission recommended APPROVAL.

FISCAL INFORMATION:

Budgeted: N/A

Amount: N/A

GL Account: N/A

RECOMMENDED MOTION OR ACTION:

N/A

ATTACHMENTS:

Location Map



SANGER
TEXAS

Project Name: Sanders Addn
Replat
Project: 22SANZON-0057

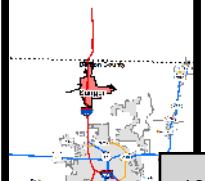


City Limits



Exhibits

DISCLAIMER:
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Date: 10/29/2022 1:44:51 PM
Doc Name: 22SANZON-0057_Sanders Addn Replat





CITY COUNCIL COMMUNICATION

DATE: December 19, 2022

FROM: Ramie Hammonds, Development Services Director

AGENDA ITEM: Conduct a public hearing on a zoning change from (A) Agricultural District to (PD) Planned Development for approximately 131.82 acres of land, described as A1241A TIERWESTER, TR 56, TR 57, AND TR 40 generally located along Chapman Drive approximately 234 feet west of the intersection of I-35 and Chapman Drive.

SUMMARY:

- The applicant is proposing to rezone the subject property of approximately 131.82 acres from (A) Agricultural District to (PD) Planned Development zoning.
- The development will consist of approximately 29.90 acres of single-family residential, 29.29 acres of build-to-rent, 33.04 acres of multi-family, 3.07 acres of self-storage, and 25.03 acres of commercial.
- The commercial will front along North Stemmons and Chapman Drive.
- There will be 582 multi-family units, 18 townhome units, and 12 duplex units.
- Single family will have 140 lots for sale, and 156 lots build to rent.
- The multi-family will have 24 private garages and 40 reserved carport spaces.
- The multi-family development will have a swimming pool, patio area, and other amenities.
- There will be a 3.07-acres of self-storage area with some of the units climate-controlled.
- The property is surrounded by (A) Agricultural District and (B-2) Business 2 zoning.
- Staff mailed out 33 public hearing notices to owners of properties within 200 feet of the subject property and at the time of this report had received no responses.
- The Planning and Zoning Commission recommended APPROVAL on 12-12-22.

FISCAL INFORMATION:

Budgeted: N/A

Amount: N/A

GL Account: N/A

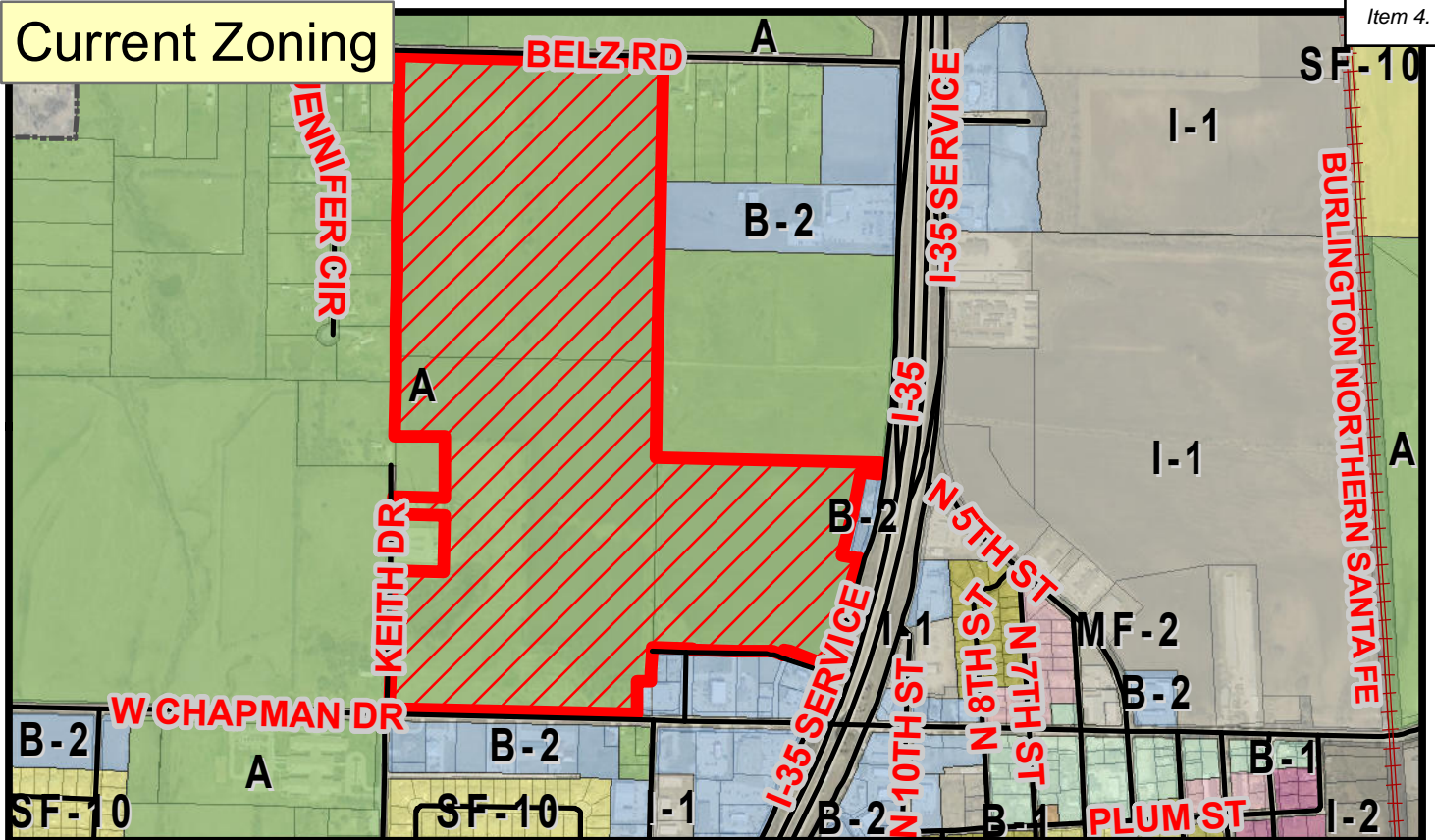
RECOMMENDED MOTION OR ACTION:

N/A

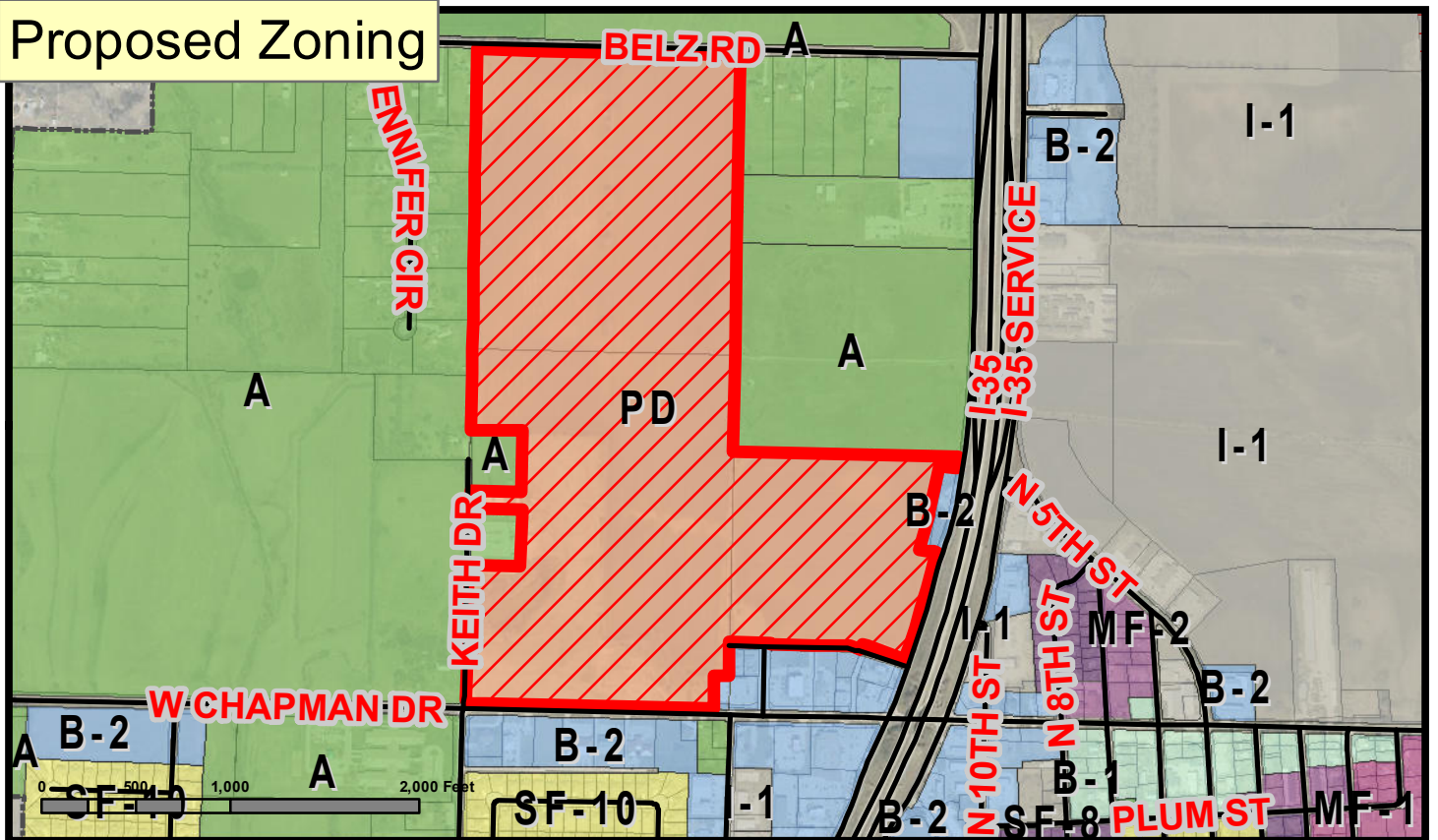
ATTACHMENTS:

Location Map

Current Zoning



Proposed Zoning





W
N
E
S



SANGER
TEXAS

Location: Interstate 35 Stemmons
PD Zoning Change Request
Project: 22SANZON-0064

 City Limits  Exhibits

DISCLAIMER:
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CITY COUNCIL COMMUNICATION

DATE: December 19, 2022

FROM: Ramie Hammonds, Development Services Director

AGENDA ITEM: Consideration and possible action on the Replat of Lot 2-R1 and Lot 2-R2 of the Saunders Addition, being 8.252 acres located within the City of Sanger's ETJ, generally located approximately 425 Feet south of the intersection of FM 455 and Indian Trail.

SUMMARY:

- The applicant is proposing to create 2 single family lots of 4.126 acres each, from 1 previously platted tract of 8.252 acres.
- Lot 2-R1 has approximately 318 feet of frontage and Lot 2-R2 has approximately 251 feet of frontage.
- There was no right-of-way dedication required.
- Staff mailed out 6 notices and at the time of this report has not received any responses.
- The property is located in the City of Sanger's ETJ.
- The Planning & Zoning Commission recommended APPROVAL.

FISCAL INFORMATION:

Budgeted: N/A

Amount: N/A

GL Account: N/A

RECOMMENDED MOTION OR ACTION:

Staff recommends APPROVAL.

ATTACHMENTS:

Location Map

Replat

Application

Letter of Intent



SANGER
TEXAS

Project Name: Sanders Addn
Replat
Project: 22SANZON-0057



City Limits



Exhibits

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Date: 10/29/2022 1:44:51 PM
Doc Name: 22SANZON-0057_Sanders Addn Replat



OWNER'S DEDICATION

WHEREAS EDDY WINDLE AND AUDREY PARKER ARE THE OWNERS OF ALL THAT CERTAIN TRACT OR PARCEL OF LAND SITUATED IN THE W. HENSWORTH SURVEY, ABSTRACT NUMBER 561, DENTON COUNTY, TEXAS AND BEING ALL OF LOT 3, SAUNDERS ADDITION AS RECORDED IN DOCUMENT NUMBER 2016-75 OF THE PLAT RECORDS OF DENTON COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE TRACT BEING DESCRIBED HEREIN, IN THE EAST RIGHT OF WAY LINE OF INDIAN TRAIL, AT THE SOUTHWEST CORNER OF SAID LOT 2 AND THE NORTHWEST CORNER OF A CALLED 12.018 ACRE TRACT OF LAND DESCRIBED IN THE DEED TO EDDY D. AND AUDREY S. WINDLE AS RECORDED IN DOCUMENT NUMBER 2020-199599 AND IN THE SOUTHEAST RIGHT OF WAY LINE OF INDIAN TRAIL;

THENCE NORTH 34 DEGREES 37 MINUTES 50 SECONDS EAST WITH SAID SOUTHEAST RIGHT OF WAY LINE AND THE WEST LINE OF SAID LOT 2 A DISTANCE OF 570.01 FEET TO A CAPPED IRON ROD FOUND FOR CORNER AT THE NORTHWEST CORNER OF SAID LOT 2 AND THE SOUTHWEST CORNER OF LOT 1 OF SAID SAUNDERS ADDITION, FROM WHICH A CAPPED IRON ROD FOUND AT THE NORTHWEST CORNER OF SAID LOT 1 BEARS NORTH 34 DEGREES 37 MINUTES 50 SECONDS EAST A DISTANCE OF 337.78 FEET;

THENCE SOUTH 89 DEGREES 49 MINUTES 35 SECONDS EAST WITH THE NORTH LINE OF SAID LOT 2 AND THE SOUTH LINE OF SAID LOT 1 A DISTANCE OF 619.24 FEET TO A CAPPED IRON ROD FOUND FOR CORNER AT THE SOUTHEAST CORNER OF SAID LOT 1 AND IN THE WEST LINE OF A CALLED 62.539 ACRE TRACT OF LAND DESCRIBED IN THE DEED TO BOLIVAR CLEAR CREEK RANCH, INC. AS RECORDED IN DOCUMENT NUMBER 2015-95232 OF THE REAL PROPERTY RECORDS OF DENTON COUNTY, TEXAS;

THENCE WITH THE WEST LINE OF SAID 62.539 ACRE TRACT FOR THE FOLLOWING FIVE (5) CALLS AND DISTANCES:

1. SOUTH 32 DEGREES 35 MINUTES 49 SECONDS WEST A DISTANCE OF 109.86 FEET TO A POINT FOR CORNER;
2. SOUTH 39 DEGREES 29 MINUTES 25 SECONDS EAST A DISTANCE OF 66.66 FEET TO A POINT FOR CORNER;
3. SOUTH 15 DEGREES 11 MINUTES 01 SECONDS EAST A DISTANCE OF 60.39 FEET TO A POINT FOR CORNER;
4. SOUTH 24 DEGREES 00 MINUTES 51 SECONDS WEST A DISTANCE OF 32.29 FEET TO A POINT FOR CORNER;
5. SOUTH 02 DEGREES 11 MINUTES 28 SECONDS EAST A DISTANCE OF 238.39 FEET TO A POINT FOR CORNER AT THE SOUTHEAST CORNER OF SAID LOT 2 AND THE NORTHEAST CORNER OF SAID 12.018 ACRE TRACT;

THENCE NORTH 89 DEGREES 49 MINUTES 35 SECONDS WEST WITH THE SOUTH LINE OF SAID LOT 2 AND THE NORTH LINE OF SAID 12.018 ACRE TRACT A DISTANCE OF 938.16 FEET TO THE PLACE OF BEGINNING AND CONTAINING 8.252 ACRES OF LAND, MORE OR LESS.

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS THAT, EDDY WINDLE, DOES ADOPT THIS PLAT DESIGNATING THE HEREIN DESCRIBED PROPERTY AS THE REPLAT OF LOT 2 OF SAUNDERS ADDITION, AN ADDITION TO THE ETJ OF THE CITY OF SANGER, DENTON COUNTY, TEXAS AND DO HEREBY DEDICATE TO THE PUBLIC USE FOREVER, THE STREETS RIGHTS-OF-WAY AND PUBLIC EASEMENTS SHOWN HEREON.

EDDY WINDLE

STATE OF TEXAS
BEFORE ME, THE UNDERSIGNED NOTARY IN AND FOR THE STATE OF TEXAS, ON THIS DAY PERSONALLY APPEARED CHARLES SAUNDERS, KNOWN TO ME TO BE THE PERSON, WHOSE NAME IS SUBSCRIBED TO THE FORGOING INSTRUMENT AND ACKNOWLEDGE TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSE AND CONSIDERATION THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF THE OFFICE THIS _____ DAY OF _____, 2022.

NOTARY PUBLIC IN THE STATE OF TEXAS.
MY COMMISSION EXPIRES _____

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS THAT, AUDREY PARKER, DOES ADOPT THIS PLAT DESIGNATING THE HEREIN DESCRIBED PROPERTY AS THE REPLAT OF LOT 2 OF SAUNDERS ADDITION, AN ADDITION TO THE ETJ OF THE CITY OF SANGER, DENTON COUNTY, TEXAS AND DO HEREBY DEDICATE TO THE PUBLIC USE FOREVER, THE STREETS RIGHTS-OF-WAY AND PUBLIC EASEMENTS SHOWN HEREON.

AUDREY PARKER

STATE OF TEXAS
BEFORE ME, THE UNDERSIGNED NOTARY IN AND FOR THE STATE OF TEXAS, ON THIS DAY PERSONALLY APPEARED CHARLES SAUNDERS, KNOWN TO ME TO BE THE PERSON, WHOSE NAME IS SUBSCRIBED TO THE FORGOING INSTRUMENT AND ACKNOWLEDGE TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSE AND CONSIDERATION THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF THE OFFICE THIS _____ DAY OF _____, 2022.

NOTARY PUBLIC IN THE STATE OF TEXAS.
MY COMMISSION EXPIRES _____

SURVEYORS CERTIFICATE

STATE OF TEXAS §
COUNTY OF DENTON §

I HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECT AND WAS PREPARED FROM AN ACTUAL SURVEY ON THE GROUND UNDER MY SUPERVISION.

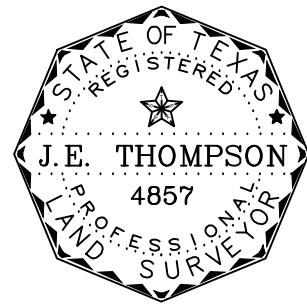
J.E. THOMPSON II R.P.L.S.
TEXAS REGISTRATION NO. 4857

STATE OF TEXAS §
COUNTY OF DENTON §

BEFORE ME, THE UNDERSIGNED NOTARY IN AND FOR THE STATE OF TEXAS, ON THIS DAY PERSONALLY APPEARED J.E. THOMPSON II, KNOWN TO ME TO BE THE PERSON, WHOSE NAME IS SUBSCRIBED TO THE FORGOING INSTRUMENT AND ACKNOWLEDGE TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSE AND CONSIDERATION THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF THE OFFICE THIS _____ DAY OF _____, 2022.

NOTARY PUBLIC IN THE STATE OF TEXAS.
MY COMMISSION EXPIRES _____



L1	S 32°35'49" W	109.86'
L2	S 39°29'25" E	66.66'
L3	S 15°11'01" E	60.39'
L4	S 24°00'51" W	32.29'
L5	S 02°11'28" E	238.39'

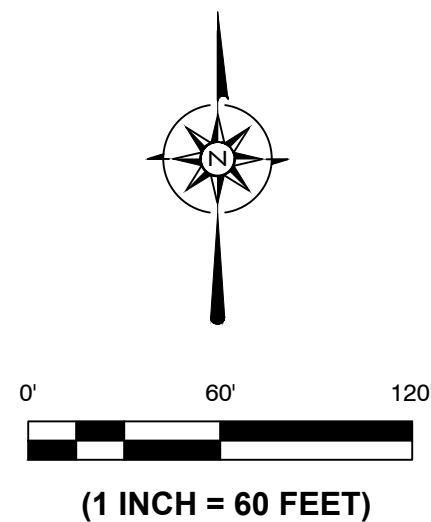
LINETYPE LEGEND	
—	PROPERTY LINE
- - -	EASEMENT LINES
- - -	DEED LOT LINES
- - -	ADJACENT LINES
- - -	OVERHEAD UTILITY
- - -	ASPHALT ROAD
- - -	GRAVEL ROAD
- - -	WIRE FENCE LINES

LEGEND	
●	= PROPERTY CORNER
⊕	= BENCHMARK
⊠	= TELEPHONE/UTILITY RISER (TR/UR)
⊙	= BURIED CABLE MARKER (BCM)
⊖	= TELEPHONE MANHOLE (TMH)
⊕	= POWER/UTILITY POLE (PP/UP)
⊕	= LIGHT POLE (LP)
⊕	= GUY WIRE (GW)
⊕	= ELECTRIC VAULT (EV)
⊕	= ELECTRIC TRANSFORMER (TRAN)
⊕	= WATER METER (WM)
⊕	= WATER VALVE (WV)
⊕	= CAPPED IRON ROD FOUND
⊕	= IRON ROD FOUND
⊕	= CAPPED IRON ROD SET
⊕	= METAL FENCE CORNER POST
⊕	= WFCP = METAL FENCE CORNER POST
⊕	= PLAT/DEED CALLS
⊕	= POINT OF BEGINNING
⊕	= RIGHT-OF-WAY
⊕	= CONCRETE SURFACE
⊕	= ASPHALT SURFACE
⊕	= GRAVEL SURFACE

OWNERS
EDDY WINDLE
10650 INDIAN TRL
SANGER, TX, 76266

AUDREY PARKER
10650 INDIAN TRL
SANGER, TX, 76266

SURVEYOR
J.E. THOMPSON II
ALL AMERICAN SURVEYING
301 W. BROADWAY ST.
GAINESVILLE, TX 76240
PH. 940-665-9105



REPLAT
LOTS 2-R1 & 2-R2
SAUNDERS ADDITION
8.252 ACRES
IN THE W. HENSWORTH SURVEY
ABSTRACT NO. 561
IN THE ETJ OF
THE CITY OF SANGER
DENTON COUNTY, TEXAS

	DATE:	JOB NO.:	SCALE:	PAGE:
	11/10/2022	22199	1" = 60'	1 OF 1

111 N. DIXON ST.
GAINESVILLE, TX 76240
PH. 940-665-9105

VICINITY MAP
(NOT TO SCALE)

CITY REQUIRED GENERAL NOTES:

1. WATER SERVICE TO BE PROVIDED BY BOLIVAR WATER SUPPLY CORPORATION, 4151 F.M. 455, SANGER, TX 76266, (940) 458-3931.
2. SANITARY SEWER TO BE PROVIDED BY PRIVATE FACILITIES AS APPROVED BY THE DENTON COUNTY HEALTH DEPARTMENT.
3. ELECTRIC SERVICE TO BE PROVIDED BY COSERV ELECTRIC, 7701 S. STEMMONS FWY, CORINTH TX, 76210, (940) 321-7800.
4. THE MAINTENANCE OF PAVING, GRADING AND DRAINAGE IMPROVEMENTS AND/OR EASEMENTS SHOWN ON THIS PLAT ARE THE RESPONSIBILITY OF THE INDIVIDUAL PROPERTY OWNERS AND DO NOT CONSTITUTE ACCEPTANCE OF SAME FOR MAINTENANCE PURPOSES BY DENTON COUNTY.
5. A DRIVEWAY CULVERT PERMIT MUST BE OBTAINED FROM THE DENTON COUNTY CENTRALIZED ROAD & BRIDGE DEPARTMENT BY THE OWNER OF EACH LOT PRIOR TO THE CONSTRUCTION, INSTALLATION, OR PLACEMENT OF ANY DRIVEWAY ACCESS IMPROVEMENTS WITHIN THE DEDICATED RIGHT-OF-WAY.
6. NOTICE: SELLING A PORTION OF THIS ADDITION BY METES AND BOUNDS IN LIEU OF A PLAT, PRIOR TO PLATTING, IS A VIOLATION OF CITY ORDINANCE AND STATE LAW AND IS SUBJECT TO FINES AND WITHHOLDING OF UTILITIES AND BUILDING PERMITS.
7. **FLOOD STATEMENT:** I HAVE EXAMINED THE F.E.M.A. FLOOD INSURANCE RATE MAP FOR DENTON COUNTY, TEXAS, COMMUNITY NUMBER 48121C, EFFECTIVE DATE 4-18-11 AND THAT MAP INDICATES THAT THIS PROPERTY IS WITHIN "NON-SHADED ZONE X" DEFINED AS "AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN" AS SHOWN IN PANEL 0185 G OF SAID MAP. THIS FLOOD STATEMENT DOES NOT IMPLY THAT THE PROPERTY AND/OR STRUCTURES THEREON WILL BE FREE FROM FLOODING OR FLOOD DAMAGE, ON RARE OCCASIONS, GREATER FLOODS CAN AND WILL OCCUR AND FLOOD HEIGHTS MAY BE INCREASED BY MAN-MADE OR NATURAL CAUSES. THIS FLOOD STATEMENT SHALL NOT CREATE LIABILITY ON THE PART OF THE SURVEYOR.
8. THE CITY OF SANGER OR DENTON COUNTY WILL NOT BE RESPONSIBLE FOR ANY DAMAGE, PERSONAL INJURY OR LOSS OF LIFE OR PROPERTY OCCASIONED BY FLOODING OR FLOODING CONDITIONS.
9. CONSTRUCTION NOT COMPLETE WITHIN TWO YEARS OF THE COMMISSIONERS COURT APPROVAL SHALL BE SUBJECT TO CURRENT COUNTY SUBDIVISION RULES AND REGULATIONS.
10. NO CONSTRUCTION, WITHOUT WRITTEN APPROVAL FROM THE CITY OF SANGER OR DENTON COUNTY SHALL BE ALLOWED WITHIN AN IDENTIFIED "FIRM" FLOODPLAIN AREA, AND THEN ONLY AFTER A DETAILED FLOODPLAIN DEVELOPMENT PERMIT INCLUDING ENGINEERING PLANS AND STUDIES SHOW THAT NO RISE IN THE BASE FLOOD ELEVATION (BFE) WILL RESULT, THAT NO OBSTRUCTION TO THE NATURAL FLOW OF WATER WILL RESULT, AND SUBJECT TO ALL OWNERS OF THE PROPERTY AFFECTED BY SUCH CONSTRUCTION BECOMING A PARTY TO THE REQUEST, WHERE CONSTRUCTION IS PERMITTED, ALL FINISHED FLOOR ELEVATIONS SHALL BE A MINIMUM OF ONE FOOT ABOVE THE 100-YEAR FLOOD ELEVATION.
11. BEARING BASIS DERIVED FROM GPS OBSERVATIONS MADE ON THE GROUND, TEXAS NORTH CENTRAL NAD 83.
12. APPROXIMATE LOCATION OF SURVEY LINES SHOWN PER PRIOR DEED REFERENCE AND/OR OTHER THIRD PARTY SOURCES.

APPROVED AND ACCEPTED

CHAIRMAN, PLANNING & ZONING COMMISSION
CITY OF SANGER, TEXAS

MAYOR, CITY OF SANGER, TEXAS DATE

ATTESTED BY

CITY SECRETARY, CITY OF SANGER, TEXAS



201 Bolivar Street/PO Box 1729 * Sanger, TX 76266
940-458-2059(office) 940-458-4072(fax) www.sangertexas.org

SUBDIVISION APPLICATION

☐

Preliminary
Plat Minor
Plat

☒

Final
Plat/Replat
Amended Plat

☐

Vacating Plat
Conveyance
Plat

Applicant

Owner (if different from applicant)

Name: <u>Windle Eddy</u>	Name: <u>Windle Eddy</u>
Company:	Company:
Address: <u>10650 Indian Trl</u>	Address:
City, State, Zip: <u>Sanger, Tx 76266</u>	City, State, Zip:
Phone: <u>254-495-5375</u>	Phone:
Fax:	Fax:
Email: <u>deano212@msn.com</u>	Email:

Submittal Checklist

<input type="checkbox"/>	Pre-Application Conference (Date: ___/___/___)
<input checked="" type="checkbox"/>	One (1) Paper Copy of Plat (24"x36", folded to 1/4 size)
<input checked="" type="checkbox"/>	Letter of Intent
<input type="checkbox"/>	Non-Refundable Application Fee (Check Payable to City of Sanger)
<input type="checkbox"/>	Application Form (Signed by Owner)
<input type="checkbox"/>	Applicable Plat Checklist (Completed)
<input type="checkbox"/>	Additional Required Documents/Traffic & Drainage Studies etc.
<input type="checkbox"/>	One (1) PDF Copy of all Documents Provided on a CD/DVD or Emailed to development@sangertexas.org

Supporting Materials (List if provided): _____

R Number(s): _____

[Signature]
Owner's Signature

10/17/2022
Date

[Signature]
Applicant's Signature

10/17/2022
Date

Office Use: Reviewed by Director of Development Services ___/___/___

<input type="checkbox"/>	Complete (Check #___)
<input type="checkbox"/>	Incomplete (Returned to Applicant ___/___/___)

City of Sanger
201 Bolivar / P.O. Box 1729
Sanger, TX 76266

940-458-2059 (office)

940-458-4072 (fax)

www.sangertexas.org

Effective Date: 02/11/2020

LETTER OF INTENT

To: City of Sanger

Effective Date: 10/17/2022

From: Windle Dean Eddy
10650 Indian Trail
Sanger, TX 76266

Intent: To have 8.252 acre lot replatted to two 4.126 acre lots with the intention of selling "Lot 2-R1" (per survey, see description below)

The Seller/Owner: Windle Dean Eddy and Audrey Eddy (Parker)

Property Address: Adjacent to 10650 Indian Trail Sanger TX, 76266

Additional Physical Description: Lot is located in City of ETJ of the City of Sanger, Denton County, Texas. Lot was previously 8.252 acres, now split into two 4.126-acre lots (Lot 2-R1 and Lot 2-R2 per the survey).

-Lot 2-R1 is 179726.2 sq. feet with 318.68 feet of road frontage. This lot has no existing buildings, fence present on 3 of 4 sides, few trees, and some mild elevation change.

-Lot 2-R2 is 179726.2 sq. feet with 251.32 feet of road frontage. This lot has no existing buildings, fence present on 3 of 4 sides, few trees, and some mild elevation change.

SELLER/OWNER

Windle Dean Eddy
10650 Indian Trail
Sanger, TX 76266
254-495-5375
deano212@msn.com



CITY COUNCIL COMMUNICATION

DATE: December 19, 2022

FROM: Ramie Hammonds, Development Services Director

AGENDA ITEM: Consideration and possible action on Ordinance No. 12-32-22 regarding a zoning change from (A) Agricultural District to (PD) Planned Development for approximately 131.82 acres of land, described as A1241A TIERWESTER, TR 56, TR 57, AND TR 40 generally located along Chapman Drive approximately 234 feet west of the intersection of I-35 and Chapman Drive.

SUMMARY:

- The applicant is proposing to rezone the subject property of approximately 131.82 acres from (A) Agricultural District to (PD) Planned Development zoning.
- The development will consist of approximately 29.90 acres of single-family residential, 29.29 acres of build-to-rent, 33.04 acres of multi-family, 3.07 acres of self-storage, and 25.03 acres of commercial.
- The commercial will front along North Stemmons and Chapman Drive.
- There will be 582 multi-family units, 18 townhome units, and 12 duplex units.
- Single family will have 140 lots for sale, and 156 lots build to rent.
- The multi-family will have 24 private garages and 40 reserved carport spaces.
- The multi-family development will have a swimming pool, patio area, and other amenities.
- There will be a 3.07-acres of self-storage area with some of the units climate-controlled.
- The property is surrounded by (A) Agricultural District and (B-2) Business 2 zoning.
- Staff mailed out 33 public hearing notices to owners of properties within 200 feet of the subject property and at the time of this report had received no responses.
- The Planning and Zoning Commission recommended APPROVAL on 12-12-22.

FISCAL INFORMATION:

Budgeted: N/A

Amount: N/A

GL Account: N/A

RECOMMENDED MOTION OR ACTION:

Staff recommends APPROVAL.

ATTACHMENTS:

Location Map

Ordinance No. 12-32-22

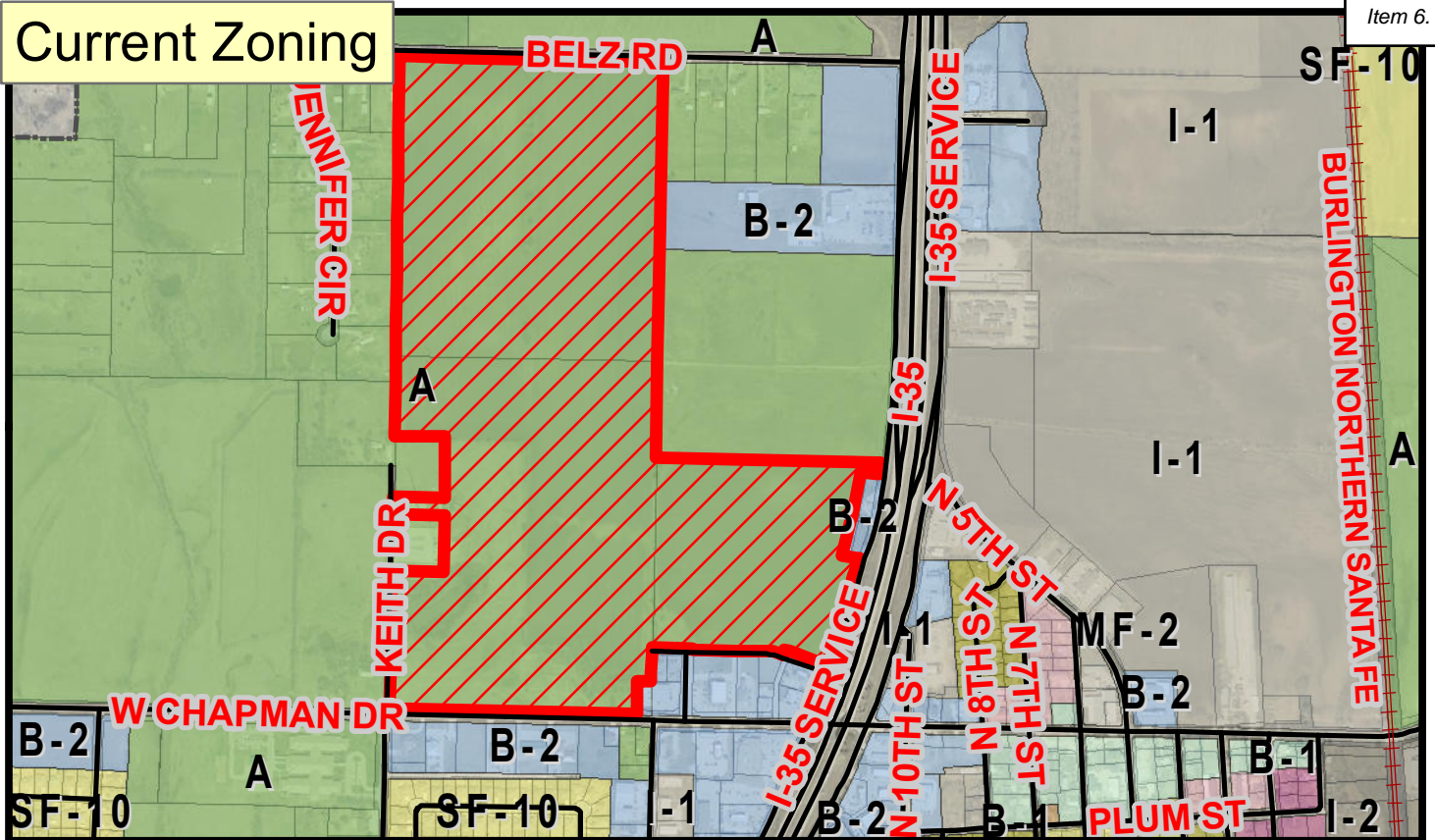
PD with Exhibits

Application

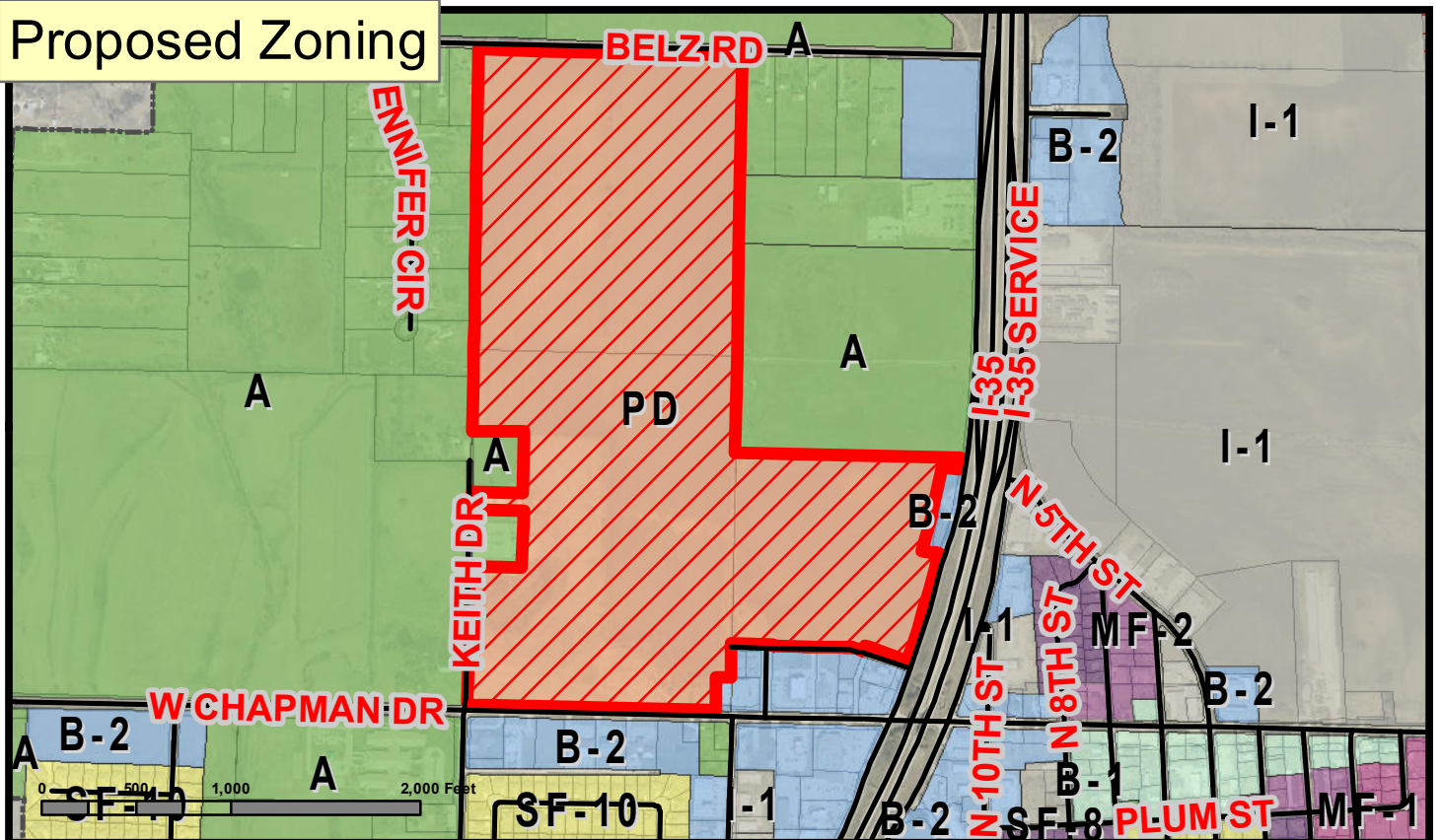
Letter of Intent

Layout and Conceptual Plans for Residential and Multi-Family Development

Current Zoning



Proposed Zoning



SANGER
TEXAS

Location: Interstate 35 Stemmons
PD Zoning Change Request
Project: 22SANZON-0064

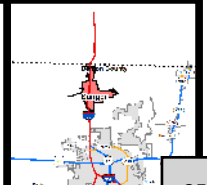


City Limits



Exhibits

DISCLAIMER:
This map was generated by GIS data provided by the Sanger GIS Department. The City of Sanger does not guarantee the correctness or accuracy of any features on this map. These map products are for illustration purposes only and are not suitable for site-specific decision making. GIS data is subject to constant changes, and may not be complete, accurate or current.



CITY OF SANGER, TEXAS

ORDINANCE 12-32-22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANGER, DENTON COUNTY, TEXAS, REGARDING AMENDING THE ZONING MAP OF APPROXIMATELY 131.82 ACRES OF LAND DESCRIBED AS A1241A TIERWESTER, TR 56, TR 57 AND TR 40 FROM AGRICULTURAL (A) TO PLANNED DEVELOPMENT (PD); PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A CUMULATIVE CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE IN ACCORDANCE WITH SECTION 1.109 OF THE CODE OF ORDINANCE FOR VIOLATIONS; AND PROVIDING A SAVINGS CLAUSE; AUTHORIZING PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Sanger (the “City”) is a home rule municipality regulated by state law and Charter; and

WHEREAS, the City Council finds it necessary for the public health, safety, and welfare that development occur in a controlled and orderly manner; and

WHEREAS, the Planning and Zoning Commission on December 12, 2022, duly covered and conducted public hearing for the purpose of assessing a request for amendment to the Zoning Map, recommending approval for the hereinafter described property; and

WHEREAS, all requests for amendment to the Zoning Map were duly filed with the City of Sanger, Texas, concerning the hereinafter described property; and

WHEREAS, the following provisions of proper legal notice requirements, including written notice to owners within 200 feet of the subject property, were made in the time and manner prescribed by law; and

WHEREAS, the City Council finds that the passage of this Ordinance is in the best interest of the citizens of Sanger.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SANGER, TEXAS:

SECTION 1. That an amendment to the Zoning Map from Agricultural (A) to Planned Development (PD) is hereby granted for the property generally located along I-35 and Chapman Drive approximately 234 feet west of the intersection of I-35 and Chapman Drive and described in **Exhibit A-E**.

SECTION 2. That all matters stated in the preamble are found to be true and correct and are incorporated herein as if copied in their entirety.

SECTION 3. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, phrases and words of this Ordinance are severable and, if any word, phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining portions of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional word, phrase, clause, sentence, paragraph, or section.

SECTION 4. Any person, firm or corporation who shall violate any of the provisions of this article shall be guilty of a misdemeanor and upon conviction shall be fined in accordance with the general penalty provision found in The Code of Ordinances, Section 1.109 General Penalty for Violations of Code.

SECTION 5. This ordinance will take effect immediately from and after its passage and the publication of the caption, as the law and Charter in such cases provide.

PASSED AND APPROVED by the City Council of the City of Sanger, Texas, on this 19th day of December, 2022.

APPROVED:

Thomas E. Muir, Mayor

ATTEST:

Kelly Edwards, City Secretary

APPROVED TO FORM:

Hugh Coleman, City Attorney

City of Sanger

SECTION 1 – PLANNED DEVELOPMENT SUMMARY AND PURPOSE

Use of the Property shall comply with the general use areas shown as Residential, Non-Residential, and Park/Open Space on the Master Site Plan attached as Exhibit A, as it may be amended in accordance with this section, and with the use chart for each general use area as set forth in Exhibit B. The developer may change the boundaries and area of any use area by up to a cumulative amount of ten percent of the land area for each land use area. Any change to the Master Site Plan must be submitted to the Director of Development Services to ensure it is in compliance with this section, and the amended Master Site Plan will become a part of the permanent file maintained by the Director of Development Services for this Planned Development (PD). Any land use changes exceeding the ten percent of the land area for each land use area or changes that deviate from the planned development design standards or City of Sanger Code of Ordinances will need to be presented before Planning and Zoning and City Council for approval. Areas shown on the Master Site Plan as Residential are considered to be residential zoning areas, all other parts of the Property are considered to be nonresidential zoning areas.

Any item not addressed in this PD will conform to the City of Sanger Code of Ordinances.

SECTION 2 – DEFINITIONS

- A. Definitions. Terms used within this PD, including its exhibits, shall be defined as stated below. If a term is not listed below, the definition in the Zoning Ordinance shall apply.
1. Active Park – means a park intended to support activities and equipped with improvements to promote activities, such as picnic tables, shade structures, dog parks and playgrounds.
 2. Amenity Center – means an accessory use to a residential development that may consist of one or more buildings and structures and that may include, but is not limited to, meeting space, recreational facilities (such as a swimming pool and playground).
 3. Block face – means one side of a block between two streets.
 4. Boulevard – means a street divided by a median.
 5. Build-to-Rent – Single family detached or attached dwelling unit, either platted on an individual lot or multiple dwelling units platted on one lot, for the purpose of lease to individual households.
 6. Facade – means any separate face of a building that encloses or covers usable space. A roof is not a facade.
 7. Gas Well Drilling and Production – means development, exploration, and production of natural gas.
 8. General Retail Store, Other Than Listed – means a facility or area for the retail sale of general merchandise or food, but does not include uses specifically listed in this PD.

9. Height – means the vertical distance measured from grade to the highest point of a structure (including a sign).
10. Land Use Category – means one of the following land use categories identified on the permitted use table attached as **Exhibit B**.
11. Large Scale Retail – means a single use retail building that complies with the requirements in **Section 6.B** of this PD.
12. Masonry – means stone or brick laid up unit by unit and set in mortar, or stucco panels.
13. Multifamily – means a building used or designed as a residence for three or more families or households living independently of each other on the same lot.
14. Non-residential building or non-residential development - means a building or a lot containing one or more uses that are not single family or multifamily.
15. Non-residential use – means a use that is not exclusively single family or multifamily.
16. Open Space – means property that is one of the following: a public park, a private park accessible to residents living on the Property, or an undeveloped space open to the sky and accessible by the public and located on private property, such as native mitigation areas or trails, except for development allowed in open space in this PD.
17. Parkway – means the area between a sidewalk and the back of curb.
18. PD – means this Planned Development District.
19. Personal Services – means a facility or area for the sale of personal services, such as a spa or salon, a tailor, a florist, or a pet grooming shop.
20. Pocket Park – means a park that is less than one acre in size.
21. Property – means the property depicted on the attached **Exhibit C** and described by metes and bounds on the attached **Exhibit D**.
22. Residential Building or Residential Development – means a building or a lot with single family or multifamily use.
23. Residential Use - means single family homes detached or attached for sale and for lease, or multifamily use.
24. Single Family Detached – means a single-family dwelling on a separate lot that fronts on a street, a place, or a court, that is not attached to another dwelling unit.

25. Single Family Attached – means a single-family dwelling unit that is attached to another dwelling unit such as a townhome or cottage style residence in groups of two and six dwelling units making up one building.
26. Temporary Use – means of limited duration; not permanent; and/or means a facility or area used as a temporary field construction office, storage of construction equipment and materials associated with an active permit to demolish or construct.

SECTION 3 – SPECIAL REGULATIONS

- A. Any phasing information or development schedule shown on a plat or in documents accompanying a plat shall be informational only and subject to change by the Owner.
- B. This PD will adhere to the City of Sanger Code of Ordinances Chapter 10: Subdivision Regulations.
- C. A preliminary plat shall be recommended for approval by the Planning and Zoning Commission and approved by the City Council if the following standards have been met:
1. The plat conforms to the Master Site Plan.
 2. The plat conforms to the Planned Development Regulations.
 3. The plan conforms to the Subdivision Regulations (Chapter 10).

SECTION 4 – PERMITTED USES

A. PRINCIPAL USES.

1. See Permitted Uses Table Exhibit B.

Permitted Use	Acreage
Single-Family	+/- 29.9
Build-to-Rent	+/- 28.29
Multifamily	+/- 33.04
Non-Residential	+/- 25.03
Storage	+/- 3.07

B. ACCESSORY USES.

1. Accessory outside storage on a single-family lot.
2. Accessory swimming pool, private.
3. Amenity Center.
4. Detached Garages.
5. Carports.
6. Accessory storage units for multifamily purposes.
7. Maintenance building.

SECTION 5 – RESIDENTIAL DEVELOPMENT STANDARDS

A. BULK REQUIREMENTS FOR RESIDENTIAL DEVELOPMENT

1. Swimming pools and accessory outside storage units shall have a minimum five-foot setback from rear and side property lines, however, the setback applies only to the swimming pool or structure, and not to associated decking or paving around the pool or structure.

2. TABLE 5.1 Residential Building Setback and Area Requirements

	Single Family Detached 40' Lots	Single Family Detached 50' Lots	Single Family Detached 70' Lots	Multifamily
Unit Count or DUA	200 Lots	84 Lots	12 Lots	20 DUA or 612 units
Min. Lot Area	4,400 SF	5,500 SF	7,700 SF	N/A
Min. Lot Width	40'	50'	70'	N/A
Min. Lot Depth	110'	110'	110'	N/A
Min. Front Setback	20'	20'	20'	20'
Min. Side Setback	5'	5'	5'	5'
Side Street Setback	10'	10'	10'	N/A
Min. Rear Setback	10' / 5' for rear garages	10' / 5' for rear garages	10' / 5' for rear garages	10'
Min. Dwelling Size	1300 SF	1500 SF	2000 SF	700 SF
Max. Lot Coverage	60%	60%	60%	75%
Max. Structure Height	2 Stories / 40'	2 Stories / 40'	2 Stories / 40'	3 Stories / 54'

B. RESIDENTIAL DESIGN STANDARDS

1. Design Features for Single Family Residential Buildings

- a. Except as otherwise provided below, all Single Family Residential attached or detached buildings will comply with the City of Sanger Exterior Façade Design Criteria Manual Points System – dated October 7, 2019.
 - i. Material percentages are calculated from the finished floor to the top plate at the upper floor.
 - ii. Single-family attached dwelling units are permitted to be platted with multifamily lots, not individually.
 - iii. Single-family attached dwelling units are not required to appear as a single unit.
 - iv. Single-family attached buildings will follow adopted International Building Code (IBC) for fire rated walls.

- v. Repeated elevations for single family attached homes on multifamily platted lots are permitted.
- vi. Rear-facing garages served from an alley shall be located a maximum of 5 feet from the rear property line. Additional on-street parking shall be provided in designated areas.

2. Design Features for Multifamily Buildings

- a. Except as otherwise provided below, all multifamily buildings will comply with the City of Sanger Exterior Façade Design Criteria Manual Points System – dated October 7, 2019.
 - i. Each multifamily development phase shall provide three of the following amenities:
 - a. Swimming pool
 - b. Fitness center
 - c. Clubhouse with 1,000 square feet of community gathering space
 - d. Covered Picnic Area
 - e. Dog Park of at least 2,000 square feet in area
 - f. One regulation size pickle ball court, or
 - g. An alternative amenity approved by the Director of Development Services
 - ii. Material percentages are calculated from the finished floor to the top plate at the upper floor.
 - iii. Covered parking structures shall be designed to be architecturally compatible with the main multifamily structures. Exposed steel or timber support columns shall be permitted.

SECTION 6 – NON-RESIDENTIAL DEVELOPMENT STANDARDS

A. BULK REQUIREMENTS FOR NON-RESIDENTIAL DEVELOPMENT

TABLE 5.2 Non-Residential Requirements

Requirement	Non-Residential
Min. Lot Area	None
Min. Front Setback	25'
Min. Side Setback	0'
Min. Rear Setback	20'
Max. Lot Coverage	50%
Min. Street Corner Setback	20'
Max. Structure Height	60'

B. NON-RESIDENTIAL DESIGN STANDARDS

1. Design Features for Non-Residential Buildings

- a. All buildings must include at least four of the following architectural design elements:
 - i. Canopies, awnings, or porticos;
 - ii. Arcades;
 - iii. Display windows;
 - iv. Architectural details (such as tile work and moldings) integrated into the building façade;
 - v. Articulated ground floor levels or base;
 - vi. Articulated cornice line;
 - vii. A combination of no more than two buildings materials constituting a minimum of 60% of the total exterior walls, differentiated by texture, or material, and may be a combination of primary and secondary masonry materials; and
 - viii. Other architectural features as approved by the Director of Development Services.

2. Transparency.

- a. Each commercial and retail floor on a primary façade shall contain at least 50% doors and windows. 25% of primary façade windows shall include two of the following:
 - i. Veranda, Terrace, porch or balcony (accessible for single units) minimum 4 feet deep.
 - ii. Trellis
 - iii. Shed roof awning
 - iv. Bay windows
 - v. Bow window
 - vi. Transom windows
 - vii. Arched windows
 - viii. Gable windows
 - ix. Oval or round windows
 - x. Shutters
 - xi. Decorative stone or brick band
 - xii. Projecting trim casings or surrounds
 - xiii. Projecting muntins or mullions and/or other elements which cause the formation of shadows on the window and the adjacent façade, or
 - xiv. Other features as approved by the Director of Development Services.
- b. This provision does not apply to office use development.

3. Façade Finish

All nonresidential buildings shall be architecturally finished on all four sides with same materials, color, detailing, and features, except the rear if two rows of 3" caliper trees that are planted one every 30 feet on center along the perimeter behind the building. In this case, the architectural finish must match the remainder of the building in color only.

4. Articulation Standards

Any primary façade shall include projections or recesses and vertical variation in the roof line in accordance with the horizontal and vertical articulation requirements set forth below:

a. Horizontal Articulation

- i. A building façade greater than 50 feet in horizontal length, may not extend for a distance greater than five times its average height without a perpendicular offset of at least ten percent of such building height.
- ii. For building with façade length greater than 50 feet, the total length of all façade walls in a single plane may not exceed 60 percent of the total façade length without an offset of at least ten percent of the building height.

b. Vertical Articulation

- ii. For buildings greater than 50 feet in horizontal length, the horizontal wall may not extend for a distance greater than five times its height without a change in elevation of at least 10 percent of such height.
- iii. The total length of all vertical elevation changes in the roofline shall be no less than 10 percent and no more than 40 percent of the total façade length.

5. Building Entrance Standards

- a. Any front building entrance shall be set back at least 15 feet from the drive aisle.
- b. Single-use or multitenant buildings over 50,000 square feet in size shall provide clearly defined, highly visible customer or employee entrances with the integration of awnings or similar architectural features.

6. Canopy Standards

The following provisions shall apply to canopies associated with an ATM canopy, gas station canopy, drive-thru canopy, carport, and other similar auto oriented canopies:

- a. Canopies shall be constructed of roof buildings material consistent with that of the principal building.
- b. Canopy columns shall be finished with material and color matching the main building.

- c. In no case shall the canopy height exceed 20 feet unless approved by the Director of Development Services.

7. Drive-Thru

Drive-thru facilities shall be located to the side or rear of the structure and will meet the City's stacking and parking requirements, unless site constraints limit such orientation, as determined by the Director of Development Services.

8. Overhead Doors

- a. Overhead doors shall not be located closer than 50 feet to a conforming residential lot.
- b. Overhead doors shall be oriented to the side or rear of the structure and not front or face a public right-of-way or public street with the following exceptions:
 - i. An automotive use with a maximum of 4 single, service bays may orient toward a public street only when structural awnings of at least 4 feet are provided over the extent of the overhead doors, or equivalent structural projections are provided in front of the overhead doors to reduce the visual impact of the service bays from the street.
 - ii. A roll up, garage type door installed in a restaurant or bar may be permitted to face a public street if it is architecturally integrated into the building and provides a pedestrian connection with a covered outdoor patio area.
 - iii. When physical site constraints prevent such orientation, the Director of Development Services may consider and approve alternatives

9. Loading Docks

- a. Loading docks shall not be located closer than 40 feet to a conforming residential lot.
- b. Loading docks shall be oriented to the side or rear of buildings, and oriented to not front the public right-of-way, not be visible or face a public street, main drive aisle, or patron parking lot.
- c. When physical site constraints prevent such orientation, the Director of Development Services may consider and approve an alternative.

10. Exterior Colors

All nonresidential buildings shall meet the following exterior color requirements:

- a. A minimum of 80% of all building elevations shall be finished with complimentary neutral, cream, or deep, rich, non-reflective earth tone colors.
- b. No more than 20% of any building elevation may be finished with bright, pure tone primary or secondary colors. These colors shall be limited to use on accent features

including, but not limited to window and door frames, moldings, cornices, canopies, and awnings.

- c. These percentages may be modified upon approval of the Director of Development Services in special cases if the building's elevation maintains sufficient visual continuity.

SECTION 7 – OTHER GENERAL DEVELOPMENT STANDARDS

A. LANDSCAPING

1. Residential Single Family Detached Landscape Requirements. Except as otherwise provided below, landscape requirements shall comply with Section 48, Landscape Regulations of the Zoning Ordinance.
 - a. Each single-family residence shall have an irrigation system in the front yard and street corner side yard.
 - b. Each single-family lot shall have a minimum of two shade trees planted that are at least three caliper inches. One must be in front yard.
 - c. All required trees shall be selected from an approved tree list at Site Plan approval.
 - d. Each home lot shall have a minimum of ten (10) shrubs placed in the front yard. Individual shrubs shall be a minimum of three (3) gallons in size when planted.
2. Multifamily, Townhome, Cottage, and Non-residential Uses Landscaped Requirements. All landscape requirements shall comply with Sections 48.4 and 48.5, Landscape Regulations of the Zoning Ordinance.

B. ENTRANCE REQUIREMENTS

The development entrances from major roadways shall provide a monument sign with lighting and one additional of the following additional landscaping elements:

- a. Textured or decorative pavement.
- b. Enhanced landscaping and/or planting beds with irrigation.
- c. Other landscaping elements as approved by the Director of Development Services.

C. OPEN SPACE

1. The residential portions shall be developed with privately maintained open space located throughout the PD, exclusive of the open space and/or landscaped areas provided on the individual residential lots.
 - a. Multifamily Phase I – 5 acres minimum
 - b. Multifamily Phase II – 5 acres minimum
 - c. Single Family - 13 acres minimum
2. Common areas shall include floodplain, ponds, detention areas, and small open spaces shown on the Preliminary Master Plan Exhibit A. Small Open Spaces shall be connected with sidewalks to be a comprehensive pedestrian system.

3. A pedestrian circulation system shall be provided that affords connectivity to the entire community and the perimeter of the Property. The pedestrian system shall include concrete trails that are a minimum of six feet in width. The pedestrian circulation system may be located on private property with a pedestrian access easement or within the right-of-way. The pedestrian circulation system shall include such items as benches, landscaping, signage, lighting, bike racks, water fountains, trash cans, and pet waste stations.
4. All open space areas and landscaping materials shall be installed in compliance with a Conceptual Landscape Plan and approved concurrently with Detailed Site Plan for each development phase.
5. All landscaping materials shall be maintained in a healthy, living, and growing state, and be irrigated by an automatic irrigation system. Any landscaping that is removed must be replaced with the same or comparable species and caliper plant, as when it was originally installed; provided, however, the Director of Development Services may approve an alternate species of plant upon a finding that the species originally planted has been subjected to disease or other condition that prohibits the ability of the original species to survive long term. The property owner's association shall maintain or cause to be maintained all landscaping materials and irrigation system located in open spaces, landscaped medians, and other common areas.
6. Parks and open space areas shall be designated on approved plats for the Property.

D. SCREENING/FENCING

1. Single Family Detached Residential Lot Fencing
 - a. Fencing shall be connected to the side of the house on the lot.
 - b. Fencing shall be constructed of wood, brick, or decorative metal.
 - c. Fencing shall be a minimum of six feet in height and a maximum of eight feet in height.
 - d. Fencing along streets shall be located parallel to the curb.
 - e. Fencing shall be constructed so that the side of the fence containing the structural supports is not visible from any public right-of-way.
 - f. All fences constructed of wood must be stained and have metal posts anchored with concrete for structural support.
2. Screen Fencing
 - a. A minimum six-foot tall masonry and/or board-on-board wood with cap screen fence shall be provided between residential and non-residential uses.

- b. A minimum of six-foot tall masonry screen fence shall be provided along the perimeter of the storage facility outlined on the Master Site Plan.

3. Trash Storage Areas

Outdoor trash storage areas visible from a public street must be screened on three sides by a solid wall at least eight feet in height of material that is consistent with the exterior building material of the main building that the storage area serves. Decorative metal opaque gates shall be used to access such trash collection areas.

4. Other

All mechanical, heating, and air conditioning equipment (e.g., rooftop or ground equipment) shall be screened from a ground level view six feet from a public right-of-way with landscaping.

E. SIGNS

- 1. All signs shall be consistent with the architectural style of the associated building within the development.
- 2. Residential signs shall comply with City of Sanger Code of Ordinances Section 3.1408.

3. Non-Residential Signage

- a. All Business signs will generally comply with City of Sanger Code of Ordinances Section 3.1407 with the following exceptions:

- i. The total area per face of a sign shall not exceed 2 square feet of face area for each linear foot of building fascia length.
- ii. Pole signs along Interstate Highway 35 will be limited to a maximum of one hundred (100) feet in height.
- iii. Two Non-Premises Signs shall be a permitted per area between 100 acres and 249 acres.
- iv. Pole signs shall be a maximum of 32 square feet and 8 feet in height unless adjacent to Interstate Highway 35 where 100 square feet and 16 feet in height is allowed.
- v. Pylon signs along Interstate Highway 35 will be limited to a maximum of one hundred (100) feet in height with an allowable area of 1,200 square feet on each side of sign.

- b. Anchor Tenant Signage

- i. One large primary sign may be placed on each façade that faces a public right of way.

- ii. Each primary sign will allow for at least 72 inches for letter and logo height and a secondary sign with a maximum of 36 inches for letters or logos.
 - iii. Separate signage shall be allowed on the anchor façade for businesses that are operating within the anchor space (i.e., coffee shop or bank branch)
- 4. No signs will be allowed in the right-of-way.
- 5. All balloon and inflatable signage shall be limited to temporary use i.e. grand openings and special events. Temporary use being defined as:
 - i. Max. 10-14 days at a time
 - ii. Once every six months per business on a rolling calendar year

F. PARKING

1. General Provisions.

- a. Except as otherwise provided in this paragraph, required parking must be off-street parking. Head-in and parallel spaces located on streets are permitted and count toward required parking.
- b. Unless otherwise stated, all parking spaces may be enclosed or unenclosed.

2. Minimum Parking Requirements.

See Exhibit B: General Permitted Uses for the minimum parking requirements for each principal use.

EXHIBIT "B"
PERMITTED USES CHART

Legend: P = Permitted C = Conditional SUP = Special Use Permit

PERMITTED USES				
	RESIDENTIAL	NON-RESIDENTIAL	OPEN SPACE	MINIMUM PARKING REQUIREMENT ¹
OFFICE				
Offices		P		3:1,000 SF
RECREATION AND ENTERTAINMENT				
Country Club with Golf Course		P	P	1:300 SF
Nightclub		P		1:100 SF
Park, Playground, or Golf Course	P	P	P	Golf course 9.8 per hole; otherwise none
Private Club, Lodge, or Fraternal Organization		P		1:200 SF
Recreation and Entertainment, Indoor		P	SUP	Theater – 1 per 4 seats; Bowling Alley – 6 per lane; Pool Halls and Other Commercial Amusements (Indoor) – 1:100 SF; Racquetball Court – 4 per court; Health Club – 1:200 SF
RESIDENTIAL AND LODGING				
Multi-Family	P			1.60 per dwelling unit
Single Family (attached or detached)	P			2 per dwelling unit
RETAIL AND PERSONAL SERVICE USES				
Bar		P		1:75 SF
Antique Shop		P		2:1,000 SF
Car wash		P		1:150 SF
Catering Service		P		3:1,000 SF
Daycare		P		1 per 8 students
General Personal Services (Cleaning , Laundry)		P		3:1,000 SF
General Personal Services (Copy Center)		P		3:1,000 SF
Custom and Craft Work		P		1:400 SF
Farmers Market		P		1:1,000 SF of site area
Gasoline Sales		P		1:250 SF with a minimum of 4 spaces
General Retail Store , other than listed		P		3:1,000 SF (1:400 SF for furniture sales)
Large Scale Retail		P		3:1,000 SF (1:400 SF for furniture sales)
Nursery, Garden Shop, or Plant Sales		P		3:1,000 SF for indoor portion; 1:600 SF for outdoor portion
Open Air Vending		P		None
Personal Services		P		3:1,000 SF
Restaurant		P		1:150 SF
Veterinary Clinic		C		1:400 SF
TEMPORARY				
Temporary Asphalt or Concrete Batch Plant	P	P	P	None
Temporary Construction Field Office	P	P	P	None
Temporary Construction Storage Yard	P	P	P	None
Temporary Outdoors Sales		P		None
UTILITIES, COMMUNICATIONS AND TRANSPORTATION				
Electric Utility Substation	P	P		None
Radio, TV station , Recording Studio		P		1:400 SF
Utility Lines, Towers or Metering Station	P	P	P	None
Wireless Telecommunication Facilities		P	P	None
WHOLESALE AND STORAGE				
Storage Facility		P		1:3,000 SF
OTHER				
Gas Well Drilling and Production			SUP	None









¹Fractional parking requirements shall be rounded up to the nearest whole number. Unless otherwise stated, references to square footage are to floor area.

EXHIBIT C

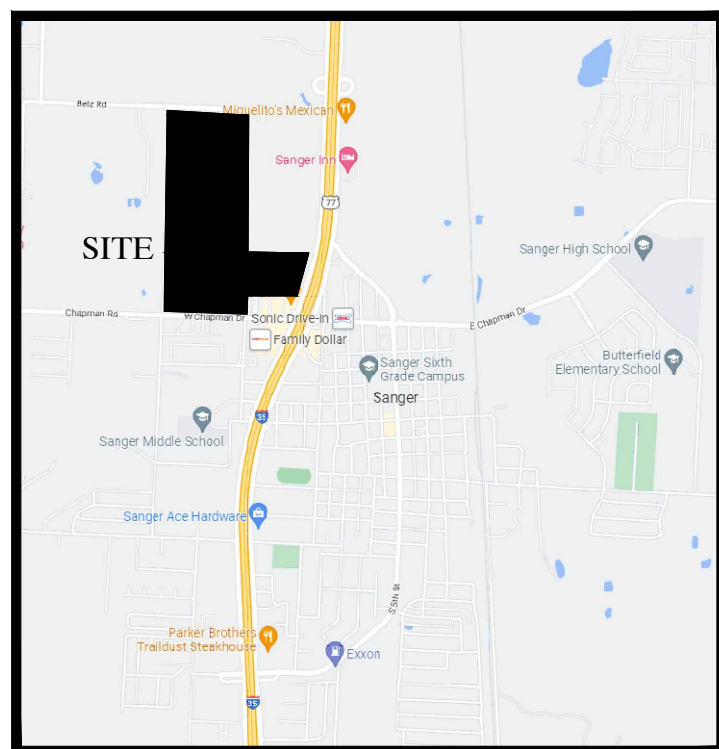
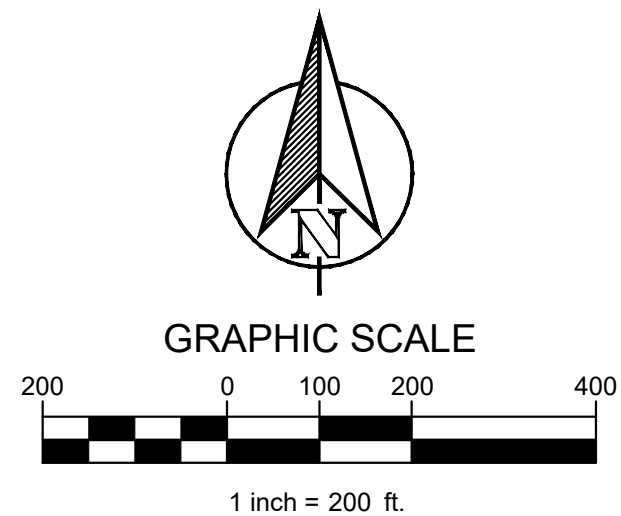
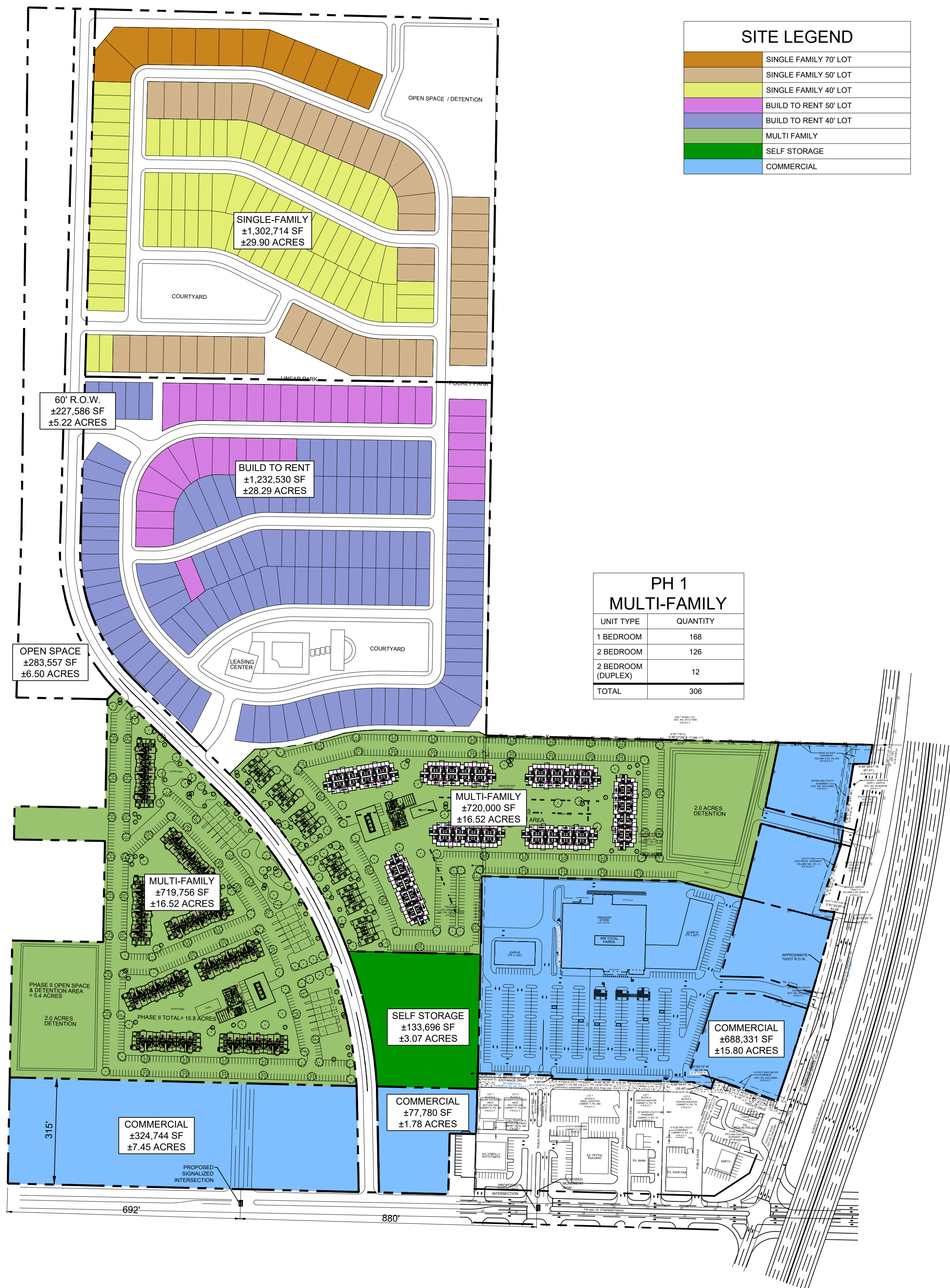
SINGLE FAMILY	
LOT SIZE	QUANTITY
70' WIDTH	12
50' WIDTH	49
40' WIDTH	79
TOTAL	140

BUILD TO RENT	
LOT SIZE	QUANTITY
50' WIDTH	35
40' WIDTH	121
TOTAL	156

PH 2 MULTI-FAMILY	
UNIT TYPE	QUANTITY
1 BEDROOM	192
2 BEDROOM	96
2 BEDROOM (TOWNHOME)	6
3 BEDROOM (TOWNHOME)	6
4 BEDROOM (TOWNHOME)	6
TOTAL	306

SITE LEGEND	
	SINGLE FAMILY 70' LOT
	SINGLE FAMILY 50' LOT
	SINGLE FAMILY 40' LOT
	BUILD TO RENT 50' LOT
	BUILD TO RENT 40' LOT
	MULTI FAMILY
	SELF STORAGE
	COMMERCIAL

PH 1 MULTI-FAMILY	
UNIT TYPE	QUANTITY
1 BEDROOM	168
2 BEDROOM	126
2 BEDROOM (DUPLEX)	12
TOTAL	306



LOCATION MAP

TEXAS REGISTRATION #14196



PRELIMINARY
FOR REVIEW ONLY
Not for construction purposes.

CLAYMOORE ENGINEERING
ENGINEERING AND PLANNING CONSULTANT

Engineer MATT MOORE
P.E. No. 95813 Date 11/21/2022

**SANGER COMMERCIAL
BEING 24.37 ACRES OF LAND OUT OF
HENRY TIERWESTER SURVEY,
ABSTRACT NO. 1241
SANGER, TEXAS**

No	DATE	REVISION	BY

ZONING EXHIBIT

DESIGN:	MAM
DRAWN:	DC
CHECKED:	MAM
DATE:	11/21/2022

SHEET

Z-1

CASE NO.

EXHIBIT D
METES & BOUNDS

Being a 131.82 acre tract or parcel of land situated in the Henry Tierwester Survey, Abstract Number 1214 in the City of Sanger, Denton County, Texas and being all of a called 50 acre tract of land described in the deed to PAC Group, LTD., recorded in Volume 4880, Page 2632 of the Real Property Records of Denton County, Texas and being a portion of a called 61.598 acre tract of land described in the deed to PAC Group, LTD., recorded in Volume 4759, Page 632 of the Real Property Records of Denton County, Texas and being a portion of a called 26.385 acre tract of land described in the deed to John Porter Auto Sales, Inc., recorded in Volume 1330, Page 277 of the Real Property records of Denton County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a mag nail found at the Northeast corner of said 50 acre tract and the common Northwest corner of a called 2.501 acre tract of land described in the deed to Daniel Raymond Wolfe and Brianna Lynn Wolfe, recorded in Document Number 2021-21494 of the Official Records of Denton County, Texas and being in Belz Road;

THENCE South 01°00'05" West, with the East line of said 50 acre tract and the common West line of said 2.501 acre tract, passing at a distance of 655.80 feet a 3/8" iron rod found at the Southwest corner of said 2.501 acre tract and the common Northwest corner of a called 10.42 acre tract of land described in the deed to M & G sanger Real Estate, LLC., recorded in Document Number 2019-27076 of the Official Records of Denton County, Texas, continuing on said course and with the East line of said 50 acre tract and the common West line of said 10.42 acre tract, passing at a distance of 1017.17 feet a 1/2" iron rod found at the Southwest corner of said 10.42 acre tract and the common Northwest corner of a called 30.96 acre tract of land described in the deed to Holt Texas, LTD., recorded in Document Number 2013-71958 of the Official Records of Denton County, Texas, continuing on said course and with the East line of said 50 acre tract and the common West line of said 30.96 acre tract a total distance of 1561.92 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Southeast corner of said 50 acre tract and the common Northeast corner of said 61.598 acre tract;

THENCE South 00°48'52" West, with the East line of said 61.598 acre tract and the common West line of said 30.96 acre tract, a distance of 563.24 feet to a 1/2" iron rod found at the Southwest corner of said 30.96 acre tract and the common Northwest corner of said 26.385 acre tract;

THENCE South 88°37'28" East, with the North line of said 26.385 acre tract and the common South line of said 61.598 acre tract, passing a capped 5/8" iron rod stamped "TXDOT ROW MON" found at a distance of 1122.76 feet and continuing on said course a total distance of 1186.11 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Northeast corner of said 26.385 acre tract and the common Southeast corner of said 61.598 acre tract and being in the West Right-of-Way line of Interstate Highway I-35/ U.S. Highway 77/North Stemmons Street (a variable width right-of-way);

THENCE South 08°17'12" West, with the East line of said John Porter Auto Sales tract and the common West right-of-way line of said Interstate Highway I-35 East, a distance of 57.19 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Northeast corner of a called 0.3585 acre tract of land described as parcel 145 in the deed to the State of Texas, recorded in Document Number 2020-172411 of the Official Records of Denton County, Texas;

THENCE North 89°38'41" West, with the North line of said parcel 145, passing a capped 5/8" iron rod stamped "TXDOT ROW MON" found at the Northwest corner of said parcel 145 at a distance of 63.47 feet and continuing with the North line of the remainder of a tract of land described in the deed to Stephen L. Martin & Gary L. Martin, recorded in Document Number 96-0044292 of the Official Records of Denton County, Texas and continuing on said course a total distance of 87.41 feet to a 2" metal post found at the Northwest corner of said Martin Tract;

THENCE South 08°57'38" West, with the West line of said Martin tract, a distance of 247.92 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Southwest corner of said Martin tract and the common Northwest corner of the remainder of a tract of land described as "TRACT II" in the deed to Hazel Martin, recorded in Volume 2163, Page 47 of the Official Records of Denton County, Texas;

THENCE South 18°48'25" West, with the West line of said "TRACT II", a distance of 198.82 feet to a 1/2" iron rod found at the Southwest corner of said "TRACT II";

THENCE South 81°33'29" East, with the South line of said "TRACT II", passing a 5/8" iron rod with cap stamped "TXDOT ROW MON" found at the Southwest corner of a called 0.0135 acre tract of land described as parcel 144 in the deed to the State of Texas, recorded in Document Number 2020-74514 of the Official Records of Denton County Texas at a distance of 41.31 feet and continuing on said course and with the South line of said parcel 144 a total distance of 83.58 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Southeast corner of said parcel 144 and in the East line of said 26.385 acre tract and the common West right-of-way line of said Interstate Highway I-35;

THENCE with the East line of said 26.385 acre tract and the common West right-of-way line of said Interstate Highway I-35 the following courses and distances;

South 19°40'28" West, a distance of 47.78 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set;

With a curve to the right having a radius of 5554.65 feet, a delta angle of 05°36'59", a chord bearing of S 16°34'59" W, a chord length of 544.26 feet, and an arc length of 544.48 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Northeast corner of a called 0.1483 acre tract of land described as parcel 131 in the deed to the State of Texas, recorded in Document Number 2020-44894 of the Official Records of Denton County, Texas;

THENCE North 70°40'52" West, with the North line of said parcel 131, passing a capped 5/8" iron rod stamped "TXDOT ROW MON" found at the Northwest corner of said parcel 131 at a distance of 36.78 feet and continuing on said course and with the North line of Lot 1, Block A of Foodmaker Addition an addition to the City of Sanger, recorded in Cabinet P, Page 105 of the Plat Records of Denton County, Texas and the North line of an Access Driveway, Utility & Signage Easement-Annex "4", recorded in Document Number 98-R0061221 of the Official Records of Denton County, Texas, a total distance of 233.60 feet to a called 1/2" iron rod stamped "EAGLE SURVEYING" set at the Northwest corner of said Access Driveway, Utility & Signage Easement-Annex "4";

THENCE South 20°05'13" West, with the West line of said Access Driveway, Utility & Signage Easement-Annex "4", a distance of 30.70 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Northeast corner of Potter Addition an addition to the City of Sanger, recorded in Cabinet U, Page 76 of the Plat Records of Denton County, Texas;

THENCE North 69°54'47" West, with the North line of said Potter Addition, a distance of 55.48 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set;

THENCE North 88°36'29" West, with the North line of said Potter Addition, passing a capped 1/2" iron rod stamped "ISBEL ENGR" found at the Northwest corner of Potter Addition and the common Northeast corner of Isbell Addition an addition to the City of Sanger, recorded in Cabinet Y, Page 669 of the Plat Records of Denton County, Texas at a distance of 194.58 feet and continuing on said course and with the North line of said Isbell Addition a total distance of 419.32 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Northwest corner of said Isbell Addition and in the East line of Sanger Exchange West-Section One an addition to the City of Sanger, recorded in Cabinet E, Page 280 of the Plat Records of Denton County, Texas;

THENCE North 01°13'52" East, with the East line of said Sanger Exchange West-Section One, a distance of 9.80 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Northeast corner of said Sanger Exchange West-Section One;

THENCE North 88°21'17" West, with the North line of said Sanger Exchange West-Section One, a distance of 221.87 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Northwest corner of said Sanger Exchange West-Section One and being in the West line of said 26.385 acre tract and in the common East line of said 61.598 acre tract;

THENCE South 01°26'23" West, with the East line of said 61.598 acre tract and the common West line of said Sanger Exchange West, Section One, a distance of 180.60 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set in the North line of O'Reilly Addition an addition to the City of Sanger, recorded in Document Number 2020-71 of the Plat records of Denton County, Texas;

THENCE North 88°48'42" West, with the North line of said O'Reilly Addition, a distance of 77.60 feet to a 1/2" iron rod found at the Northwest corner of said O'Reilly Addition;

THENCE South 01°24'37" West, a distance of 178.63 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set in the South line of said 61.598 acre tract and the common North line of Farm to Market Road 455;

THENCE North 88°49'25" West, with the South line of said 61.598 acre tract and the common North line of said Farm to Market Road 455, a distance of 1307.41 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Southwest corner of said 61.598 acre tract;

THENCE North 00°58'47" East, with the West line of said 61.598 acre tract and the common East line of a called 95 acre tract of land described in the deed to Jackson Jay Marshall, recorded in Document Number 2013-133569 of the Official Records of Denton County, Texas, a distance of 724.59 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Southwest corner of a called 1.86 acre tract of land described in the deed to John W. Porter, recorded in Document number 96-R0026290 of the Real Property Records of Denton County, Texas;

THENCE South 89°01'13" East, with the South line of said 1.86 acre tract, a distance of 270.00 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Southeast corner of said 1.86 acre tract;

THENCE North 00°58'47" East, with the East line of said 1.86 acre tract, a distance of 300.00 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Northeast corner of said 1.86 acre tract;

THENCE North 89°01'13" West, with the North line of said 1.86 acre tract, a distance of 270.00 feet to a 100-D nail found at the Northwest corner of said 1.86 acre tract and being in the West line of said 61.598 acre tract and the common East line of said 95 acre tract;

THENCE North 00°58'47" East, with the West line of said 61.598 acre tract, a distance of 98.65 feet to a capped 1/2" iron rod stamped "KAZ" found at the Southwest corner of a called 2.00 acre tract of land described in the deed to the City of Sanger, recorded in Document Number 2015-146437 of the Official Records of Denton County, Texas;

THENCE South 88°56'57" East, with the South line of said 2.00 acre tract, a distance of 269.84 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Southeast corner of said 2.00 acre tract;

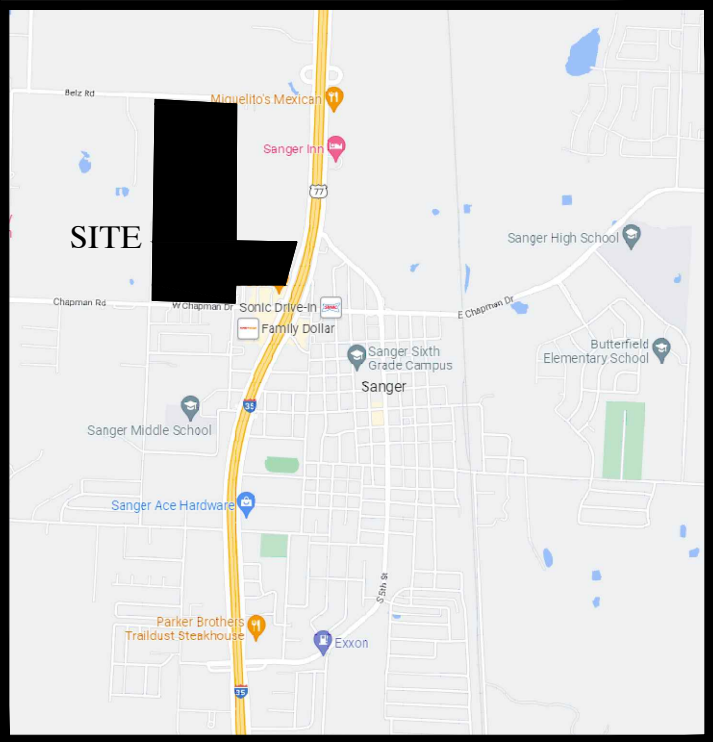
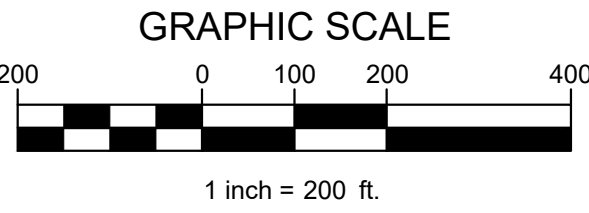
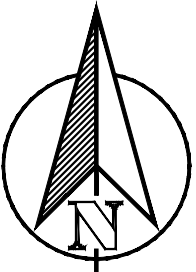
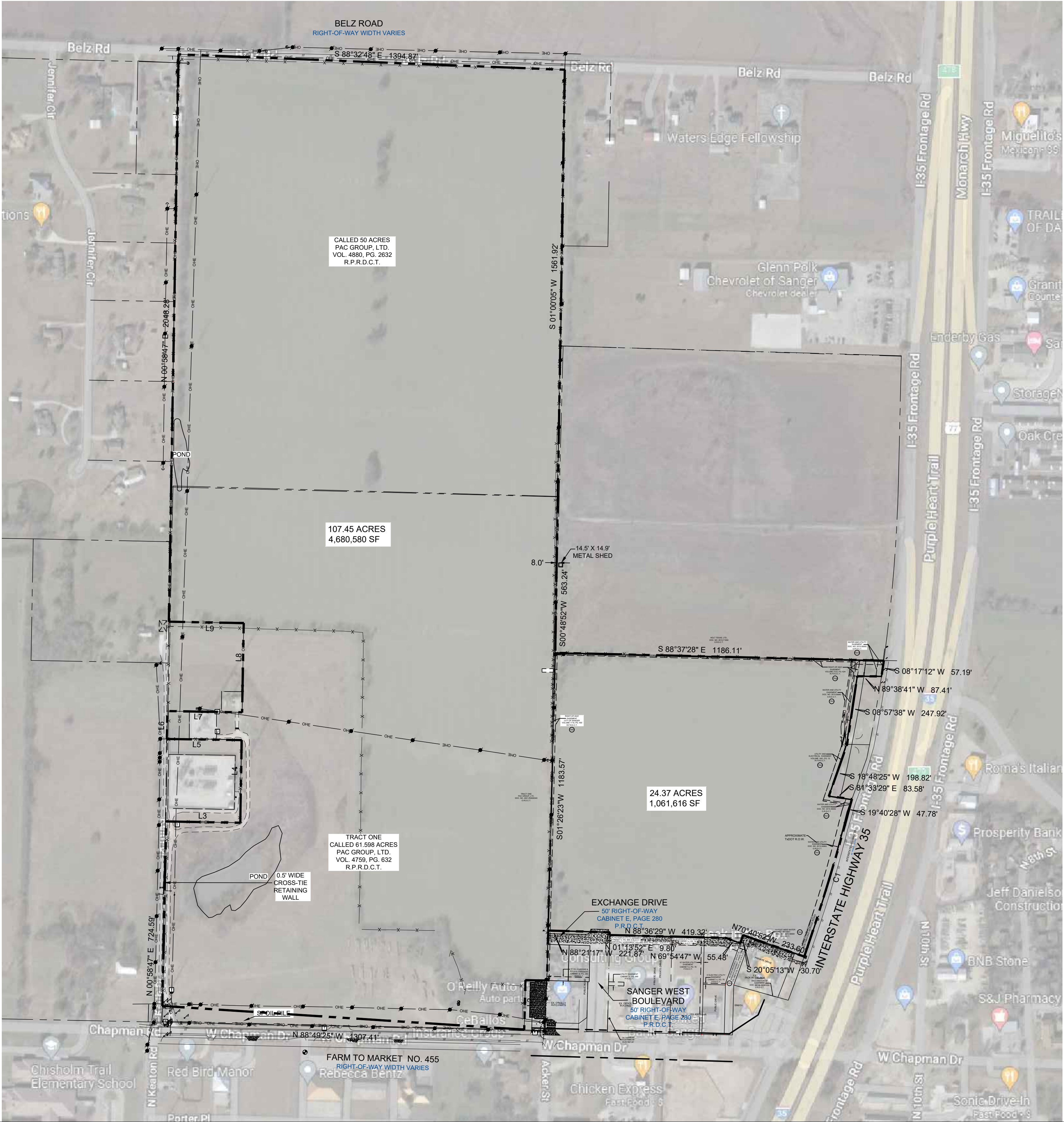
THENCE North 01°03'03" East, with the East line of said 2.00 acre tract, a distance of 322.56 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Northeast corner of said 2.00 acre tract;

THENCE North 88°56'57" West, with the North line of said 2.00 acre tract, a distance of 270.24 feet to a capped 1/2" iron rod stamped "EAGLE SURVEYING" set at the Northwest corner of said 2.00 acre tract and being in the West line of said 61.598 acre tract;

THENCE North 00°58'47" East, with the West line of said 61.598 acre tract and the West line of said 50 acre tract and the common East line of Meadow Land Addition an addition to the City of Sanger, recorded in Cabinet F, Page 80 of the Plat Records of Denton County, Texas, a distance of 2048.28 feet to a 1/2" iron rod found at the Northwest corner of said 50 acre tract and being in Belz Road;

THENCE South 88°32'48" East, with the North line of said 50 acre tract, a distance of 1394.87 feet to the **POINT OF BEGINNING** and containing 131.82 acres of land more or less.

EXHIBIT E



LOCATION MAP

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 88°48'42" W	77.60'
L2	S 01°24'37" W	178.63'
L3	S 89°01'13" E	270.00'
L4	N 00°58'47" E	300.00'
L5	N 89°01'13" W	270.00'
L6	N 00°58'47" E	98.65'
L7	S 88°56'57" E	269.84'
L8	N 01°03'03" E	322.56'
L9	N 88°56'57" W	270.24'

CURVE TABLE				
CURVE	ARC LENGTH	RADIUS	DELTA ANGLE	CHORD BEARINGS
C1	544.48'	5594.65'	5.3659°	S 16°34'59" W

TEXAS REGISTRATION #14199

CLAYMOORE ENGINEERING

1005 CENTRAL DRIVE, SUITE 400
BEDFORD, TX 76021
PHONE: 817.281.8573
WWW.CLAYMOOREENGINE.COM

PRELIMINARY

FOR REVIEW ONLY
Not for construction purposes.

CLAYMOORE ENGINEERING
ENGINEERING AND PLANNING CONSULTANTS

Engineer: MATT MOORE
P.E. No. 95813 Date: 8/17/2022

MALOUF SANGER, TEXAS

No.	DATE	REVISION	BY

DESIGN: MAM

DRAWN: DC

CHECKED: MAM

DATE: 8/17/2022

SHEET

1

CASE NO.

PLOTTED BY: DAN CABALLERO
PLOT DATE: 8/17/2022 11:18 AM
LOCATION: Z:\PROJECTS\PROJECTS\2022-185 MALOUF SANGER\CADD\BASE\EXHIBIT C REV.DWG
LAST SAVED: 8/17/2022 11:04 AM



201 Bolivar Street/PO Box 1729 * Sanger, TX 76266
940-458-2059(office) 940-458-4072(fax) www.sangertexas.org

ZONING CHANGE/SUP APPLICATION

X

Zoning Change

Specific Use Permit

Applicant	Owner (if different from applicant)
Name: Matt Moore	Name: John Porter
Company: ClayMoore Engineering, Inc.	Company: John Porter Auto Sales Inc.
Address: 1903 Central Dr. #406	Address: 1809 Hinkle Dr. #100
City, State, Zip Bedford, TX 76021	City, State, Zip Denton, TX 76201-1768
Phone: 817.281.0572	Phone:
Fax:	Fax:
Email: matt@claymooreeng.com	Email:

Submittal Checklist

<input type="checkbox"/>	Site Plan (for Specific Use Permits Only)
<input type="checkbox"/>	Letter of Intent
<input type="checkbox"/>	Application Fee (Check Payable to City of Sanger)

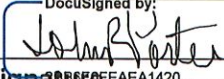

I certify that I am the legal owner of the above referenced property and that to the best of my knowledge this is a true description of the property upon which I have requested the above checked action. I designate the applicant listed as my representative.

Describe the subject property (address, location, size, etc.):

Interstate 35 Stemmons Freeway Sanger, TX 76266 Henry Tierwester Survey Abstract # 1241 - 24.37 Acres

Describe the proposed zoning change or Specific Use Permit (SUP):

AG to Planned Development

DocuSigned by:

 Owner Signature 8/15/2022

 Applicant Signature Date
08/10/2022

Office Use

	Fee
	Date

City of Sanger
201 Bolivar / P.O Box 1729
Sanger, TX 76266
940-458-2059 (office) 940-458-4072 (fax) www.sangertexas.org



201 Bolivar Street/PO Box 1729 * Sanger, TX 76266
940-458-2059(office) 940-458-4072(fax) www.sangertexas.org

ZONING CHANGE/SUP APPLICATION

☒

Zoning Change

☐

Specific Use Permit

Applicant	Owner (if different from applicant)
Name: Matt Moore	Name: Ann Andrus
Company: ClayMoore Engineering, Inc.	Company: Pac Group Ltd.
Address: 1903 Central Dr. #406	Address: 1809 Hinkle Dr. #100
City, State, Zip Bedford, TX 76021	City, State, Zip Denton, TX 76201-1768
Phone: 817.281.0572	Phone:
Fax:	Fax:
Email: matt@claymooreeng.com	Email:

Submittal Checklist

<input type="checkbox"/>	Site Plan (for Specific Use Permits Only)
<input type="checkbox"/>	Letter of Intent
<input type="checkbox"/>	Application Fee (Check Payable to City of Sanger)

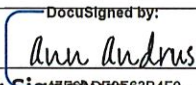

I certify that I am the legal owner of the above referenced property and that to the best of my knowledge this is a true description of the property upon which I have requested the above checked action. I designate the applicant listed as my representative.

Describe the subject property (address, location, size, etc.):

1609 W. Chapman Dr. Sanger, TX 76266 Henry Tierwester Survey Abstract # 1241 - 107.45 Acres

Describe the proposed zoning change or Specific Use Permit (SUP):

AG to Planned Development

DocuSigned by:

 Owner Signature

 Applicant Signature

8/15/2022
 Date
 08/10/2022
 Date

Office Use

	Fee
	Date

City of Sanger
201 Bolivar / P.O Box 1729
Sanger, TX 76266
940-458-2059 (office) 940-458-4072 (fax) www.sangertexas.org

LETTER OF INTENT

Malouf Interests, Inc.
Old Parkland - Freedom Place
4143 Maple Ave., Suite 325
Dallas, TX 75219

August 18, 2022

Ramie Hammonds
Director of Development Services
City of Sanger
201 Bolivar Street/PO Box 1729
Sanger, TX 76266

Ms. Hammonds:

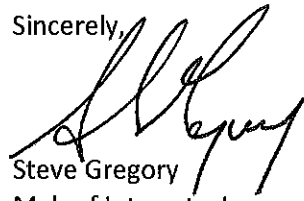
Malouf Interests, Inc. respectfully requests the rezoning of 24.37 acres along Interstate 35 known as Henry Tierwester Survey Abstract #1241 and 107.45 acres at 1609 W. Chapman Drive, Sanger, Texas 76266 into a Planned Development (PD). Both parcels of land are currently zoned for agriculture.

The development vision encompasses both residential and non-residential uses for a cohesive and complete community design. The overall master plan places commercial and retail development along the Interstate Highway 35 frontage road and along Chapman Road. This approach capitalizes on high frequency traffic and concentrates density next to major thoroughfares. Malouf plans to bring a major grocery store to anchor the retail development section and provide essential resources to the community. Residential uses include two phases of traditional multifamily and two sections single family detached homes. The residential uses gradually decrease in density and form as they transition away from the commercial area toward existing single-family homes. The first section of single-family homes abutting the multifamily will be a built-to-rent community. Residents enjoy the same quality, privacy and square footage offered to the for-sale market with the added benefit of maintenance free living. The final section of single-family homes will be offered for market rate sale.

The overall purpose of the PD is to offer cohesive design standards that elevate the overall quality of development. It also offers the intentionality of creating valuable open space and an interconnected design for vehicular and pedestrian modes of transportation between uses. A planned development also allows professionals to provide a holistic approach to engineering design across all parcels.

Thank you for your consideration to rezone the agriculture land into a master planned development to meet the City of Sanger's expansion in a comprehensive manner.

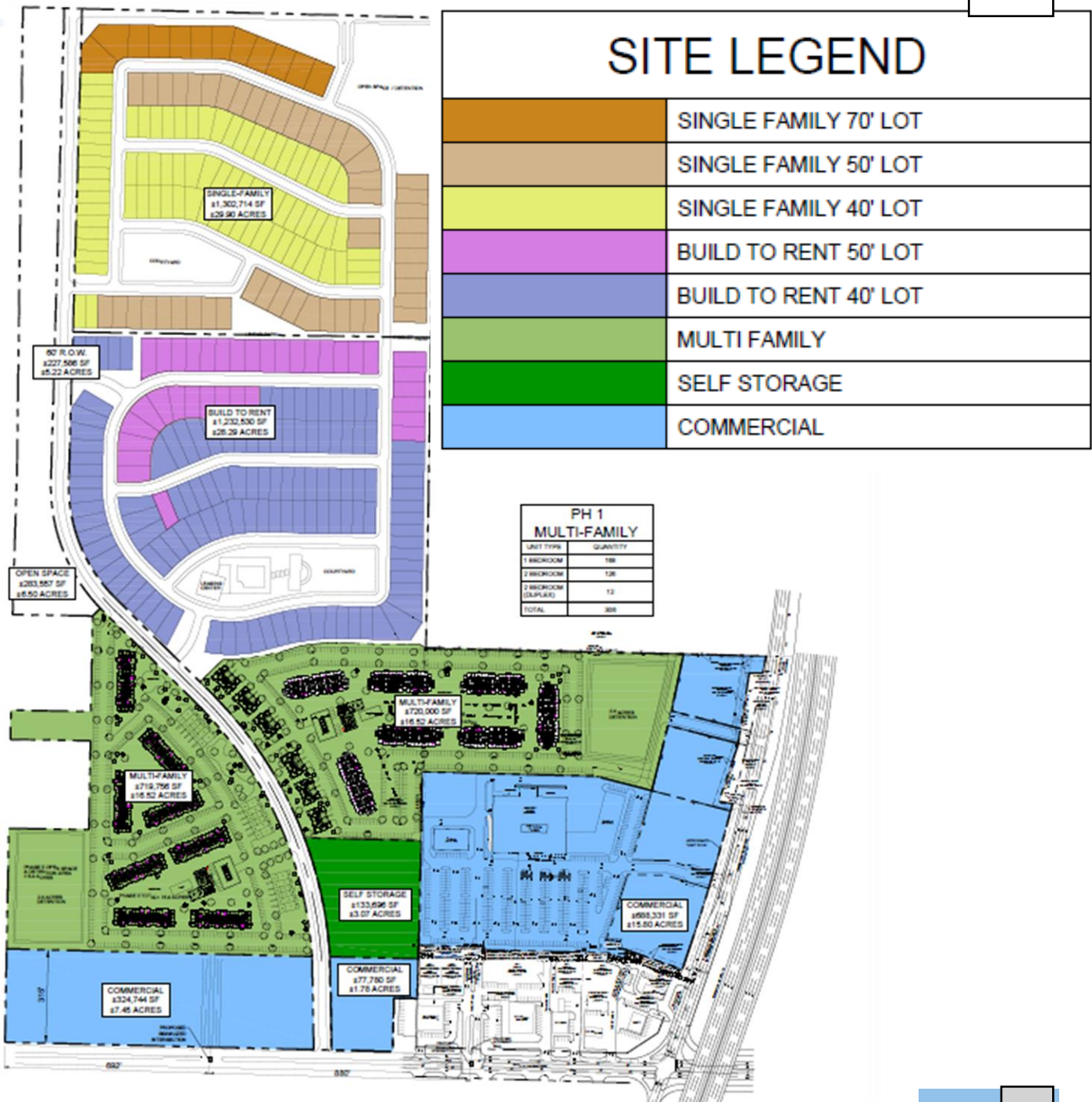
Sincerely,



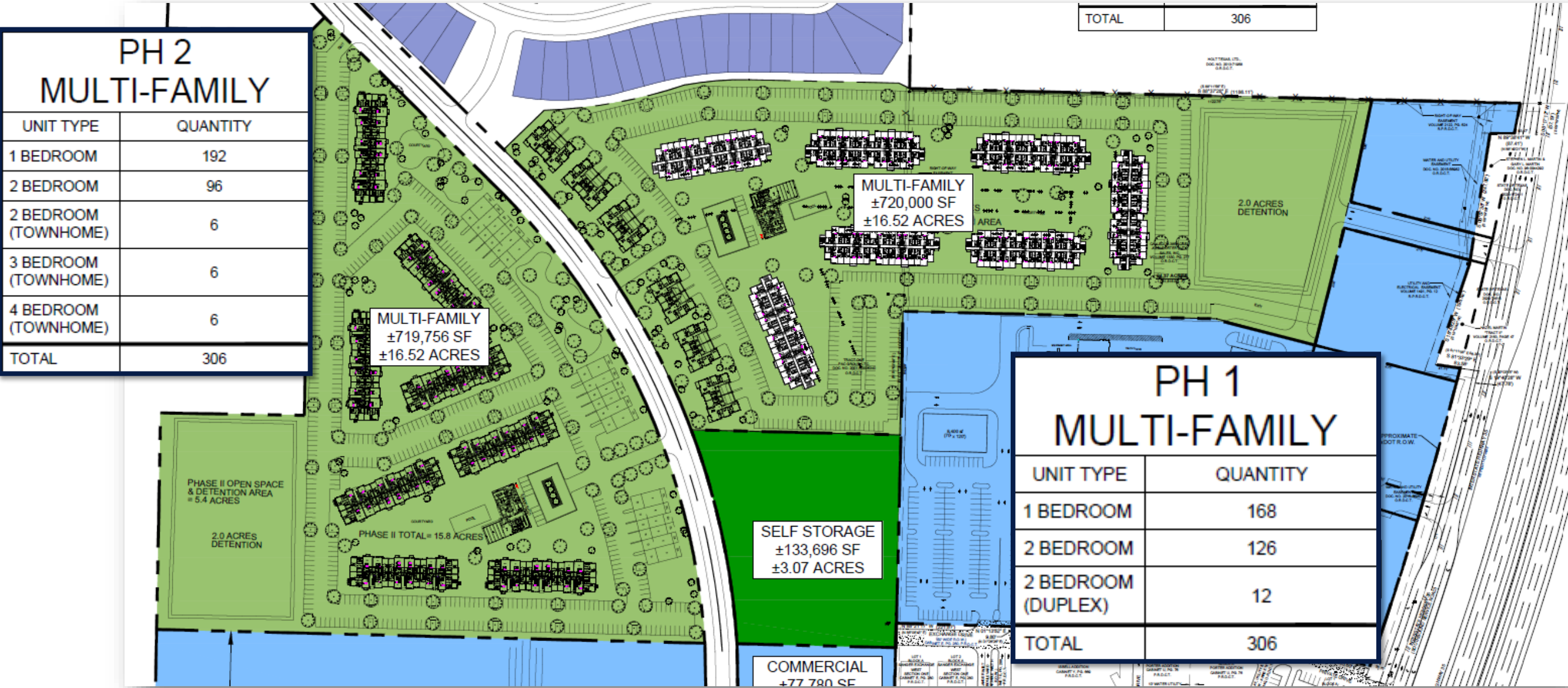
Steve Gregory
Malouf Interests, Inc.



- **Diversity Housing:** The intermix of lot sizes and housing products ranging from 70' lots to one-bedroom units allows for a variety of housing options.
- **Build-to-Rent:** Community built to have the look and feel of an elevated single-family neighborhood with detached homes serviced by its own amenities and neighborhood maintenance.
- **Multifamily, Cottages, Townhomes:** Provide density to support retail commercial while also transitioning from commercial uses to single family development.
- **Commercial:** 50,000+ Square Foot Grocer as anchor tenant supports concentrated commercial growth at highly visible intersection.



GREYSTAR MULTIFAMILY PHASE I AND II PRELIMINARY SITE PLAN





CONCEPTUAL EXTERIOR RENDERING
GREYSTAR DEVELOPMENT



CONCEPTUAL EXTERIOR RENDERING
GREYSTAR DEVELOPMENT



CLUB HOUSE RENDERING
GREYSTAR DEVELOPMENT



CONCEPTUAL INTERIOR KITCHEN
GREYSTAR DEVELOPMENT





SINGLE FAMILY KITCHEN/DINING/LIVING AREAS



SINGLE FAMILY PRIMARY BATH



EXAMPLE BOULEVARD ENTRANCE FROM CHAPMAN ROAD



- ✓ An alternative to one-off rental homes in neighborhoods
- ✓ Integrate well with surrounding neighborhoods
- ✓ Well-designed and livable floor plans
- ✓ Offer potential residents a home while they seek to purchase/build in the community

	City of Sanger	Sanger ISD	Bonding Capacity
Current Tax Revenue	\$12,792	\$38,227	\$88,000
Tax Revenue for Developed Residential	~ \$1,061,094	~ \$2.5 Million	~ \$5.8 Million

BENEFITS TO THE COMMUNITY

Item 6.

1. Less Dense than Traditional Multi-family
2. Built to the Scale of a House
3. All Homes are Professionally Maintained by Property Management
4. Increase in Taxable Value that is NOT Subject to Homestead and Senior Exemptions.



[Greystar](#) is one of the world's leading residential real estate firms specializing in the investment, development, and management of rental housing through its vertically integrated global platform. Headquartered in Charleston, South Carolina, Greystar manages and operates over an estimated \$220 billion+ of real estate in more than 200 markets globally including offices throughout the United States, United Kingdom, Europe, Latin America, and the Asia-Pacific region. Greystar is the largest operator of apartments in the United States, managing more than 740,000 units/beds, and has a robust institutional investment management platform with approximately \$41.3 billion of assets under management, including over \$19.2 billion of assets under development.



[Malouf Interests](#) was established in 1995 by Matthew Malouf. Malouf Interests is a Real Estate firm experienced in the development of retail, mixed use, office and medical properties and raw land. Services include turnkey build-to-suits, site selection, financing, leasing, and redevelopment. Mr. Malouf has developed for dozens of national retailers including Tom Thumb, United Supermarkets, Sprouts, LA Fitness, Walgreens, Eckerd, Best Buy, Starbucks, Staples, Office Depot, Bank of America, McDonald's, Chick-Fil-A, Wendy's and 7-11.



CITY COUNCIL COMMUNICATION

DATE: December 19, 2022

FROM: Jim Bolz, Director of Public Works

AGENDA ITEM: Consideration and possible action on Addendum 6 with Dannenbaum Engineering Corporation related to FM 455/I-35 aesthetics and additional utility coordination and construction inspection services in the amount not to exceed \$231,356.76 and authorize the City Manager to execute said addendum.

SUMMARY:

- FM 455/I-35 Aesthetics and Utility Coordination

FISCAL INFORMATION:

Budgeted: Yes Amount: \$231,356.76 GL Account: 840-50-6526.2 & 840-54-6526.2

- Aesthetic originally were discussed at the start of FM 455/I-35 project
- During transition phase/management, aesthetics was not included during engineering, both city and TXDOT had changes in staff
- City inquired about aesthetics during utility relocates, which prompted new discussion and why they had not been included under original discussions with TXDOT
- Per discussion with council, aesthetics are being pursued
- TXDOT has agreed for the City to have medallions as discussed throughout the project
- This addendum also included additional inspection for utility relocated because city reached max-out

RECOMMENDED MOTION OR ACTION:

Staff recommends approval

ATTACHMENTS:

- Attachment A: Hourly Fee and Expense Schedule
- Addendum No. 6

ADDENDUM No. 6
TO AGREEMENT FOR PROFESSIONAL SERVICES
(City of Sanger, DEC Project # 514301)

This Addendum to the AGREEMENT FOR ENGINEERING SERVICES (the “Agreement”) is for additional Professional Engineering Services for Construction Administration (the “Addendum”) is by and between the **City of Sanger** (the “Owner”) and **Dannenbaum Engineering Company, Dallas LLC** (“Engineer”), to be effective the _____th day of _____ 2022.

WHEREAS, the Owner and Engineer originally entered into an Agreement for Professional Engineering Services, dated December 9, 2022 (the “Agreement”) to perform certain professional design services required; and

WHEREAS, the Owner and Engineer now desire to amend the original Agreement to support Construction Administrative Service during the construction of the Utility Relocation in Advance of the TxDOT FM 455 Improvement project and design of medallions on proposed retaining walls as reflected herein.

NOW, THEREFORE, the Owner and Engineer, in consideration of the mutual covenants and agreements herein contained, do mutually agree as follows:

1. Scope of Work – See Exhibit “F”
 - a. Scope of Services for Construction Administration and Basis of Payment shall be made a part of the Agreement for all purposes. This cost includes Sub consultant survey costs, printing costs and travel reimbursement of expense, not to exceed \$231,365.76

Attest:


Approved By: City of Sanger

Kelly Edwards, City Secretary

John Noblitt
City Manager

Approved as to Form
And Legality

City Attorney



Will Gladbach, PE
DEC Area Manager

Basis of Payment – Lump Sum Basis based upon attached work breakdown schedule

The lump sum shall be equal to the maximum amount payable and based on an approved work breakdown schedule and Level of Effort proposal. The lump sum includes all direct and indirect costs and fixed fee. The ENGINEER shall be paid pro rata based on the percentage of work completed and per the provided draw schedule (if applicable). For payment, the ENGINEER is not required to provide evidence of actual hours worked, travel, overhead rates or other evidence of cost.

Special Services Rate Basis

Special Services or additional services will be billed at the specified rates for each billing classification are shown in the Dannenbaum Engineering Company latest Hourly Rate Schedule. Payment shall be based on actual hours worked multiplied by the specified personnel rate which includes direct labor and indirect cost and fixed fee.

Attachments:

Exhibit “F” Scope of Work - Construction Administration Services for the Utility Relocation in Advance of the TxDOT FM 455 Improvement

Exhibit “G” Supplemental Hourly Fee & Expenses Schedule

EXHIBIT “F”

SCOPE OF WORK

Construction Administrative (CA) Services

Project Description: The project consists of approximately 19,266 LF of 12”, 8”, 6”, 4” and 2” PVC DR 18 water pipelines replacement and or relocation at numerous locations by Open Cut and Other than Open Cut construction, and 12”, and 27” sanitary sewer lines replacement by Open Cut, Other Than Open Cut and Pipe Bursting along FM 455, from FM Metz Road to Marion Road, where utility conflicts with the proposed TxDOT improvements; provide construction plans for 4 retaining wall medallions.

A. TASK 1 – PROJECT MANAGEMENT

Manage professional services to support the PROJECT. These services will include developing and reviewing, at a minimum, progress reports, schedules, and invoices to support the PROJECT. ENGINEER shall provide professional services in this Task as follows:

- (1) ENGINEER’S Project Manager shall be the OWNER’S primary client contact with the ENGINEER; and
- (2) Manage sub-consultants to confirm all PROJECT activities are compatible, integrated, and meet the PROJECT requirements;
- (3) Prepare monthly a Project Summary Report and submit with ENGINEER’S monthly invoice.
 - (a) Summary of actions and decisions needed from the OWNER; and
 - (b) Potential changes in scope, costs, or schedule.

B. TASK 2 – CONSTRUCTION ADMINISTRATION SERVICES

Provide the following services for the PROJECT:

- (1) In performing services, ENGINEER shall endeavor to protect the OWNER against defects and deficiencies in the work of Contractors. ENGINEER shall report any deficiencies to the OWNER. However, it is understood that ENGINEER does not guarantee the Contractor’s performance, nor is ENGINEER responsible for supervision of the Contractor’s operation and employees; ENGINEER shall not be responsible for the means, methods, techniques, sequences, or procedures of construction selected by the Contractor, or the safety precautions and programs incident to the work of the Contractor, except where specified. ENGINEER shall not be responsible for the acts or omissions of any person (except his own employees or agent)

at the PROJECT site or otherwise performing any of the work of the PROJECT;

- (2) Monitor quality assurance and notify OWNER of non-conforming work observed. Promptly recommend action to correct defective work, and recommend to the OWNER special materials tests and performance tests needed to obtain a quality PROJECT;
- (4) Consult with and advise the OWNER during construction, and make recommendations regarding materials and workmanship;
- (5) Interpret the intent of the plans and specifications for the OWNER. This includes Request for Information (RFI), Field Order (FO) or Proposed Contract Modification (PCM).
- (6) Review and comment on Contractor's payment applications and schedule updates from the Contractor throughout the term of this agreement. The ENGINEER shall have the capability to review and analyze construction contract schedules pursuant to the General and Supplementary Conditions of the Construction Contract; The review must include the ENGINEER'S:
 - (a) Review the percent of the cost of work in place approximates the scheduled percentage of the work in place;
 - (b) Review the Contractor is following the logic shown in the schedule;
 - (c) Review and comment regarding any schedule narrative accompanying the schedule; and
- (7) Assist the OWNER with PROJECT completion activities. Determine if the completed construction conforms with the design. Prepare a list of deficiencies to be corrected by the Contractor before final payment is released;
- (8) Assist the AUTHORITY to obtain legal releases, BUT AMERICAN requirements have been met, permits, warranties, spare parts, detailed equipment asset list, geographic information system (GIS) data, and keys, as applicable, from the Contractor;
- (9) Examine the Contractor's construction as-built drawings and geographic information system (GIS) database once a month throughout the term of this agreement to determine that the information is recorded accurately and timely as required in the Contract Documents. Maintain an up-to-date set of as-built drawings which will incorporate all FOs and change orders (COs) into the as-built

drawing set;

- (10) If the construction period extends beyond the date of final completion provided for in the contract documents, then additional work required of the ENGINEER may be considered as a SPECIAL SERVICE.

C. TASK 3 – PRE-CONSTRUCTION MEETINGS, SITE VISITS, AND PROGRESS

- (1) Assist the OWNER in conducting a pre-construction meeting with the Contractor. The ENGINEER shall prepare meeting minutes in the format prescribed by the OWNER;
- (2) Throughout the term of this agreement, the ENGINEER shall visit the site monthly to attend monthly progress meetings, observe the progress and the quality of work, and determine if the work is proceeding in accordance with the Contract Documents.
- (3) The OWNER may also request the ENGINEER visit the site to provide additional PROJECT support. The ENGINEER must be prepared to visit the site within a single business day and should anticipate up to 8 hours for additional PROJECT support site visits.
- (4) The OWNER may request the ENGINEER to provide witness testing as a SPECIAL SERVICE;
- (5) ENGINEER shall conduct, in the company of the OWNER two (2) substantial completion observations at different times to review conformance with the design concept of the Project and general compliance with the contract documents. The ENGINEER, with input from the OWNER, shall prepare a list of deficiencies for the Contractor to address.
- (6) ENGINEER shall conduct, with the OWNER a final inspection with the list to verify that the list of deficiencies has been remedied by the Contractor. ENGINEER shall review and comment on the certificate of the final completion and the recommendation for final payment to the Contractor.
- (7) Other site visits not described above may be considered as a SPECIAL SERVICE;

E. TASK 4 – REVIEW OF CONTRACTOR'S SUBMITTALS

- (1) ENGINEER shall produce monthly reports indicating the status of all submittals in the review process.
- (2) ENGINEER shall review Contractor submittals for conformance with the construction Contract Documents for the PROJECT. (Assume up to 30 submittals)
- (3) Review quality related documents provided by the Contractor such as shop drawings, operation and maintenance manuals, samples, catalog data, laboratory, shop and mill tests of material and test equipment, equipment installation reports, and other data and documentation as required by the construction Contract Documents.
- (4) Documents received and filed as record data are not considered shop drawing submittals.
- (5) Additional authorized shop drawing submittals may be considered as a SPECIAL SERVICE; and

F. TASK 5 – REVIEW OF CONTRACTOR'S REQUESTS FOR INFORMATION

- (1) Maintain a document control system to track the Contractor's Requests for Information (RFI). Review the Contractor's RFIs and prepare a response in accordance with the construction Contract Documents. Provide interpretation and communicate intent if information is not addressed in the construction Contract Documents. It is anticipated that the ENGINEER will review and respond to up to a total of 20 RFIs. Review of RFIs in excess of the specified number may be considered as a SPECIAL SERVICE; and
- (2) Investigations, analyses, and studies (assume 3) requested by the Contractor and approved by the AUTHORITY, for substitutions of equipment and/or materials or deviations from the plans and specifications may be considered as a SPECIAL SERVICE.

G. TASK 6 – PREPARATION OF FIELD/CHANGE ORDERS

- (1) Establish procedures for administering changes to the construction Contract Documents;

- (2) Assist OWNER in processing contract modifications and in the negotiations with the Contractor to determine the cost and time impacts of these changes;
- (3) Review up to 4 Contract Modification Requests/Proposed Contract Modifications (CMRs/PCMs);
- (4) Prepare up to 4 Change Orders (COs) and up to 15 Field Orders (FOs) for execution by the OWNER ; and
- (5) Additional authorized CMR/PCM review or CO/FO preparation in excess of the specified number may be considered as a SPECIAL SERVICE.

I. TASK 7 – ACCEPTANCE and POST-CONSTRUCTION PHASE

- (1) Review procedures and data for disinfection of water lines as per TCEQ requirements including flushing of lines and bacteriological laboratory results. And review procedures and data for mandrel testing of the PVC sanitary sewer lines and water tightness testing for the sewer manholes.
- (2) Provide a substantial completion inspection and review of work performed and report findings to OWNER.
- (3) Provide final walk thru and final completion inspection and review. Prepare a Report Findings to OWNER.
- (4) Coordinate and review of any Operation & Maintenance (O&M) manuals received from the Contractor. Verify the supply and completeness of all applicable O&M items in accordance with requirements specified in the Contract Documents. Review detailed O&M Equipment list; and
- (5) Assist the OWNER with a one year or two year WARRANTY inspection of the PROJECT and list critical deficiencies for the OWNER to seek remedy from the CONTRACTOR will be considered as Special Services.

J. TASK 8 – PREPARATION OF RECORD DRAWINGS

- (1) This Task is to finalize the as-built drawings that were maintained during the PROJECT. Revise the construction drawings in accordance with the information furnished by Contractor, reflecting changes made during construction of the PROJECT including the following items:
 - (a) Pipe's interior diameter, material, manufacturer, and stiffness;

- (b) Location and dimensions of above-ground and below-ground structures;
 - (c) Manhole/structure's type, manufacturer, material, riser interior diameter, and interior coating installed; And Valves/ Fire Hydrant Assemblies manufacturer, material size, and coatings installed
 - (d) Pipe embedment and structural backfill details;
 - (e) Water pipeline disinfection and bacteriological testing performed; and
 - (f) Post-construction survey data (x, y, z) of valve boxes locations and manhole flow lines verifications will be considered as Special Services as provided in
- (2) Organize and participate in a record drawings review workshop with OWNER prior to finalizing record drawings; Discuss the lessons learned and document those in a report to OWNER.
 - (3) Provide OWNER with one full-size (22- x 34-inch) bound set of record drawings for review; and approval by OWNER.
 - (4) Provide OWNER with one full-size bound set of record drawings, four half- size bound sets of record drawings, and two electronic copies (on CD in PDF and in .dwg format). ENGINEER will assist the OWNER in collecting all documentation for the meeting the Buy American requirements .

K. TASK 9 – PREPARATION OF RETAINING WALL MEDALLION (SEALS)

- (1) Provide construction plans and details for four (4) medallions; one on each proposed retaining wall at intersection of IH35 and FM 455.

Special Services – Services that may be provided by the ENGINEER within this scope of work of this contract, but they are not specifically identified in the total fee proposal. However, it is understood that these type of expenses can occur during the project duration and will be addressed on a case by case basis by the OWNER with the ENGINEER assistance. The fee for these additional Special Services will be based on time and materials basis with a not to exceed cost of \$10,000. These Special Services scope of work and fee must be approved by the OWNER in writing before authorization to proceed is given.

Services include the following:

- Provide services past contract duration beyond 5 months. (Task II-10)
- Provide factory witness testing (Task 3-4)
- Other site visits (Task 3-7)

- Excess of 30 submittals review (Task 4-5)
- Excess of 20 RFI (Task 5-1)
- Excess of 3 substitute studies (Task 5-2)
- Excess of 4 COs or 15 FOs (Task 6-5)
- Provide 1 year or 2 year warranty inspection with Owner (Task 7-5)
- Provide construction plans and details for 4 retaining wall medallions (Task 9).

EXHIBIT G - HOURLY FEE & EXPENSES SCHEDULE

PROJECT NAME: FM 455 & IH35

CITY OF SANGER, TX

LIMITS: INTERSECTION OF FM 455 & IH35

PRIME PROVIDER: DANNENBAUM ENGINEERING CORPORATION - DALLAS, LLC

ADDENDUM 6 - DESIGN SERVICES FEE SUMMARY

Attachment A: Hourly fee & expense schedule summary

Total PS&E Services = \$231,365.76

		PRIME		SUB - HUB		SUB - HUB		SUB - HUB				
Function Codes		Dannenbaum Engineering Corporation		VRX (Under Prime Contract)								TOTALS
		Hrs	Fee	Hrs	Fee	Hrs	Fee	Hrs	Fee	Hrs	Fee	
MEDA	MANAGEMENT (MEDALLIONS)	27	\$ 3,674.00									\$ 3,674.00
MEDA	DESIGN OF MEDALLIONS	214	\$ 24,936.96									\$ 24,936.96
MEDA	ARCHITECT		\$ 15,000.00									\$ 15,000.00
												\$ -
UTIL	UTILITY COORDINATION	242	\$ 46,848.10									\$ 46,848.10
UTIL	CONSTRUCTION INSPECTION SERVICES				\$ 138,284.80							\$ 138,284.80
												\$ -
												\$ -
												\$ -
												\$ -
												\$ -
UTIL	DIRECT EXPENSES - UTILITY COORDINATION	0	\$ 2,621.90									\$ 2,621.90
												\$ -
Total		483	\$ 93,080.96	0	\$ 138,284.80	0	\$ -	0	\$ -	0	\$ -	\$ 231,365.76

Percent Participation	40.23%	59.77%	0.00%	0.00%	0.00%	100.00%
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% PARTICIPATION =

NON-HUB	\$	93,080.96	40.23%			Medallion Design	\$	43,610.96
HUB	\$	138,284.80	59.77%			Utility Coordination	\$	187,754.80
TOTAL	\$	231,365.76	100.00%					



CITY COUNCIL COMMUNICATION

DATE: December 19, 2022

FROM: Alina Ciocan, Assistant City Manager

AGENDA ITEM: Consideration and possible action authorizing the purchase of real property commonly identified as 117 and 123 Elm Street Sanger, Texas, from KW Elm Investments LLC in the amount of \$200,000.00; and authorizing the City Manager to execute all related documents.

SUMMARY:

- New Downtown Park project was identified as a project in the adopted Comprehensive Plan.
- 117 Elm, 123 Elm, and 103 Bolivar were identified by staff as key assets for the project.
- Upon adoption of the Comprehensive Plan, the City Manager began inquiries and standard negotiations for property acquisition.
- The seller agreed to a price of \$200,000.00 pending Council review and acceptance
- Lots have been appraised:
 - 117 Elm \$70,000
 - 123 Elm \$78,000

FISCAL INFORMATION:

Budgeted: YES Amount: \$200,000 GL Account: 002-32-6517

RECOMMENDED MOTION OR ACTION:

Staff recommends APPROVAL of the item as presented.

ATTACHMENTS:

Appraisal report
Purchase and Sale Agreement
Elm Street Surveys

AN APPRAISAL REPORT

of

TWO COMMERCIAL LOTS

located

**117 AND 123 ELM STREET
SANGER, DENTON COUNTY, TEXAS**

as of

DECEMBER 5, 2022

prepared for

**THE CITY OF SANGER
502 ELM STREET
SANGER, TX 76266**

prepared by

**MERIT ADVISORS
801 E. CALIFORNIA STREET, P.O. BOX 330
GAINESVILLE, TX 76240**



801 E. California Street, P.O. Box 330, Gainesville, TX 76241-0330
Telephone (940) 665-6452/Fax (940) 612-3921

December 6, 2022

John Noblitt
City of Sanger
502 Elm Street
Sanger, TX 76266

RE: **Appraisal File No: Sng-Elm-117_123-1222**
Two Commercial Lots
Located on the N/S of Elm Street and the E/S or 2nd Street and addressed as
117 and 123 Elm Street
Sanger, Denton County, Texas

Dear Mr. Noblitt:

In accordance with your request, Merit Advisors has prepared an Appraisal Report on the above referenced property for the purpose of estimating the "As Is" Market Value of the Fee Simple Estate. The property's legal description and scope of this assignment is presented in the section of the report titled Nature of Assignment. The definition of Market Value is also included in this section of the report.

An inspection of the appraised property was conducted on December 5, 2022. The analysis of the appraised property includes consideration of relevant facts about the property, the influences of the regional and community environment upon the subject property and the prevalent economic conditions and trends present in the market. The assessment of this information and the opinions concluded are set forth in the accompanying appraisal report. The report also includes maps, plats, photographs and other exhibits as visual aids. This report is subject to the Assumptions and Limiting Conditions which further identify the scope and use of this report.

The appraisal has been made in compliance with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute. To the best of my knowledge, this appraisal conforms to the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Foundation, as well as Appraisal Instructions to Appraiser from the client.

The subject property in this report is not considered to have any significant natural, cultural, recreational or scientific value.

Page 2
December 6, 2022

The subject property consists of two commercial lots with both being 20,000 SF.

Based on the foregoing investigation and analyses, it is my opinion that the subject property will have an estimated marketing time of six to twelve months under the current market conditions. My estimate of the "As Is" Market Value of the Fee Simple Estate of the subject property, as of December 5, 2022, is:

117 Elm Street - \$70,000

123 Elm Street - \$78,000

I appreciate the opportunity to provide this appraisal for you. Should you have any questions regarding this appraisal, please do not hesitate to contact my office.

Respectfully submitted,

Merit Advisors



Benjamin T. Hawkins
State Certified #TX-1380683-G

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SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Date of Report:	December 6, 2022
Effective Date of Appraisal:	December 5, 2022
Subject Property:	Two Commercial lots
Location:	N/S of Elm Street and the E/S of 2 nd Street Addressed as: 117 and 123 Elm Street Sanger, Denton County, Texas
Zoning:	I-1 "Light Industrial"
Site Size:	20,000 SF per lot
Improvements:	None
Current Use:	Vacant
Highest and Best Use:	
As If Vacant:	Industrial development
Purpose of Appraisal:	To estimate the " <u>As Is</u> " Market Value of the Fee Simple Estate of the subject property, as of the date of appraisal, subject to the assumptions and limiting conditions as set forth within this report.
Intended Use of Appraisal:	The intended use of this appraisal is to serve as a basis for possible purchase
Intended User of Appraisal:	City of Sanger

SUMMARY OF SALIENT FACTS AND CONCLUSIONS (Continued)**Indicated Values:****"As Is"****Cost Approach**

Not in Scope

Income Approach

Not in Scope

Direct Sales Comparison:

117 Elm Street - \$70,000

123 Elm Street - \$78,000

Final Estimates of Value:**Total Market Value:**

117 Elm Street - \$70,000

123 Elm Street - \$78,000

Marketing Period:

6 - 12 months

Appraiser:

Ben Hawkins

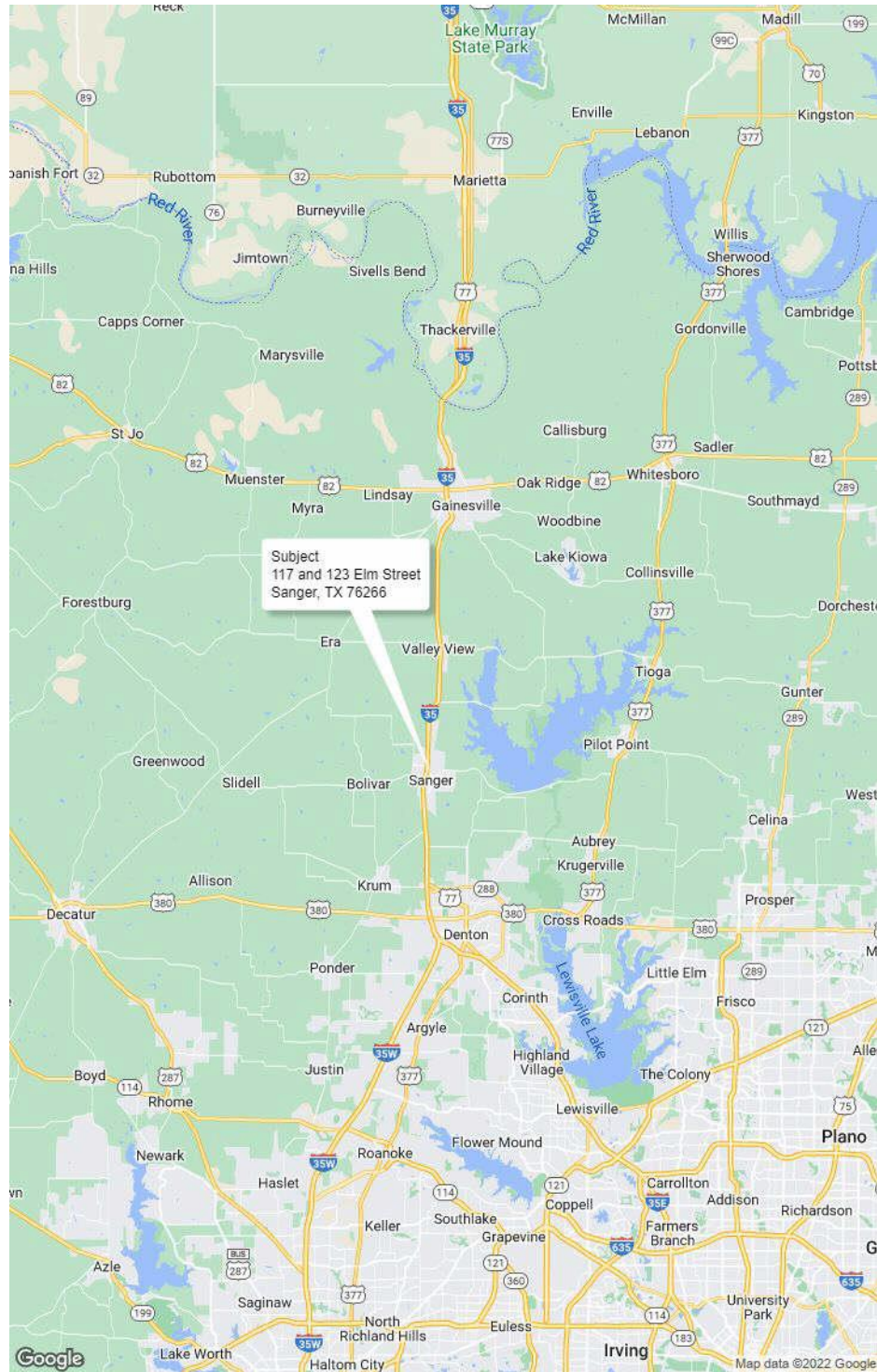
Merit Advisors

801 W. California Street, P.O. Box 330

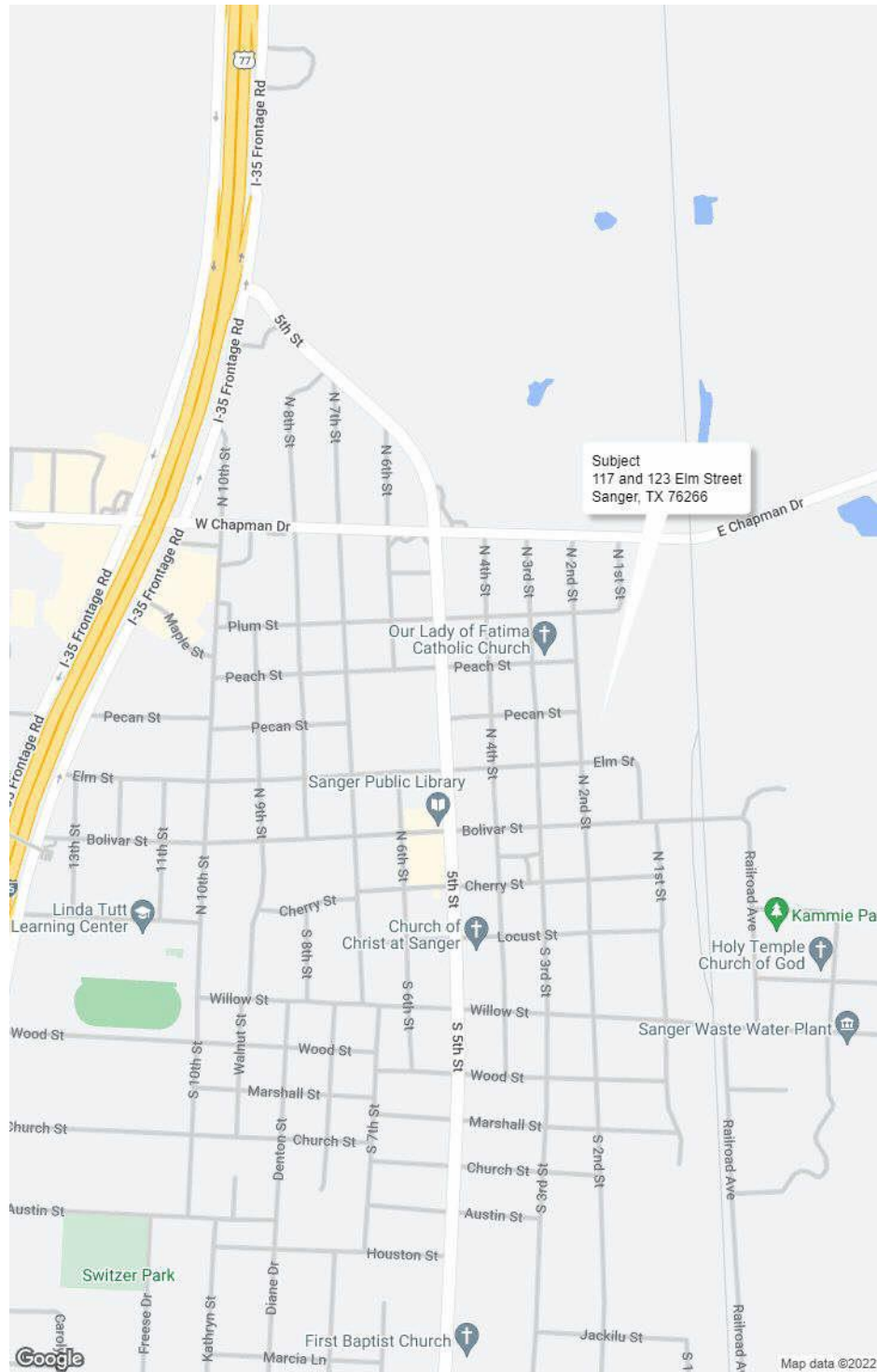
Gainesville, TX 76241-0330

SUBJECT PROPERTY LOCATION MAPS AND PHOTOGRAPHS

REGIONAL LOCATION MAP



NEIGHBORHOOD LOCATION MAP



SUBJECT PHOTOGRAPHS
Photographs December 5, 2022



Looking NE from SW corner



Looking NW from SE corner

SUBJECT PHOTOGRAPHS



Looking SW from NE corner



Looking SE from NW corner

SUBJECT PHOTOGRAPHS



Street scene looking south on 2nd Street



Looking west on Elm Street extension

LIMITING CONDITIONS AND GENERAL PROPERTY INFORMATION

LIMITING CONDITIONS AND ASSUMPTIONS

1. **LIMIT OF LIABILITY** - The liability of Merit Advisors and employees is limited to the fee collected for preparation of the appraisal. There is no accountability or liability to any third party.
2. **COPIES, PUBLICATION, DISTRIBUTION, USE OF REPORT** - Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for other than its intended use; the physical report(s) remain the property of the appraiser for the use of the client, the fee being for the analytical services only. The report may not be used for any purpose by any person or corporation other than the clients or the party to whom it is addressed or copied without the written consent of Merit Advisors and then only in its entirety.

Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations efforts, news, sales or other media, without the written consent and approval of Merit Advisors nor may any reference be made in such a public communication.

3. **CONFIDENTIALITY** - The appraiser may not divulge the material (evaluation) contents of the report, analytical findings or conclusions, or give a copy of the report to anyone other than the client or his designee as specified in writing or by a court of law or body with the power of subpoena.

This appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis which are set forth in the report were prepared by the Appraiser(s) whose signature(s) appear on the appraisal report, unless indicated as "Review Appraiser". No change of any item in the report shall be made by anyone other than the Appraiser, and the Appraiser and firm shall have no responsibility if any such unauthorized change is made.

4. **TRADE SECRETS** - This appraisal was obtained from Merit Advisors and consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempted from disclosure under 5 U.S.C. 552 (b)(4). Notify the appraiser(s) signing the report of any request to reproduce this appraisal in whole or in part.
5. **INFORMATION USED** - No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee, or public records. I am not liable for such information or the work of possible subcontractors. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit; all are considered appropriate for inclusion to the best of my factual judgment and knowledge.
6. **TESTIMONY, CONSULTATION, COMPLETION OF CONTRACT FOR APPRAISAL SERVICES** - The contract for appraisal, consultation or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser(s) or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post appraisal consultation with client or third parties except under separate and special arrangement and at an additional fee.
7. **EXHIBITS** - The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photos, if any, are included for the same purpose and are not intended to represent the property in other than actual status, as of the date of the photos.
8. **LEGAL, ENGINEERING, FINANCIAL, STRUCTURAL, OR MECHANICAL NATURE, HIDDEN COMPONENTS, SOIL** - No responsibility is assumed for matters legal in character or

nature, nor matters of survey, nor of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report. The legal description is assumed to be correct as used in this report as furnished by the client, his designee, or as derived by the appraiser(s).

The appraiser(s) has inspected, by observation, the land and the improvements thereon; however, it was not possible to personally observe conditions beneath the soil or hidden structure, or other components, or any mechanical components within the improvements; no representations are made herein as to these matters unless specifically stated and considered in the report; the value estimate considers there being no such conditions that would cause a loss of value. The land or the soil of the area being appraised appears firm; however, the appraiser(s) do not warrant against occurrence of problems arising from soil conditions. In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the building, such as the presence of urea-formaldehyde foam insulation, and/or the existence of toxic waste, which may or may not be present on the property, was not observed by the Appraiser; The appraiser, however, is not qualified to detect such substances. The existence of urea-formaldehyde foam insulation or other potentially hazardous waste material may have an effect on the value of the property. I urge the client to retain an expert in this field if desired.

9. **LEGALITY OF USE** - The appraisal is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization has been or can be obtained or renewed for any use considered in the value estimate.
10. **COMPONENT VALUES** - The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
11. **AUXILIARY AND RELATED STUDIES** - No environmental or impact studies, special market study or analysis, highest and best use analysis study or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report. The appraiser reserves the unlimited right to alter, amend, revise or rescind any of the statements, findings, opinions, values, estimates, or conclusions upon any subsequent such study or analysis or previous study or analysis subsequently becoming known to him.
12. **DOLLAR VALUES, PURCHASING POWER** - The market value estimated, and the costs used, are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and price of the US dollar as of the date of the value estimate.
13. **INCLUSIONS** - Furnishings and equipment or business operations except as specifically indicated and typically considered as a part of real estate have been disregarded with only the real estate being considered.
14. **PROPOSED IMPROVEMENTS, CONDITIONED VALUE** - Improvements proposed, if any, on or off site, as well as any repairs required are considered, for purposes of this appraisal, to be completed in good and workmanlike manner according to information submitted and/or considered by the appraiser. In cases

of proposed construction, the appraisal is subject to change upon inspection of property after construction is completed. This estimate of market value is as of the date shown, as proposed, as if completed and operating at levels shown and projected.

15. **VALUE CHANGE, DYNAMIC MARKET, INFLUENCES** - The estimated market value is subject to change with market changes over time; value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

In cases of appraisals involving the capitalization of income benefits, the market value estimate is a reflection of such benefits and appraiser's interpretation of income, yields and other factors derived from general and specific market information. Such estimates are as of the date of the value estimate; and are thus subject to change as the market is dynamic and may naturally change over time.

16. **MANAGEMENT OF THE PROPERTY** - It is assumed that the property which is the subject of this report will be under prudent and competent ownership and management, neither inefficient nor super efficient.

17. **GENERAL CONDITIONS -**

- A. The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report.
- B. **ACCEPTANCE OF, AND/OR USE OF, THIS APPRAISAL REPORT CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS.**
- C. It is intended that this appraisal report comply with all statutes, rules and regulations prohibiting discrimination on the basis of race, color, religion, sex, national origin and marital status.

GENERAL APPRAISAL INFORMATION PERTAINING TO THIS REPORT

Property Identification and Legal Description: A physical inspection of the subject property and surrounding area was conducted on December 5, 2022. The subject of this report is two 20,000 SF commercial lots in Sanger on the north side of Elm Street and the east side of 2nd Street just east of the Downtown Sanger area. The property's physical street address is 117 and 123 Elm Street. The site is considered to be readily accessible to all areas of the city, as well as IH-35.

The subject property is legally described as:

Lots 1 – 4 Block 8 Original Town of Sanger, Sanger, Texas

Neighborhood Environment: The subject is located along the north side of Elm Street and the east side of 2nd Street just east of the Downtown Sanger area. The area has direct access to all areas of Denton County, as well as the D/FW area to the south, via IH-35, and is in an area that is primarily commercial use.

Due to the limited number of similar buildings in the immediate neighborhood, the expanded neighborhood is considered to be all of Sanger, as well as similar cities in North Texas and Oklahoma. Therefore, the location is considered good for most forms of commercial development.

The latest census information for the City of Sanger and County of Denton per the US Census Bureau and the North Central Texas Council of Governments data indicated the following:

<u>Year</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>
County	432,976	662,614	906,422
Sanger	4,534	6,916	8,839

The primary road that services the area is IH-35, a 4-lane highway being converted to 6 lanes, that provides very good access to the immediate area and all regional areas. Per a physical inspection of the neighborhood, access is considered to be adequate to handle current and near future demand. As such, no adverse access conditions are considered to be present that would affect the subject neighborhood.

The subject neighborhood is approximately 90% built-up and is comprised of all forms of development. Surrounding property consists of light commercial/industrial in all directions, as well as multifamily to the NW with residential located just beyond the commercial development in all directions. Occupancy in the subject's area is high, primarily due to the stable growth of Sanger and Denton County over the years. There is no change in development patterns or in city government that would change this development use. Education, shopping, and recreation facilities are considered adequate in Sanger, with major employment opportunities are located in the city of Denton just to the south, as well as the Dallas/Fort Worth metro area to the south, with several national corporations operate manufacturing plants in these areas. The Denton business district is approximately 10 miles south and the Dallas/Fort Worth metro area business district is approximately 40 miles south. The area is served by the Sanger

Independent School District. Additionally, several daycare facilities are located in Sanger and surrounding areas.

Area Market Analysis:

Based on the information contained in this report, other information obtained while researching and preparing this report and other prior assignment in the area, prior to the COVID-19 pandemic, property values and occupancy rates had been relatively stable to increasing for commercial property in the subject market.

The subject market economy is primality based in manufacturing but is also tied directly to ongoing oil and gas production just to the west. Area and national employment rates saw a significant drop as a result of the uncertainty surrounding the COVID19 situation and a drop in oil prices. Based on appraiser's research in the area, current light commercial/industrial space occupancy is high, and values have been relatively stable. The light commercial sector was less affected by the current situation compared to other sectors such as retail/office. As of the date of this report, businesses are open with no restrictions in place with COVID cases dropping. Additionally, oil prices are near 7-year highs with production companies actively hiring workers. In the appraiser's opinion, the economy will return to a similar state within 6 - 12 months of the end of the pandemic. However, exactly when this happens is very uncertain as of the date of this report. However, based on appraiser's research for this assignment and other recent assignments, it appear that the recovery has begun across most sectors. There is also some uncertainty regarding the economic conditions with inflation rising and home sales slowing and prices leveling off. However, the local job market remains strong, which is helping maintain activity of both commercial and residential properties. The Appraiser's sources of information include North Texas Real Estate Network, CoStar Commercial Data Service, CBRE reports, local brokers, property owners, property managers, and other appraisers, as well as published reports from Tierra Grande Magazine, a Texas A&M Real Estate Center publication, and The Appraisal Institute.

Ownership History: According to available ownership records, the subject property is presently owned by KW Elm Street Investments LLC, who has held the property for a period exceeding three years. According to information provided to the appraiser by the client, the subject property is not currently under contract for sale or listed for sale.

Purpose and Date of Appraisal: The purpose of this appraisal is to estimate the "As Is" Market Value of the Fee Simple Estate of the subject property as it presently and physically exists, as of December 5, 2022, subject to the Limiting Conditions and Assumptions set forth in the report.

Intended Use of the Appraisal: The function of this appraisal is to serve as a basis for possible purchase.

Intended User of the Appraisal: The intended user of this appraisal is the City of Sanger.

Property Rights Being Appraised: The property rights being appraised are those of the ***Fee Simple Estate***. ***Fee Simple*** is defined by the Appraisal Institute's Dictionary of Real Estate Appraisal, (6th Edition, 2015), as follows:

Absolute ownership unencumbered by any other interest or estate subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Scope of the Assignment:

The appraiser relied on Denton County Appraisal District records to identify the subject property.

The appraiser visually observed the subject property by walking about it. **This is not an inspection in accordance with Texas Real Estate Commission rules.**

The appraiser collected data from the North Texas Real Estate Information System (MLS), CoStar Commercial Data Service, local brokers and appraisers, and local businesses and property owners regarding land sales, improved sales, and leases.

The appraiser utilized one of the three approaches to value in order to estimate the value of the subject property, that being the Sales Approach. The Cost Approach was not utilized due to the property being vacant land. The Income Approach was not utilized due to the property being vacant land and this type of vacant land not typically held for income purposes. The appraiser is of the opinion that a credible value can be determined using only the Sales Approach to value, which is summarized in the respective section of the report and considered the final value estimate.

Definition of Market Value: The value concluded by this appraisal is based upon the definition of ***Market Value*** as set forth by The Dictionary of Real Estate Appraisal, Sixth Edition:

Market Value is defined as the most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress.

- 1) buyer and seller are typically motivated.
- 2) both parties well informed or well advised and acting in what they consider their own best interest.
- 3) a reasonable time is allowed for exposure in the open market,
- 4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 5) the price represents normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

SUBJECT PROPERTY DATA

SITE ANALYSIS -

Location and Description: The subject sites are both rectangular-shaped parcels of land that contain approximately 20,000 SF of land. The sites are situated on the north side of Elm Street and the east side of 2nd Street just east of the Downtown Sanger area.

The subject property in this report is not considered to have any significant natural, cultural, recreational or scientific value.

Topography: The subject sites are relatively level and near the grade of surrounding streets. According to F.I.R.M., Community Flood Map Panel 48121-C0210G, dated 4/18/2011, none of the subject is located a flood area. A professional survey and flood certificate are recommended to determine the status of the flood plain on the subject property.

Easements/Encroachments: According to visual inspection of the subject property, there does not appear to be any adverse site easements or encroachments noted as of the date of appraisal.

Access: Access to the east lot is from Elm Street on the south side of the property while the west lot has frontage on Elm Street on the south side and 2nd Street on the west side. Therefore, access is considered good for properties along Elm Street.

Utilities: All necessary utilities are available to the subject site, with water and sewer provided by the City of Sanger.

Zoning: The subject site is zoned I-1 "Light Industrial" by the City of Sanger, which allows for development of most types of light commercial and industrial uses with the exception of heavy industrial uses.

Deed Restrictions: For the purpose of this appraisal, it is assumed there are no deed restrictions which adversely affect development of the subject site.

Relationship of the Subject Site to Its Surroundings: The subject property is bordered by light commercial/industrial use in all directions, with multi-family to the NW. The surrounding land uses are not considered to be detrimental to the subject with the subject considered homogenous to the surrounding development.

Hazardous Materials: No hazardous wastes or materials were noted during the physical inspection of the subject property. However, no soil analysis or engineering study was provided to verify this information. The client should satisfy themselves regarding the existence of hazardous waste by employing an expert in this field to conduct a study is deemed appropriate.

Tax Analysis: The property is situated within the city limits of Sanger, Denton County, Texas, and is subject to the real estate taxes levied by the City of Sanger, Denton County, and the Sanger Independent School District. The taxes are expressed at a rate of \$100 of assessed value.

Taxing Authority	Rate per \$100 of Assessment
Denton County	\$0.217543
Sanger I.S.D.	\$1.410600
City of Sanger	\$0.589497
Total 2022 Combined Rate	\$2.217640

Ad Valorem Tax Assessment – 2022 Assessed Value/2022 Tax Rates					
ID #	Land Value	Improvement Value	Assessed Value	Total Tax Rate	Ad Valorem Taxes
58674	\$74,250	\$0	\$74,250	.0221764	\$1,646.60
58671	\$74,250	\$0	\$74,250	.0221764	\$1,646.60

The subject assessed value is considered reasonable based on the information contained in this report.

HIGHEST AND BEST USE -

Highest and Best Use is defined in Appraisal of Real Estate, sponsored by the Appraisal Institute (14th Edition, 2013), as follows:

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.

The appraiser has applied the four tests to potential use of the property, which are 1: Is the use physically possible, 2: Is the use legally permissible, 3: Is the use financially feasible, and 4: Is the use maximally productive. The appraiser has completed an inspection of the subject property, a study of the trends within the neighborhood and region and researched, analyzed and considered the permitted and potential site use.

The subject is a size and shape that would accommodate a variety of uses. Further, the subject is located on a secondary thoroughfare through Sanger in an area that is zoned for industrial use, meaning development of the site is restricted to most industrial/light commercial uses. Based on the information contained in this report as well as the appraiser's experience in the market, occupancy rates are high, and supply/demand of light commercial buildings appears to be in balance. Additionally, based on the amount of new construction in the surrounding area, industrial/light commercial development appears financially feasible. Therefore, the appraiser is of the opinion that the highest and best use of the subject property "as vacant" is for industrial/light commercial use.

VALUATION SECTION

THE APPRAISAL PROCESS -

There are three approaches which may be used in the appraisal of real estate property. These approaches to value include the **Cost Approach**, the **Sales Comparison Approach** and the **Income Approach**. These approaches are defined in Appraisal of Real Estate, sponsored by the Appraisal Institute (14th Edition, 2013), as follows:

The **Cost Approach** is "that approach in appraisal analysis which is based on the proposition that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility as the subject property. It is particularly applicable when the property being appraised involves relatively new improvements which represent the highest and best use of the land or when relatively unique or specialized improvements are located on the site and for which there exists no comparable properties on the market."

The **Sales Comparison Approach** is "traditionally an appraisal procedure in which the market value estimate is predicated upon prices paid in actual market transactions and current listings, the former fixing the lower limit of value in static or advancing market (price-wise) and fixing the higher limit of value in a declining market; and the latter fixing the higher limit in any market. It is a process of analyzing sales of similar, recently sold properties in order to derive an indication of the most probable sales price of the property being appraised. The reliability of this technique is dependent upon (a) the availability of comparable sales data, (b) the verification of the sales data, (c) the degree of comparability or extent of adjustment necessary for time differences, and (d) the absence of non-typical conditions affecting the sales price."

The **Income Capitalization Approach** is "that procedure in appraisal analysis which converts anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value estimate. The income approach is widely applied to appraising income producing property. Anticipated future income and/or reversions are discounted when applicable."

In essence, all approaches to value (particularly when the purpose of the appraisal is to establish market value) are market data approaches since the data inputs are presumably market derived. The appraiser utilized the only the Sales Comparison Approach to value in order to estimate the value of the subject property. The Cost Approach was not utilized due to the property being vacant land. The Income Approach was not utilized due to the property being vacant land and this type of property not being held for income purposes. It is the appraiser's opinion that a credible value can be derived using on the Sales Approach to value.

Land Valuation -

A value estimate for the subject site may be indicated by employing one of four procedures:

1. The Sales Comparison Approach
2. The Allocation Procedure
3. The Extraction Method
4. The Land Residual Technique

Of these four procedures, the Sales Comparison Approach is considered the most reliable. For this analysis, the Sales Comparison Approach and Extraction Method have been selected to estimate the value of the subject site as though vacant and available to be developed to its highest and best use due to the lack of comparable sales. The lack of more recent comparable land sales in the market is evidence of the past conditions of the market. However, as of the date of appraisal, the sales listed on the following page are considered to be the most comparable sales to that of the subject property. These sales have been verified by either the buyer, the seller, broker or other sources considered reliable and having knowledge of the particular transaction. The selected sales are documented on the following pages with a location map for visual reference as to each sale's location relative to the subject site. Adjustments are required to the prices paid for each of the selected sales to compensate for differences between each tract and the subject site. In applying such adjustments, it is necessary to consider the following factors:

Market Conditions - The date of sale is considered in order to assess the overall trend and changes in price levels in the area caused by a lapse in time. This factor may also be appropriate when necessary to estimate the development potential or timing of a particular sale until the market dictates that it is ready for development.

Location - Location is an important element to land value. Major location considerations include the general character and trend of surrounding development in the neighborhood area, as well as overall access and exposure, and the relative importance of thoroughfare frontage.

Physical/Utility Characteristics - The overall physical utility and/or characteristics of land have a direct bearing upon its development potential and, therefore, land value. Physical elements which must be considered include zoning, topography, soil conditions, availability of utility services, overall size, shape, depth and any extraordinary development costs which might be applicable.

Conditions of Sale - Conditions of sale refers to seller/ buyer motivation, special terms of financing arrangements, and/or abnormal circumstances surrounding the transaction which influenced the sale price. Examples of such conditions might include a forced sale, extraordinary seller financing, sale between related parties, or a sale resulting from the exercise of an old option.

Methods of Comparison:

The appraiser investigated the market with regard to any sales of vacant tracts with similar zoning/potential use. This research indicated that there have been a limited number of comparable sales in the subject's general area. The assembled sales exhibit similar characteristics

to that of the subject property and have been included on the following pages and analyzed in the text that follows.

The sales price per square foot is a unit of comparison which expresses the relationship of the price or value of a property by the property's size in square feet. This is a very common unit of comparison applied to vacant land as well as improved properties. This method of comparison is most reliable when the sales data employed exhibit a high degree of comparability. Due to the large variances in location, size and age/condition at the date of sale as compared to the subject, the appraiser used paired sales, market indicators and judgment to adjust for the differences between the comparables and the subject.

The appraiser has included properties that have sold in the commercial area market segment of Sanger that occurred from mid-2021 to the present date. The subject is two vacant commercial lots well located in the Sanger area market.

Here follows a summary of the comparable sales identified by the appraiser for purposes of analysis.

LAND SALE NO. 1

Location: TBD I-35, Sanger
Legal Desc. Part of Lot 1 Block 2 Sable Business Park Phase 1
Grantor: Kelly
Grantee: Dior Holdings LLC
Property Data:
 Size: 21,257 SF **Flood Plain:** None
 Zoning: B-2 Business **Shape:** Rectangular
 Utilities: All available **Easements:** None detrimental
 Frontage: Interstate 35 **Improvements:** None at date of sale
 Topography: Mostly level **Intended Use:** Commercial development
Sales Data:
 Sale Date: 9/8/2021
 Recording Data: 2021-177872
 Sales Price: \$87,000 or \$4.09/SF
 Terms: Cash to Seller
Comments: Located just northwest of the subject on Interstate 35. All utilities available.
Source: Broker/Denton County deed records

LAND SALE NO. 2

Location: 209 Southland Drive
Legal Desc. Lot 11A Block 1 Sanger South Addn.
Grantor: Mathews
Grantee: Punj Land LLC
Property Data:
 Size: 49,963 SF **Flood Plain:** None
 Zoning: B-1 Business **Shape:** Rectangular
 Utilities: All available **Easements:** None detrimental
 Frontage: S. 5th and Southland **Improvements:** None at date of sale
 Topography: Level **Intended Use:** Commercial development
Sales Data:
 Sale Date: 10/25/2022
 Recording Data: 2022-151416
 Sales Price: \$225,000 or \$4.50/SF
 Terms: Cash to Seller
Comments: Located just southwest of the subject just off I-35.
Source: Broker/Denton County deed records

LAND SALE NO. 3

Location: 220 S. 1st Street
Legal Desc. Lot 1 Block 3 Shirley Addn.
Grantor: Elerson
Grantee: Janin

Property Data:

Size:	16,584 SF	Flood Plain:	None
Zoning:	PD B-1 Planned Development Business	Shape:	Rectangular
Utilities:	All available	Easements:	None detrimental
Frontage:	1 st Street	Improvements:	4,300 SF commercial building
Topography:	Mostly Level	Intended Use:	Continued commercial development

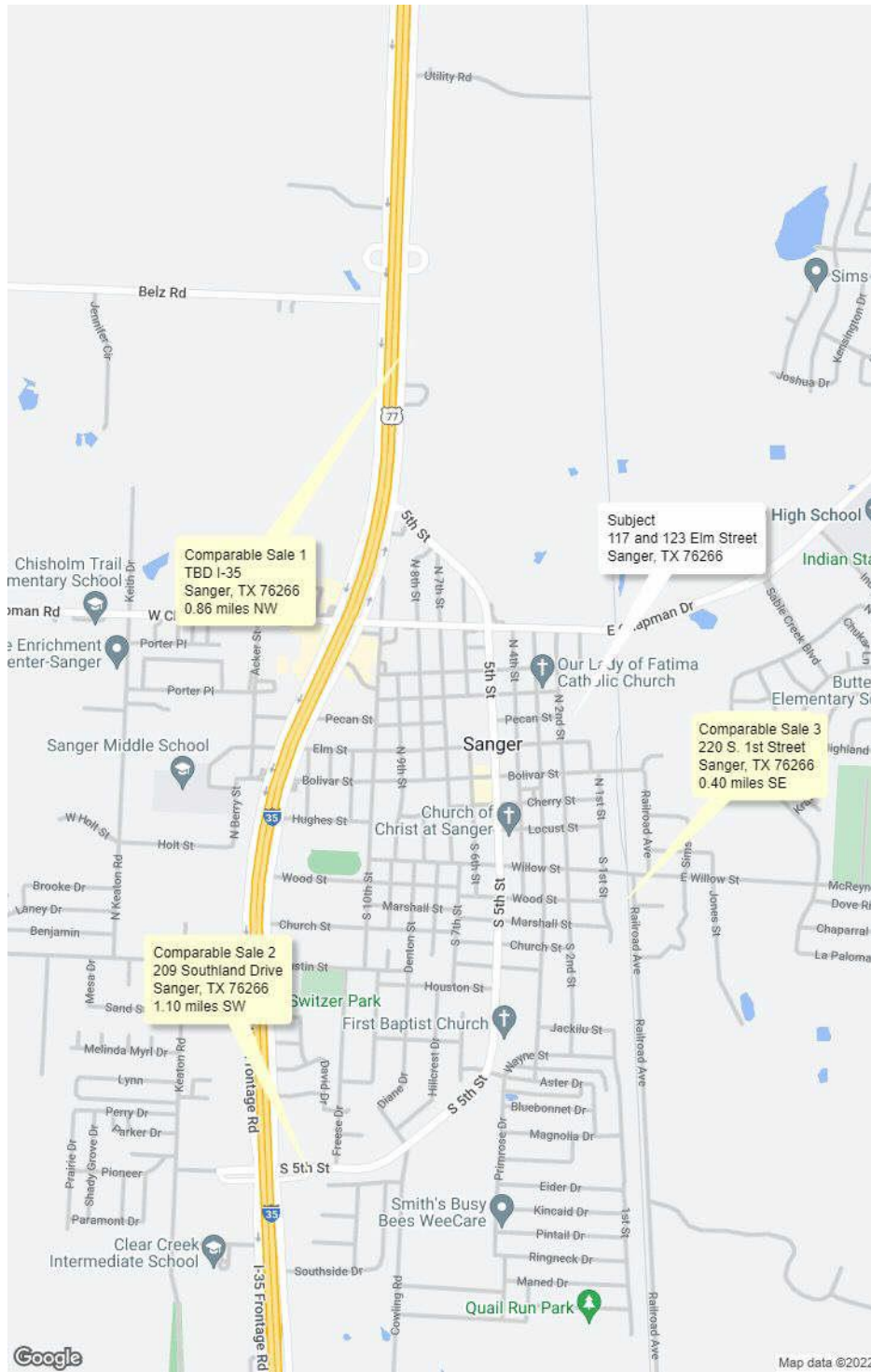
Sales Data:

Sale Date: 10/6/2021
Recording Data: 2021-186038
Sales Price: \$275,000 or \$3.62/SF for land only
Terms: Cash to Seller

Comments: Just south of the subject off 1st Street. Building has estimated contributory value of \$50/SF or \$215,000.

Source: Broker/Denton County deed records

COMPARABLE IMPROVED SALES LOCATION MAP



LAND SALES SUMMARY				
Sale No.	Location	Size/SF	Sale Date	Sales Price/SF
1	TBD I-35	21,257	9/21	\$4.09
2	209 Southland Drive	49,963	10/22	\$4.50
3	220 S. 1st Street	16,584	10/21	\$3.62*
Subject	117/123 Elm Street	20,000 SF each	----	----

*based on sales price less contributory value of existing building

The sales presented herein, are the most recent sales of similar sized sites with potential uses similar to that of the subject that could be confirmed by the appraiser in relatively close proximity to the subject property. The foregoing sales, in the appraiser's opinion, offer sufficient comparability to provide an estimate as to the value of the subject site. Each of the sales has been analyzed on a sale price per square foot basis, and typically smaller tracts tend to sell for more on a per square foot basis than do larger tracts. Sites such as corner parcels or properties with extensive frontage and good exposure to major thoroughfares or easy access tend to sell for more than do parcels with limited road frontage. Other factors which can influence value include availability of utilities, tract size, topography, density, zoning, site utility, and date of sale.

The sales represent a variety of sites suitable for similar use or development which range in size from 16,584 to 49,963 SF with a sales price range from \$3.62/SF to \$4.50/SF on an unadjusted basis. Each of the sales with the required adjustments is displayed in the Adjustment Chart, on the following page, with the required adjustments summarized in the text that follows. The appraiser has attempted to determine the number of adjustments applicable to each sale with regard to the different variables that affect value. The minimal amount of data available in the area impairs the effectiveness of a paired sales analysis. Therefore, in those areas where a full paired sales analysis was not available, the appraiser has relied upon data from informational services plus his expertise and judgment. Each sale has been analyzed on a per square foot basis for these different variables.

The subject is two 20,000 SF sites.

ADJUSTMENT CHART - AS IS – 20,000 SF SITE				
Sales Price/SF	Subject	Sale 1	Sale 2	Sale 3
	---	\$4.09	\$4.50	\$3.62
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment	---	-0-	-0-	-0-
Condition of Sale	N/A	Cash to Seller	Cash to Seller	Cash to Seller
Adjustment	---	-0-	-0-	-0-
Market Conditions	12/22	9/21	10/22	10/21
Adjustment	---	-0-	-0-	-0-
Adjusted Price/Acre	---	\$4.09	\$4.50	\$3.62
Size (SF)	20,000	21,257	49,963	16,584
Adjustment	---	-0-	+10%	-0-
Location	Average	Superior	Superior	Similar
Adjustment	---	-25%/-15%	-25%/-15%	-0-/ +10%
Final Adjusted Price/Acre	---	\$3.07/ \$3.48	\$3.83/ \$4.28	\$3.62/ \$3.98

EXPLANATION OF ADJUSTMENTS -

Time/Date of Sale, Condition, Ownership Interest - This appraisal is made as of December 5, 2022, considering an Arm's Length/Cash to Seller transaction, and Fee Simple interest. Each sale closed within a reasonable timeframe under similar conditions. Appraiser considered no adjustments necessary.

Size: The comparable sales utilized range in size from 16,584 to 49,963 SF. Under normal market conditions, larger sites sell for less per unit than smaller sites, primarily due to economies of scale. The appraiser has applied subjective analysis of the comparable sales compared to the subject as to a size adjustment. Sales 1 and 3 are considered mostly similar in size, while Sale 2 is considered somewhat larger. Therefore, an upward adjustment of 10% was applied to this sale for the factor of size.

Location: The subject lots are located just east of the Downtown Sanger area in an industrial area on a paved secondary city thoroughfare, with the east lot being an interior lot and the west lot being a corner lot. The appraiser has applied subjective analysis of the comparable sales compared to the subject as to a location adjustment. Sale 1 is located on I-35 just north of Sanger, while Sale 2 is located in Sanger just off I-35. Therefore, each of these sales were adjusted downward 25% for a

superior location for the interior lot value and downward 15% for the corner lot. Sale 3 was mostly similar in location compared to the interior lot and inferior to the corner lot. Therefore, this sale was adjusted upward 10% for the subject corner lot value.

Site Value Conclusion: The three most comparable land sales available, presented in the Adjustment Chart, have been analyzed on a sales price per square foot basis. The summarized adjustments explained on the preceding page indicate a value range from a low of \$3.07 per SF to a high of \$3.83 per SF for the interior lot and \$3.48/SF and \$4.28/SF for the corner lot. A value per SF toward the middle of the range of the adjusted sales is considered to be a reasonable and appropriate value for the subject sites, or \$3.50/SF for the interior lot and \$3.90/SF for the corner lot. Based on the indicated values, the value of the lots, “as vacant”, as of December 5, 2022, is estimated as follows:

Interior - 20,000 SF x \$3.50/SF = \$70,000

Corner - 20,000 SF x \$3.90/SF = \$78,000

RECONCILIATION AND FINAL VALUE ESTIMATE -

Two basic factors in any approach utilized in a value estimate, or appraisal, are immediately apparent based on previously given and widely recognized appraisal definitions. First, rational and informed behavior is primary in the definition of market value. Second, a highest and best use of a property is fundamental in a value estimate. Consideration has been given to the highest and best use analysis, including accessibility, suitability for development and current development in the neighborhood, both existing and proposed.

A summary of the value estimates by the three approaches is as follows:

Cost Approach	Not in Scope
Income Approach	Not in Scope
Sales Comparison Approach	117 Elm - \$70,000
	123 Elm - \$78,000

The **Cost Approach** is based upon the estimated cost of the improvements less depreciation, plus the current market value of the land. This approach tends to provide a long-term value indication. Current market value is sensitive to short term fluctuations in both real estate and money markets. Over time, resulting values tend to fluctuate, both above and below, the depreciated reproduction cost, assuming other factors remain constant. Only the physical components of the subject property are reflected in the Cost Approach, and it is most applicable when the improvements are either proposed or recently constructed or renovated. Due to the subject being vacant land, the Cost Approach was not developed for this assignment.

The **Income Approach** is an analysis and measure of the investment qualities of the appraised property. Because properties of this type are usually purchased by an investor for a perceived internal rate of return or yield, the Income Approach is considered to be a reasonable estimate of value provided market rental rates and expenses can be accurately measured. The strength of this approach is that it quantifies current market conditions and motivations within the market. This approach is based on current market rentals in the immediate area, with expenses based on similar properties within the market area. The subject is vacant land and the type of land not typically held for income purposes. Therefore, the Income Approach was not developed for this assignment.

The **Sales Comparison Approach** is based upon sales of other similar properties and produces an indication of value based upon prices actually paid in the market. This approach is useful, considering the recent sales available in this immediate area; however, its reliability is weakened by the significant differences noted in many of the sales found. The value derived via the Sales Comparison Approach tends to mirror the market. There were a limited number of reasonably comparable sales in the immediate area; however, the data obtained and utilized in this analysis was considered to be both reasonable and appropriate. Further, each of the sales was of a vacant site with similar development potential. Therefore, the appraiser gives all weight to this approach to value in this analysis.

The values indicated by the Sales Approach is considered appropriate for the subject property in this analysis due to the subject being vacant land. Therefore, it is the appraiser's opinion that the "As Is" Market Value of the Fee Simple Estate of the subject property as of December 5, 2022, is:

117 Elm - \$70,000

123 Elm - \$78,000

CERTIFICATE

I do hereby certify that, except as otherwise noted in this appraisal report:

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, unbiased professional analyses, opinions and conclusions;
3. I have no present or prospective interest in the property which is the subject of this report and I have no personal interest or bias with respect to the parties involved;
4. My compensation is not contingent upon an action or event resulting from the analyses, opinions or conclusions in, or the use of, this appraisal report;
5. The appraisal was not based on a requested minimum valuation, a specific valuation, or approval of a loan;
6. My analysis, opinions and conclusions were developed, and this report has been prepared in conformance with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute and Title XI-FIRREA, 1989. The use of this report is subject to the requirements of the Institute relating to review by its duly authorized representatives;
7. My analysis, opinions and conclusions were developed, and this report has been prepared in conformity with the rules of the Texas Appraisers Licensing and Certification Board.
8. Benjamin T. Hawkins made a personal inspection of the property which is the subject of this report.
9. No other than the undersigned provided significant professional appraisal assistance in the preparation of this report.
10. It is noted that while it is possible that the subject property could sell within a shorter time period, it is my opinion that a more probable marketing time for the subject property would be six to twelve months.
11. The appraiser has not performed any services, appraisal or otherwise, on the subject within the 3 years preceding the engagement for this assignment.

MERIT ADVISORS


Ben Hawkins
State Certified General License #TX-1380683-G

ADDENDUM

Qualifications of Appraiser



Benjamin T. Hawkins
bhawkins@meritadvisor.com
 State Certified General Real Estate Appraiser
 Texas - #1380683-G
 Oklahoma - #13226CGA

Qualification Summary

- Over twenty-five years of experience in real estate.
- Over fifteen years of appraisal experience.
- Solid reputation for providing outstanding customer service.
- Experience working with various ethnic, religious and cultural backgrounds.

Employment History

- 2004 – Present Tierra Company / Merit Advisors Gainesville, TX
Staff Appraiser
- 1996 – 2004 Hawkins and Associates - Gainesville, TX
Real Estate Sales, Consulting, and Appraisals

Education

- Bachelor of Business Administration Texas Tech University
 - General Business Major
Emphasis in Marketing, Finance,
Management, and Real Estate

Training

- 120+ hours for Real Estate Salesperson Exam.
- 500+ hours of appraisal course work.
Sample of courses:
Income Capitalization
How to Analyze and Value Income Property
Appraisal and Analysis of Industrial and Flex Buildings
Land and Site Valuation
Appraisal of Owner-Occupied Commercial Property
Appraisal of Small Apartment Properties
Construction Details and Trends
Hotel Appraising: Limited and Full Service
Commercial Appraisal Review
Expert Witness for Commercial Properties
Appraisal of Self-Storage Facilities
- Texas Real Estate Salesperson License # 0449985.

Representative Appraisal Experience

- Commercial Real Estate
- Farm and Ranch/Large Tracts
- Subdivision/Development
- Residential/Multi-family
- Estates
- Divorce Cases
- Condemnation Working for Both Property Owners and Entities

Representative Court Experience

- District Court Testimony in Texas and Oklahoma
- Local County Court Testimony
- Condemnation Hearings in Cooke and Grayson Counties

References:

Mr. Steven Sims, Senior Lender First State Bank, Gainesville (940) 665-1711
 Mr. Brandon Bayer, Muenster State Bank, Gainesville (940) 665-7900
 Mr. Jeff Brooks, Chief Lending Officer, Legend Bank, (903) 564-5606
 Mr. Luke Motley, Attorney, Sherman (903) 892-9133
 Mr. Phil Adams, Attorney, Gainesville (940) 668-6666
 Mr. Brian Hess, CPA, Gainesville (940) 665-2345

Partial List of Past Clients

Lenders

First State Bank
 Prosperity Bank
 Muenster State Bank
 NASCOGA FCU
 Legend Bank
 1st State Bank
 Independent Bank
 Sanger Bank
 American Bank of Texas
 Rabo AgriFinance
 AgriLand Farm Credit
 Texas Star Bank
 Valley State Bank
 Texans Credit Union
 North Texas Bank
 TIB – The Independent Bankers Bank
 Bank of Texas

Attorneys/Accountants

Adams & Bennett, Gainesville
 H. Mack Barnhart, Gainesville
 Chuck Bartush Jr., Muenster
 Luke Motely, Sherman
 Josh Westrom, Denton
 Lee Tatum, Gainesville

Sullivant & Sullivant, Gainesville
 Hess & Rhomer, Gainesville
 Roy G. Bryan, Gainesville
 Schumacher & Krahl, Gainesville

Various Entities

City of Sherman
 City of Gainesville
 Town of Sunnyvale
 City of Corinth
 Greater Texoma Utility Authority
 First State Bank Trust Department
 Cooke County Appraisal District
 Guarantee Trust Life Insurance
 Funeral Directors Life Insurance
 B-29 Investments, Gainesville
 Select Energy Services, Gainesville
 Frost Financial Management Group
 J.R. Marriott, Inc.
 Gainesville Economic Development Corp
 Sherman Economic Development Corp
 Trident Tanks & Vessels, Gainesville
 Gainesville Housing Authority
 Gainesville ISD
 Forestburg ISD
 Lehigh Hanson Aggregates

FLOOD MAP



FLOOD INFORMATION

Community: Sanger, City of
Property is NOT in a FEMA Special Flood Hazard Area
Map Number: 48121C0210G
Panel: 48121C0210
Zone: X
Map Date: 04-18-2011
FIP5: 48121
Source: FEMA DFIRM

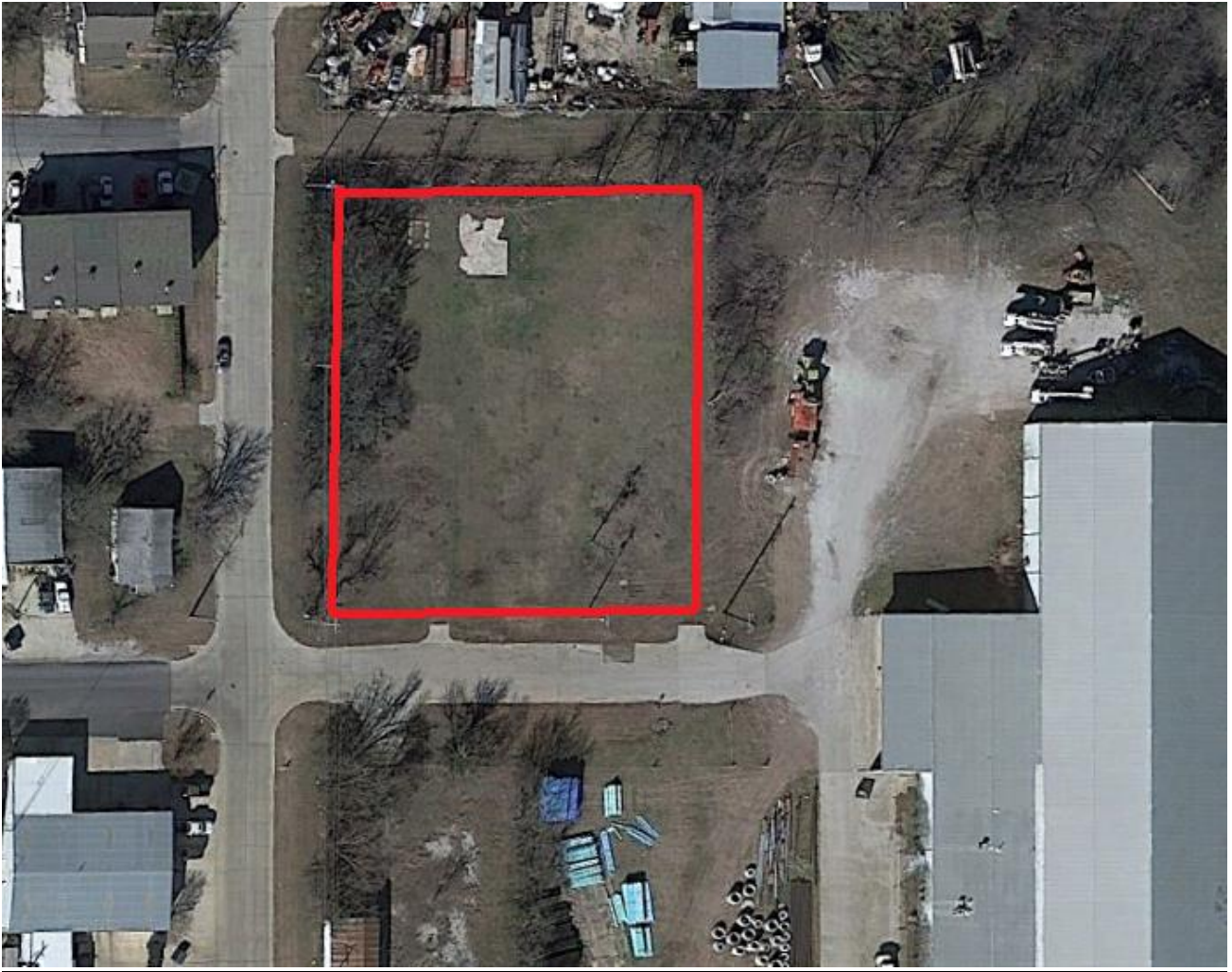
LEGEND

- = FEMA Special Flood Hazard Area - High Risk
- = Moderate and Minimal Risk Areas
- Road View:**
- = Forest
- = Water

Sky Flood™

No representations or warranties to any party concerning the content, accuracy or completeness of this flood report, including any warranty of merchantability or fitness for a particular purpose is implied or provided. Visual scaling factors differ between map layers and are separate from flood zone information at marker location. No liability is accepted to any third party for any use or misuse of this flood map or its data.

AERIAL PHOTO OF PROPERTY



PURCHASE AND SALE AGREEMENT

between

KW Elm Investment LLC

and

the City of Sanger

dated as of

December 20, 2022

PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT (this "**Agreement**"), dated as of December 19, 2022 (the "**Effective Date**"), is entered into between KW Elm Investment LLC, a Texas limited liability company ("**Seller**") having an address at 2888 Switzer Road, Sanger, Texas 76266 and the City of Sanger, a Texas Home Rule Municipality ("**Purchaser**") having an address at 502 Elm Street, P.O. Box 1729, Sanger, Texas 76266.

RECITALS

WHEREAS, Seller is the owner of the Property (as hereinafter defined); and

WHEREAS, subject to the terms and conditions hereof, Seller desires to sell to Purchaser the Property and Purchaser desires to purchase the Property from Seller.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

The following terms have the meanings specified or referred to in this ARTICLE I:

"**Agreement**" has the meaning set forth in the preamble.

"**Broker**" has the meaning set forth in Section 13.01.

"**Brokerage Agreements**" has the meaning set forth in **Error! Reference source not found..**

"**Closing**" has the meaning set forth in Section 4.01 et seq.

"**Closing Date**" has the meaning set forth Section 4.01(a).

"**Confidential Information**" has the meaning set forth in Section 12.01.

"**Deposit**" has the meaning set forth in Section 3.01(a).

"**Escrow Agent**" has the meaning set forth in Section 3.01(a).

"**Excluded Personal Property**" has the meaning set forth in Section 2.02.

"**Improvements**" has the meaning set forth in the Section 2.01(b).

"**Land**" has the meaning set forth in Section 2.01(a).

"**Notices**" has the meaning set forth in Section 9.01.

"OFAC" has the meaning set forth in Section 6.01(f).

"Permitted Exceptions" has the meaning set forth in Section 5.02.

"Property" has the meaning set forth in Section 2.01.

"Purchase Price" has the meaning set forth in Section 3.01.

"Purchaser" has the meaning set forth in the preamble.

"Purchaser Default" has the meaning set forth in Section 10.01(a).

"Purchaser Related Party" shall mean collectively any Purchaser agent, advisor, representative, affiliate, employee, director, partner, member, beneficiary, investor, servant, shareholder, trustee, or other person or entity acting on Purchaser's behalf or otherwise related to or affiliated with Purchaser.

"Purchaser's Survey" has the meaning set forth in Section 5.03(a)(ii).

"Rents" has the meaning set forth in **Error! Reference source not found..**

"Seller" has the meaning set forth in the preamble.

"Seller Related Party" shall mean collectively any Seller agent, advisor, representative, affiliate, employee, director, partner, member, beneficiary, investor, servant, shareholder, trustee, or other person or entity acting on Seller's behalf or otherwise related to or affiliated with Seller.

"Seller's Survey" has the meaning set forth in Section 5.02(c).

"Title Commitment" has the meaning set forth in Section 5.03(a)(i).

"Title Insurance Company" has the meaning set forth in Section 5.01.

"Title Objection Date" has the meaning set forth in Section 5.03(b).

"Title Objection Notice" has the meaning set forth in Section 5.03(b).

"Transaction Parties" has the meaning set forth in Section 12.01.

"Violations" has the meaning set forth in Section 5.05.

"Voluntary Liens" has the meaning set forth in Section 5.04(d).

ARTICLE II CONVEYANCE OF THE PROPERTY

Section 2.01 Subject of Conveyance. Seller agrees to sell and convey to Purchaser and Purchaser agrees to purchase from Seller, upon the terms and conditions hereinafter set forth, all right, title, and interest of Seller in and to the following (collectively referred to herein as the "**Property**"):

(a) All that certain lot, piece, or parcel of land located at 117-123 Elm Street, Sanger, County of Denton and State of Texas, as more particularly bounded and described in Exhibit A attached hereto and hereby made a part hereof (the "**Land**");

(b) All buildings and improvements located on the Land and all of Seller's right, title, and interest in and to any and all fixtures attached thereto (collectively, the "**Improvements**");

(c) All rights appurtenant to the Land, if any, including without limitation, any strips and gores abutting the Land, and any land lying in the bed of any street, road, or avenue in front of, or adjoining the Land, to the center line thereof;

(d) All other rights, privileges, easements, licenses, appurtenances, and hereditaments relating to the Property. Additionally, there are no leases encumbering the Property.

Notwithstanding anything herein to the contrary, "Property" does not include any tenant fixtures or other property belonging to the tenants at the Property, or any item leased from third-parties.

Section 2.02 Excluded Personal Property. The sale of the Property contemplated by this Agreement shall not include the personal property.

Section 2.03 AS-IS.

(a) Subject to Section 5.03 of this Agreement, Purchaser acknowledges that Purchaser has made thorough inspections and investigations of the Property and Purchaser agrees to take title to the Property "AS-IS, WHERE IS, AND WITH ALL FAULTS" and in the condition existing as of the date of this Agreement, subject to reasonable use, ordinary wear and tear, and without any reduction in or abatement of the Purchase Price. Purchaser has undertaken all such investigations of the Property as Purchaser deems necessary or appropriate under the circumstances as to the status of the Property and the existence or non-existence of curative action to be taken with respect to any hazardous or toxic substances on or discharged from the property, and based upon same, Purchaser is and will be relying strictly and solely upon such inspections and examinations and the advice and counsel of its own consultants, agents, legal counsel, and officers.

(b) Neither party to this Agreement is relying on any statement or representation not expressly stated in this Agreement. Purchaser specifically confirms and acknowledges that in entering into this Agreement, Purchaser has not been induced by, and has not relied upon, whether express or implied, warranties, guaranties, promises, statements, inducements, representations, or information pertaining to the Property or its uses, the physical condition, environmental condition, state of title, income, expenses, or operation of the Property, or any other matter or thing with respect thereto, written or unwritten, whether made by Seller or any

agent, employee, or other representative of Seller, or any broker or any other person representing (or purporting to represent) Seller, which are not expressly set forth in this Agreement. Seller shall not be liable for or bound by any written or unwritten statements, representations, warranties, brokers' statements, or other information pertaining to the Property furnished by Seller, any broker, any agent, employee, or other actual (or purported) representative of Seller, or any person, unless and only to the extent the same are expressly set forth in this Agreement.

(c) Seller makes no warranty with respect to the presence of any hazardous or toxic substances on, above, beneath, or discharged from the Property (or any adjoining or neighboring property) or in any water on or under the Property. The Closing hereunder shall be deemed to constitute an express waiver of Purchaser's right to recover from Seller, and upon the Closing, Purchaser forever releases, covenants not to sue, and discharges Seller from, any and all damages, demands, claims, losses, liabilities, penalties, fines, liens, judgments, costs, or expenses whatsoever, including attorneys' fees and costs, whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise on account of or in any way be connected with the physical condition of the Property.

(d) The provisions of this Section 2.03 shall survive the Closing and shall not be deemed to have merged into any of the documents executed or delivered at the Closing.

ARTICLE III PURCHASE PRICE

Section 3.01 Purchase Price and Deposit. The purchase price to be paid by Purchaser to Seller for the Property is Two Hundred Thousand and No/100 Dollars (\$200,000) (the "**Purchase Price**"). The Purchase Price shall be payable as follows:

(a) Simultaneously with the execution and delivery of this Agreement by Purchaser, the sum of Ten Thousand and No/100 Dollars (\$10,000) and additional, independent consideration in the amount of One Hundred and No/100 Dollars (\$100.00) together with any interest earned thereon, (collectively, the "**Deposit**") by Purchaser's wire transfer of immediately available federal funds to Michelle Neely, as escrow agent ("**Escrow Agent**"), to an account at such bank as designated by Escrow Agent. The receipt of the Deposit is hereby acknowledged and Escrow Agent agrees to hold the Deposit in escrow pursuant to the terms of ARTICLE XI of this Agreement. Any interest earned on the principal portion of the Deposit shall be deemed to be part of the Deposit and shall be paid together with the principal portion of the Deposit, it being understood and agreed that if the transaction contemplated under this Agreement closes, any interest earned on the Deposit shall not be credited to the Purchase Price upon the Closing and shall, upon the Closing, be and remain the property of Seller.

(b) The balance of the Purchase Price in the amount of One Hundred and Ninety Thousand and No/100 Dollars (\$190,000) shall be paid to Seller on the Closing Date, subject to any credits or apportionments as provided for under this Agreement, simultaneously with delivery of the deed, by one or more wire transfers of immediately available federal funds to an account, or accounts, designated in writing by Seller no later than five (5) days prior to the Closing Date.

Section 3.02 No Financing. Purchaser expressly agrees and acknowledges that Purchaser's obligations to pay the Purchase Price and otherwise consummate the transactions contemplated hereby are not in any way conditioned upon Purchaser's ability to obtain financing of any type or nature whatsoever (i.e., whether by way of debt financing, equity investment, or otherwise).

ARTICLE IV CLOSING

Section 4.01 Closing Date.

(a) The closing of the transaction contemplated by this Agreement (the "**Closing**") shall take place at 12:00 pm Central Time on December 23, 2022 or on such later date and time as provided under Section 4.01(b) of this Agreement (the "**Closing Date**") at the offices of Doma Title, Denton Branch located at 525 S. Locust St. - Suite 400, Denton, TX 76201.

(b) Pursuant to Section 5.04(a) of this Agreement, Seller shall have the right to adjourn the Closing Date.

Section 4.02 Seller's Closing Deliverables. At the Closing, Seller shall deliver or cause to be delivered to Purchaser, the following executed, certified, and acknowledged by Seller, as appropriate:

(a) A special warranty deed, executed with the appropriate acknowledgement form and otherwise in proper form for recording so as to convey title to the Property as required by this Agreement. The delivery of the special warranty deed by Seller, and the acceptance by Purchaser, shall be deemed the full performance and discharge of every obligation on the part of Seller to be performed pursuant to this Agreement, except those obligations of Seller that are expressly stated in this Agreement to survive the Closing.

(b) A certification that Seller is not a "foreign person" as such term is defined in Section 1445 of the Internal Revenue Code, as amended and the regulations thereunder, which certification shall be signed under penalty of perjury.

(c) Originals, or copies certified by Seller as being complete, of all applicable bills, invoices, and other items that shall be apportioned as of the Closing Date.

(d) A consent of the members of Seller authorizing the transaction contemplated hereby and the execution and delivery of the documents required to be executed and delivered hereunder.

(e) Seller's original closing statement and any disclosure forms required under federal and/or state law.

(f) All keys and access codes to any portion of the Property, to the extent in Seller's possession or control.

(g) All other documents reasonably necessary or otherwise required by Escrow Agent and Title Insurance Company to consummate the transaction contemplated by this Agreement.

Section 4.03 Purchaser's Closing Deliverables. At the Closing, Purchaser shall deliver or cause to be delivered to Seller, the following, executed, certified, and acknowledged by Purchaser, as appropriate:

- (a) Purchaser's original closing statement and any disclosure forms required under federal and/or state law.
- (b) Purchaser shall, where applicable, join with Seller in the execution and delivery of the closing documents and instruments required under Section 4.02 of this Agreement.
- (c) A consent of the manager of Purchaser authorizing the transaction contemplated hereby and the execution and delivery of the documents required to be executed and delivered hereunder.
- (d) All other documents reasonably necessary or otherwise required by Escrow Agent and Title Insurance Company to consummate the transaction contemplated by this Agreement.

Section 4.04 Closing Costs.

- (a) Seller and Purchaser shall each pay the fees and expenses of its own counsel in connection with the preparation and negotiation of this Agreement. The deed and other agreements and instruments related to the transaction contemplated by this Agreement and such legal costs shall not be part of the closing costs; provided, however, that if any legal action is instituted under this Agreement, the prevailing party in such action shall be entitled to recover from the other party costs related to such legal action, including reasonable attorneys' fees and costs in all trial, appellate, post-judgment, and bankruptcy proceedings.
- (b) Seller shall pay:
 - (i) The commission owed to the Broker, if any, pursuant to ARTICLE XIII of this Agreement;
 - (ii) All recording fees for the release of any liens on the Property, as required pursuant to the terms of this Agreement; and
 - (iii) The title insurance premium charged by Title Insurance Company for Purchaser's owner's title insurance policy.
- (c) Purchaser shall pay:
 - (i) Title Insurance Company charges for title endorsements to Purchase's owner's policy as well as the premium for a loan policy required by Purchaser's lender, if any;
 - (ii) The costs related to the Purchaser's Survey and any other survey or survey update;
 - (iii) Any other fees or costs related to Purchaser's due diligence reviews;

- (iv) Any transfer fees charged by the issuer of any letters of credit; and
- (v) All costs related to the recording fees payable in connection with the recording of the deed and Purchaser's lender's security instruments, if any.

Section 4.05 Apportionments. The following shall be apportioned as of 11:59 p.m. Central Time of the date immediately preceding the Closing Date, unless expressly provided for otherwise:

(a) Seller shall pay for any and all real estate taxes due and payable before the Closing. Purchaser shall pay for any and all real estate taxes due and payable on or after the Closing. No real estate tax credit or proration shall be given to Purchaser by Seller. If the Property shall be, or has been, affected by any assessments or special assessments payable in a lump sum or which are, or may become, payable in installments, of which the first installment is then a charge or lien, or has already been paid, then at the Closing such amounts will be paid or apportioned, as the case may be, in the following manner:

- (i) Any such assessments or installments, or portion thereof, payable on or after the Closing Date shall be the responsibility of Purchaser; and
- (ii) Any such assessments or installments, or portion thereof, payable prior to the Closing Date shall be the responsibility of Seller.

The obligations contained in this Section 4.05(a) shall survive the Closing and shall not be merged into the Deed.

(b) All water and sewer charges based on the fiscal year for which they are assessed, unless the meters are read on the date immediately preceding the Closing Date; provided, however, that if any such charges or rents are payable by any tenant under the Leases, such charges or rents shall not be apportioned.

(c) Utilities, fuel, gas, and electric charges based on most recently issued bills, unless: (i) the meters are read on the date immediately preceding the Closing Date; or (ii) the Purchaser has opened its own accounts as of the Closing Date; provided, however, that if any such charges are payable by any tenant under the Leases, such charges shall not be apportioned.

(d) Any leasing commissions due to any broker or leasing agent on or after the date hereof in connection with any Leases.

(e) All other items customarily apportioned in connection with sales of property substantially similar to the Property in the State of Texas.

Section 4.06 Miscellaneous. Any miscellaneous adjustments payable by either Purchaser or Seller, as the case may be, that occur at the Closing may be paid at the Closing by delivery of personal or business checks; provided, however, that such miscellaneous adjustments do not exceed One Thousand and No/100 Dollars (\$1,000). Any errors in calculations or apportionments shall be corrected or adjusted as soon as practicable after the Closing Date. The provisions of this Section 4.06 and Section 4.05 shall survive the Closing Date.

ARTICLE V
TITLE MATTERS AND VIOLATIONS

Section 5.01 Acceptable Title. Seller shall convey, and Purchaser shall accept, such title to the Property that any title insurance company authorized and licensed to do business in Texas (the "**Title Insurance Company**") would be willing to insure, subject to the matters set forth in this Agreement. Seller shall convey, and Purchaser shall accept, fee simple title to the Property in accordance with the terms and conditions of this Agreement, and subject to:

(a) The Permitted Exceptions; and

(b) Such other matters as any Title Insurance Company shall be willing to omit as exceptions to coverage or to except with insurance against collection out of or enforcement against the Property.

Section 5.02 Permitted Exceptions. The Property shall be sold, assigned, and conveyed by Seller to Purchaser, and Purchaser shall accept and assume same, subject to the following matters (collectively, the "**Permitted Exceptions**"):

(a) Any and all present and future zoning, building, environmental and other laws, statutes, ordinances, codes, rules, regulations, requirements, or executive mandates of all governmental authorities having jurisdiction with respect to the Property, including, without limitation, landmark designations and all zoning variances and special exceptions, if any; provided, however, that the same are not violated by the Improvements or prohibit or materially impair the continued use of the Property as it is being used on the date of this Agreement.

(b) Possible encroachments and/or projections of stoop areas, roof cornices, window trims, vent pipes, cellar doors, steps, columns and column bases, flue pipes, signs, piers, lintels, window sills, fire escapes, satellite dishes, protective netting, sidewalk sheds, ledges, fences, coping walls (including retaining walls and yard walls), air conditioners, and the like, if any, on, under or above any street or highway, the Property or any adjoining property, *provided, however*, that the same do not materially impact the value of the Property or impair the continued use of the Property as it is being used on the date of this Agreement.

(c) The state of facts shown on that certain survey made by Arthur Surveying Co., 220 Elm St., #200, Lewisville, Tx 75057 dated October 14, 2015 ("**Seller's Survey**") and any additional state of facts a new or updated survey or personal inspection would show, provided the additional facts do not render title uninsurable in Texas.

(d) All presently existing and future liens for unpaid real estate taxes, assessments, and water and sewer charges that are not due and payable as of the Closing Date, subject to any apportionments as provided for in this Agreement.

(e) All covenants, restrictions and rights of record, and all easements and agreements of record for the erection and/or maintenance of water, gas, steam, electric, telephone, sewer or other utility pipelines, poles, wires, conduits, or other like facilities, and appurtenances thereto, over, across, and under the Property; provided, however, that the same are not violated by the Improvements and do not impose any monetary obligation on the owner of the Property.

(f) Party walls and party wall rights, beams and beam rights, the possible revocable nature of or lack of right to maintain vaults or other improvements or installations beyond building or property lines.

(g) Variations between tax lot lines and lines of record title provided same do not render title uninsurable in Texas.

(h) Any lien or encumbrance (including, without limitation, any mechanics lien and materialmen's lien) the removal of which is the obligation of a tenant.

(i) Any lien or encumbrance arising out of the acts or omissions of Purchaser.

(j) Consents by Seller or any former owner for the erection and maintenance of any structures on, under, or above any streets or roads on which the Property may abut, provided same do not render title unmarketable.

(k) Any financing statements filed on a date more than five (5) years prior to the Closing Date and not renewed, and any financing statements, chattel mortgages, encumbrances, or mechanics' or other liens filed against the against property or equipment which is not part of the Property or is owned by tenants.

(l) Any exceptions disclosed on Schedule B of the Title Commitment (as hereinafter defined) which will be extinguished upon the transfer of the Property.

(m) The standard conditions and exceptions to title contained in the form of title policy or a revised post "mark-up" Title Commitment issued to Purchaser by Title Insurance Company.

(n) Such other matters as any reputable title insurer licensed to do business in Texas shall be willing, without special premium, to omit as exceptions to title insurance coverage.

Section 5.03 Title.

(a) Seller shall promptly order, at its sole cost and expense:

(i) A commitment for title insurance from the Title Insurance Company, together with true, legible copies (to the extent available) of all instruments giving rise to any defects or exceptions to title to the Property (collectively, the "**Title Commitment**"), which Title Commitment shall be delivered to counsel for both Purchaser and Seller concurrently; and

(ii) Either an update of Seller's Survey or a new survey of the Property, prepared by a surveyor licensed in Texas ("**Purchaser's Survey**"), which Purchaser's Survey shall be delivered to counsel for both Purchaser and Seller concurrently.

(b) Purchaser or Purchaser's attorney shall deliver to Seller, and Seller's attorney, in writing, any objections to the exceptions to title set forth in the Title Commitment or Purchaser's Survey, other than the Permitted Exceptions (collectively, "**Title Objection Notice**"), by no later

than 12:00 pm Central Time on the date that is five (5) days after the Effective Date ("**Title Objection Date**"). The failure by Purchaser, or Purchaser's attorney, to deliver the Title Objection Notice on or before the Title Objection Date shall constitute Purchaser's irrevocable acceptance of the Title Commitment and Purchaser's Survey and Purchaser shall be deemed to have unconditionally waived any right to object to any matters set forth therein. If, after giving the Title Objection Notice to Seller and Seller's attorney, Purchaser receives any amendment or update to the Title Commitment or to Purchaser's Survey showing any title defects which Purchaser claims are not Permitted Exceptions, Purchaser shall give written notice thereof to Seller immediately after the date Purchaser receives such evidence and Purchaser shall be deemed to have unconditionally waived any such matters of which it fails to give such notice to Seller within five (5) days after the date Purchaser receives same. Purchaser acknowledges and agrees that **TIME IS OF THE ESSENCE** with respect to all time periods relating to Purchaser's obligations set forth in this Section 5.03.

Section 5.04 Seller's Inability to Convey.

(a) If, on the Closing Date, Seller fails or is unable to convey title to the Property in accordance with this Agreement, Seller shall be entitled, upon written notice delivered to Purchaser on or prior to the Closing Date, to reasonable adjournments of the Closing one or more times for a period not to exceed five (5) days in the aggregate to enable Seller to convey such title to the Property.

(b) If Seller does not so elect to adjourn the Closing, and on the Closing Date, fails or is unable to convey title subject to and in accordance with the provisions of this Agreement, Purchaser shall be entitled, to either: (i) terminate this Agreement by written notice to Seller delivered on or before the Closing Date, in which event Purchaser shall be entitled to a return of the Deposit minus the independent consideration, and this Agreement shall thereupon be deemed terminated and of no further effect, and neither party hereto shall have any obligations to the other hereunder or by reason hereof, except for the provisions hereof that expressly survive termination of this Agreement; or (ii) complete the purchase (with no reduction in the Purchase Price) with such title as Seller is able to convey on the Closing Date.

(c) If Seller elects to adjourn the Closing as provided in Section 5.04(a) above, this Agreement shall remain in effect for the period or periods of adjournment, in accordance with its terms. If, on the adjourned Closing Date, Seller fails or is unable to convey title to the Property subject to and in accordance with the provisions of this Agreement, Purchaser shall make its election between clauses (i) and (ii) of Section 5.04(b) above, by written notice to Seller given not later than the adjourned Closing Date. If Purchaser shall fail to give such notice as aforesaid, Purchaser shall be deemed to have elected clause (ii) above and the Closing shall take place on the adjourned Closing Date.

(d) Notwithstanding anything to the contrary contained in this Agreement, Seller shall not be required to take or bring any action or proceeding or any other steps to remove any defect in or objection to title or to fulfill any condition precedent to Purchaser's obligations under this Agreement or to expend any moneys therefor, nor shall Purchaser have any right of action against Seller therefor, at law or in equity, except that Seller shall, on or prior to the Closing, pay, discharge, or remove of record or cause any Voluntary Lien to be paid, discharged, or

removed of record at Seller's sole cost and expense. The term "**Voluntary Liens**" as used herein shall mean any lien and other encumbrances (other than Permitted Exceptions) which: (i) Seller has knowingly and intentionally placed (or allowed to be placed) on the Property, including, without limitation, mortgages and mechanics' liens; (ii) are in a liquidated amount; and (iii) may be satisfied solely by the payment of money. For all Voluntary Liens, other than mortgages and mechanics liens, Seller shall have no obligation to pay, discharge, or remove of record Voluntary Liens, in the aggregate, in an amount greater than Ten Thousand and No/100 Dollars (\$10,000).

(e) Notwithstanding anything in this Section 5.04 above to the contrary, Purchaser may at any time accept such title as Seller can convey, without reduction of the Purchase Price or any credit or allowance on account thereof or any claim against Seller. The acceptance of the Deed by Purchaser shall be deemed to be full performance of, and discharge of, every agreement and obligation on Seller's part to be performed under this Agreement, except for such matters which are expressly stated to survive the Closing hereunder.

Section 5.05 Violations. Notwithstanding anything to the contrary in this Agreement, Purchaser shall accept title to the Property subject to any and all violations or any notes or notices of violations of law or municipal ordinances, orders, or requirements noted or issued prior to, on, or after the date of this Agreement (collectively, the "**Violations**"), if any. Purchaser acknowledges and accepts that Seller shall not be obligated to comply with, or take any action or incur any expense in connection with any Violations. If requested by Purchaser, Seller shall furnish Purchaser with an authorization to make any required violation searches against the Property.

ARTICLE VI REPRESENTATIONS AND WARRANTIES

Section 6.01 Seller's Representations and Warranties. Seller represents and warrants to Purchaser on and as of the date of this Agreement and on and as of the Closing Date as set forth in this Section 6.01:

(a) Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Texas.

(b) The execution, delivery, and performance of this Agreement by Seller and all agreements, instruments, and documents herein provided to be executed by Seller on the Closing Date: (i) do not violate the Articles of Incorporation of Seller, or any contract, agreement, commitment, lease, order, judgment, or decree to which Seller is a party; and (ii) have been duly authorized by the consent of the members of Seller and the appropriate and necessary action has been taken by such members on the part of Seller. This Agreement is valid and binding upon Seller, subject to bankruptcy, reorganization, and other similar laws affecting the enforcement of creditors' rights generally.

(c) Seller is not a "foreign person" as such term is defined in Section 1445 of the Internal Revenue Code or any regulations promulgated thereunder, as amended.

(d) To Seller's actual knowledge, there is no pending or threatened litigation or condemnation action against the Property or against Seller with respect to the Property as of the date of this Agreement.

(e) Seller has not entered into any service or equipment leasing contracts relating to the Property.

(f) Seller is not, and will not become, a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's specially designated and blocked persons list) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

Section 6.02 Purchaser's Representations and Warranties. Purchaser represents and warrants to Seller on and as of the date of this Agreement and on and as of the Closing Date as set forth in this Section 6.02:

(a) Purchaser is a Home Rule Municipality duly organized, validly existing, and in good standing under the laws of the State of Texas.

(b) The execution, delivery, and performance of this Agreement by Purchaser and all agreements, instruments, and documents herein provided to be executed by Purchaser on the Closing Date: (i) do not violate the Articles of Incorporation of Purchaser, or any contract, agreement, commitment, lease, order, judgment, or decree to which Purchaser is a party; and (ii) have been duly authorized by the consent of the manager of Purchaser and the appropriate and necessary action has been taken by such manager on the part of Purchaser. This Agreement is valid and binding upon Purchaser, subject to bankruptcy, reorganization, and other similar laws affecting the enforcement of creditors' rights generally.

(c) Purchaser has not violated any contract, agreement, or other instrument to which Purchaser is a party nor any judicial order, judgment, or decree to which Purchaser is bound by: (i) entering into this Agreement; (ii) executing any of the documents Purchaser is obligated to execute and deliver on the Closing Date; or (iii) performing any of its duties or obligations under this Agreement or otherwise necessary to consummate the transactions contemplated by this Agreement.

(d) There are no actions, lawsuits, litigation, or proceedings pending or threatened in any court or before any governmental or regulatory agency that affect Purchaser's power or authority to enter into or perform this Agreement. There are no judgments, orders, or decrees of any kind against Purchaser unpaid or unsatisfied of record, or, to the best of Purchaser's knowledge, threatened against Purchaser, which would have any material adverse effect on the business or assets or the condition, financial or otherwise, of Purchaser or the ability of Purchaser to consummate the transactions contemplated by this Agreement.

(e) Except for the express representations and warranties of Seller found in Section 6.01, Purchaser is acquiring the Property on an "AS IS, WHERE IS" basis, without any representation or warranty of any kind or nature whatsoever, express or implied, and Purchaser acknowledges that no such representations or warranties have been made except as set forth in writing herein. In deciding whether to acquire the Property, Purchaser is relying solely on Purchaser's investigation of the Property.

(f) Purchaser is not, and will not become, a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations of OFAC (including those named on OFAC's specially designated and blocked persons list) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

ARTICLE VII MAINTENANCE AND REPAIRS

Section 7.01 Maintenance and Repairs. Seller shall cause the Property, and the Improvements, to be maintained in substantially the same manner as prior to the date of this Agreement pursuant to Seller's normal course of business, subject to reasonable wear and ARTICLE VIII of this Agreement.

ARTICLE VIII RISK OF LOSS

Section 8.01 Risk of Loss. If prior to the Closing Date any portion of the Property shall be taken by condemnation or eminent domain or damaged or destroyed by fire or other casualty, neither party shall have the right to cancel this Agreement. Purchaser shall purchase the Property in accordance with this Agreement, and the Purchase Price shall not be reduced; provided, however, that Seller's rights to any award resulting from such taking or any insurance proceeds resulting from such fire or other casualty (less any reasonable sums expended by Seller for repair or restoration through the Closing Date) shall be assigned by Seller to Purchaser at the Closing. Purchaser and Seller hereby irrevocably waive the provision of any statute that provides for a different outcome or treatment in the event the Property shall be taken or damaged or destroyed by fire or other casualty, including without limitation, the provisions of the Uniform Vendor and Purchaser Risk Act (Tex. Prop. Code Ann. § 5.007).

ARTICLE IX NOTICES

Section 9.01 Delivery of Notices. Unless specifically stated otherwise in this Agreement, all notices, demands, requests, consents, approvals, or other communications (for purposes of this Section 9.01 collectively referred to as "**Notices**") shall be in writing and delivered to Purchaser, Seller, or Escrow Agent, at the addresses set forth in Section 9.02 below, by one the following methods:

(a) Personal delivery, whereby delivery is deemed to have occurred at the time of delivery;

(b) Overnight delivery by a nationally recognized overnight courier company, whereby delivery is deemed to have occurred the business day following deposit with the courier;

(c) Registered or certified mail, postage prepaid, return receipt requested, whereby delivery is deemed to have occurred on the third business day following deposit with the United States Postal Service; or

(d) Electronic transmission (facsimile or electronic mail) provided that such transmission is completed no later than 5:00 p.m. Central Time on a business day and the original is also sent by personal delivery, overnight delivery, or by mail in the manner previously described, whereby delivery is deemed to have occurred at the end of the business day on which the electronic transmission is complete.

Section 9.02 Parties' Addresses.

(a) Unless changed in accordance with Section 9.02(b) of this Agreement, the addresses for all communications and notices shall be as follows:

If to Seller:

Name: KW Elm Investment LLC
Address: 2888 Switzer Road, Sanger, Texas 76266
Attention: Mel Gunter Knight
Email: Melgknight@gmail.com

If to Purchaser:

Name: City of Sanger
Address: 502 Elm Street, P.O. Box 1729, Sanger, Texas 76266
Attention: City Manager
Email: jnoblitt@sangertexas.com

If to Escrow Agent:

Name: Michelle Neely
Address: 525 S. Locust St., Suite 400 Denton TX 76201
Attention: Michelle Neely
Email: michelle@dosterlawgroup.com

(b) Any party may, by notice given in accordance with this Article, designate a different address or person for receipt of all communications or notices.

(c) Any notice under this Agreement may be given by the attorneys of the respective parties who are hereby authorized to do so on their behalf.

ARTICLE X REMEDIES

Section 10.01 Remedies.

(a) If Purchaser shall default in the observance or performance of Purchaser's obligations under this Agreement and the Closing does not occur as a result thereof (a "**Purchaser Default**"), Seller's sole and exclusive remedy shall be to retain the Deposit plus any accrued interest thereon, if any, as and for full and complete liquidated and agreed damages for Purchaser's Default, and the parties shall be released from further liability to each other hereunder, except for those obligations and liabilities that are expressly stated to survive termination of this Agreement. SELLER AND PURCHASER AGREE THAT IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO ESTIMATE THE DAMAGES WHICH SELLER MAY SUFFER UPON A PURCHASER DEFAULT AND THAT THE DOWN PAYMENT AND ANY INTEREST EARNED THEREON, AS THE CASE MAY BE, REPRESENTS A REASONABLE ESTIMATE OF THE TOTAL NET DETRIMENT THAT SELLER WOULD SUFFER UPON A PURCHASER DEFAULT. SUCH LIQUIDATED AND AGREED DAMAGES ARE NOT INTENDED AS A FORFEITURE OR A PENALTY WITHIN THE MEANING OF APPLICABLE LAW.

(b) If Seller shall default in the observance or performance of any of the terms of this Agreement, and Purchaser is ready, willing, and able to close in accordance with the terms, provisions, and conditions of this Agreement and the Closing does not occur as a result thereof, Purchaser's sole and exclusive remedy shall be to receive the Deposit and any accrued interest thereon minus the independent consideration and Purchaser's actual costs relating to the Title Commitment and Purchaser's Survey, if any. Notwithstanding anything to the contrary contained in this Agreement, in no event shall Seller be liable to Purchaser for any damages of any kind whatsoever. Purchaser waives all rights to specific performance or injunctive relief or other relief to cause Seller to perform its obligations under this Agreement.

(c) Upon the release of the Deposit, and any interest accrued thereon, to either Purchaser or Seller, as the case may be, this Agreement shall be deemed null and void and no party hereto shall have any obligations to, or rights against, the other hereunder, except as expressly provided herein.

(d) The provisions of this Article shall survive the Closing or termination of this Agreement.

ARTICLE XI ESCROW

Section 11.01 Escrow Terms. Escrow Agent shall hold and disburse the Deposit in accordance with the following provisions:

(a) Escrow Agent shall have the right, but not the obligation, to invest the Deposit in savings accounts, treasury bills, certificates of deposit, and/or in other money market instruments approved by Seller, or in funds investing in any of the foregoing, and shall not be liable for any losses suffered in connection with any such investment.

(b) If the Closing occurs, then Escrow Agent shall deliver the Deposit to Seller.

(c) If for any reason the Closing does not occur and either party makes a written demand upon Escrow Agent for payment of the Deposit, Escrow Agent shall give written notice to the other party of such demand. If Escrow Agent does not receive a written objection from the other party to the proposed payment within {number} ({number}) days after the giving of such notice, Escrow Agent is hereby authorized to make such payment. If Escrow Agent does receive such written objection within such {number} ({number}) day period or if for any other reason Escrow Agent in good faith shall elect not to make such payment, Escrow Agent shall continue to hold such amount until otherwise directed by written instructions from the parties to this Agreement or a final judgment in court. However, Escrow Agent shall have the right at any time to deposit the escrowed proceeds and interest thereon, if any, with the clerk of a court having competent jurisdiction in the county in which the Property is located. Escrow Agent shall give written notice of such deposit to Seller and Purchaser. Upon such deposit, Escrow Agent shall be relieved and discharged of all further obligations and responsibilities hereunder.

Section 11.02 Escrow Agent's Duties and Responsibilities.

(a) Escrow Agent has signed this Agreement for the sole purpose of agreeing to act as Escrow Agent in accordance with this Article. Escrow Agent shall have no duties or responsibilities except those set forth in this Agreement and Seller and Purchaser agree and acknowledge that Escrow Agent shall act hereunder as a depository only.

(b) Escrow Agent shall be protected in relying upon the accuracy, acting in reliance upon the contents, and assuming the genuineness of any notice, demand, certificate, signature, instrument, or other document that is given to Escrow Agent without verifying the truth or accuracy of any such notice, demand, certificate, signature, instrument, or other document.

(c) The parties acknowledge that Escrow Agent is acting solely as a stakeholder at their request and for their convenience, that the duties of Escrow Agent hereunder are purely ministerial in nature and shall be expressly limited to the safekeeping and disposition of the Deposit in accordance with the provisions of this Agreement. Escrow Agent shall not be liable for any action taken or omitted by Escrow Agent in good faith and believed by Escrow Agent to be authorized or within its rights or powers conferred upon it by this Agreement, except for any damage caused by Escrow Agent's own gross negligence or willful default or misconduct. Escrow Agent shall not have any liability or obligation for loss of all or any portion of the Deposit by reason of the insolvency or failure of the institution or depository with whom the

escrow account is maintained. Upon the disbursement of the Deposit in accordance with this Agreement, Escrow Agent shall be relieved and released from any liability under this Agreement, except in connection with Escrow Agent's gross negligence or willful default or misconduct.

(d) In the event that a dispute shall arise in connection with this Agreement, or as to the rights of the parties in and to, or the disposition of, the Deposit, Escrow Agent shall have the right to: (i) hold and retain all or any part of the Deposit until such dispute is settled or finally determined by litigation, arbitration, or otherwise; (ii) deposit the Deposit in an appropriate court of law, following which Escrow Agent shall thereby and thereafter be relieved and released from any liability or obligation under this Agreement; (iii) institute an action in interpleader or other similar action permitted by stakeholders in Texas; or (iv) interplead any of the parties in any action or proceeding which may be brought to determine the rights of the parties to all or any part of the Deposit.

(e) Escrow Agent shall not charge a fee for its services as the escrow agent in the transaction contemplated by this Agreement.

(f) All costs and expenses incurred by Escrow Agent in performing its duties as Escrow Agent including, without limitation, reasonable attorneys' fees (whether paid to retained attorneys or amounts representing the fair value of legal services rendered to or for itself) shall be borne 50% by Seller and 50% by Purchaser, except however, if any litigation arises under this Agreement with respect to the Deposit, all costs and expenses of the litigation shall be borne by whichever of Seller or Purchaser is the losing party.

(g) Escrow Agent has acknowledged agreement to these provisions by signing in the place indicated on the signature page of this Agreement.

Section 11.03 Indemnification of Escrow Agent. Seller and Purchaser hereby agree to, jointly and severally, indemnify, defend, and hold harmless Escrow Agent from and against any liabilities, damages, losses, costs, or expenses incurred by, or claims or charges made against Escrow Agent (including reasonable attorneys' fees and disbursements) by reason of Escrow Agent acting or failing to act in connection with any of the matters contemplated by this Agreement or in carrying out the terms of this Agreement, except for those matters arising as a result of Escrow Agent's gross negligence or willful misconduct.

Section 11.04 Survival. This Article shall survive the Closing or the termination of this Agreement.

ARTICLE XII CONFIDENTIALITY

Section 12.01 Confidential Information. Purchaser to the extent allowable by law, covenants and agrees not to communicate: (a) the terms or any aspect of this Agreement and the transactions contemplated hereby; and (b) the content of any and all information in respect of the Property which is supplied by Seller to Purchaser (collectively, the "**Confidential Information**") to any person or entity, without the express written consent of Seller; provided, however, that Purchaser may, without consent,

disclose the Confidential Information: (i) to its respective advisors, consultants, attorneys, accountants, partners, investors, and lenders (the "**Transaction Parties**") without the express written consent of Seller, so long as any such Transaction Parties to whom disclosure is made shall also agree to keep all such information confidential in accordance with the terms hereof; and (ii) if disclosure is required by law or by regulatory or judicial process or pursuant to any regulations promulgated by the New York Stock Exchange or other public exchange for the sale and purchase of securities, provided that in such event Purchaser shall notify the Seller in writing of such required disclosure, shall exercise all commercially reasonable efforts to preserve the confidentiality of the Confidential Information, including, without limitation, reasonably cooperating with the other party to obtain an appropriate order or other reliable assurance that confidential treatment will be accorded such Confidential Information by such tribunal and shall disclose only that portion of the Confidential Information which it is legally required to disclose. The foregoing confidentiality obligations shall not apply to the extent that any such Confidential Information is a matter of public record or is provided in other sources readily available to the real estate industry other than as a result of disclosure by Purchaser or its Transaction Parties. Purchaser hereby indemnifies Seller against, and holds Seller harmless from, any and all claims, losses, damages, liabilities, and expenses (including, without limitation, reasonable attorneys' fees and disbursements) arising in connection with Purchaser's obligations under this Section 12.01 and/or the disclosure of any Confidential Information by Purchaser and/or by Purchaser's Transaction Parties in violation of this Section 12.01. The provisions of this Section 12.01 shall survive the Closing or the earlier termination of this Agreement.

Section 12.02 Return or Destruction of Confidential Information. As of the Closing Date or in the event of a termination of this Agreement, if applicable, such confidentiality shall be maintained by Purchaser and all Confidential Information in accordance with the written request of Seller shall be either promptly: (a) returned to Seller; or (b) destroyed by Purchaser, with any such destruction confirmed by Purchaser and its Transaction Parties in writing.

Section 12.03 Survival. The provisions of this Article shall survive the Closing Date or termination of this Agreement.

ARTICLE XIII BROKERS

Section 13.01 Brokers. Purchaser and Seller each represent and warrant to each other that they dealt with no broker in connection with, nor has any broker had any part in bringing about, this transaction. Seller and Purchaser to the extent allowable by law, shall each indemnify, defend, and hold harmless the other from and against any claim of any broker or other person for any brokerage commissions, finder's fees, or other compensation in connection with this transaction if such claim is based in whole or in part by, through, or on account of, any acts of the indemnifying party or its agents, employees, or representatives and from all losses, liabilities, costs, and expenses in connection with such claim, including without limitation, reasonable attorneys' fees, court costs, and interest.

Section 13.02 Survival. The provisions of this ARTICLE XIII shall survive the Closing, or the termination of this Agreement prior to the Closing.

ARTICLE XIV MISCELLANEOUS

Section 14.01 Governing Law. This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Texas.

Section 14.02 Merger; No Representations. This Agreement constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. This Agreement is entered into after full investigation, with no party relying upon any statement or representation, not set forth in this Agreement, made by any other party.

Section 14.03 No Survival. Except as otherwise provided in this Agreement, no representations, warranties, covenants, or other obligations of Seller set forth in this Agreement shall survive the Closing and no action based thereon shall be commenced after the Closing.

Section 14.04 Limitation of Liability.

(a) No member of Seller, nor any Seller Related Party, shall have any personal liability, directly or indirectly, under or in connection with this Agreement or any agreement made or entered into under or pursuant to the provisions of this Agreement or any amendment or amendments to any of the foregoing made at any time or times, heretofore and hereafter, and Purchaser and its successors and assigns and, without limitation all other persons and entities, shall look solely to Seller's assets for the payment of any claim or for any performance and Purchaser, on behalf of itself and its successors and assigns, hereby waives any and all such personal liability.

(b) No representative or agent of Purchaser, nor any Purchaser Related Party shall have any personal liability, directly or indirectly, under or in connection with this Agreement or any agreement made or entered into under or pursuant to the provisions of this Agreement, or any amendment or amendments to any of the foregoing made at any time or times, heretofore and hereafter, and Seller and its successors and assigns and, without limitations, all other persons and entities, shall look solely to Purchaser's assets for the payment of any claim or for any performance, and Seller, on behalf of itself and its successors and assigns, hereby waives any and all such personal liability.

Section 14.05 Business Days. Whenever any action must be taken (including the giving of notices) under this Agreement during a certain time period (or by a particular date) that ends or occurs on a non-business day, then such period (or date) shall be extended until the next succeeding business day. As used herein, the term "business day" shall be deemed to mean any day other than a Saturday, a Sunday, or a legal holiday on which national banks are not open for business in the State of Texas.

Section 14.06 Modifications and Amendments. This Agreement cannot under any circumstance be modified or amended orally and no agreement shall be effective to waive, change, modify, terminate, or discharge this Agreement, in whole or in part, unless such agreement is in writing and is signed by both Seller and Purchaser.

Section 14.07 No Recording. Neither this Agreement, nor any memorandum of this Agreement, shall be recorded. The recording of this Agreement, or any memorandum of this Agreement, by Purchaser shall constitute a material default and shall entitle Seller to retain the Deposit and any interest earned thereon.

Section 14.08 Successors and Assigns; Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs or successors and permitted assigns. Purchaser may not assign or otherwise transfer this Agreement, or any of its rights or obligations hereunder, without the prior written consent of Seller, which consent may be withheld in Seller's sole discretion. Any purported assignment without Seller's consent shall be void and of no force or effect. Any change in control of Purchaser or of any of the direct or indirect ownership interests in Purchaser, at any level or tier of ownership, whether in one transaction or a series of transactions, shall constitute an assignment for purposes of this Section 14.08.

Section 14.09 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect, invalidate, or render unenforceable any other term or provision of this Agreement. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to affect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

Section 14.10 Further Assurances. Each of the parties hereto shall execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby, provided such documents are customarily delivered in real estate transactions in Texas and do not impose any material obligations upon any party hereunder except as set forth in this Agreement.

Section 14.11 Counterparts. This Agreement may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original for all purposes, but all such counterparts shall together constitute but one and the same instrument.

Section 14.12 Time Is of the Essence. The parties hereto acknowledge and agree that, except as otherwise expressly provided in this Agreement, TIME IS OF THE ESSENCE for the performance of all actions (including, without limitation, the giving of Notice, the delivery of documents, and the funding of money) required or permitted to be taken under this Agreement. Whenever action must be taken (including, without limitation, the giving of Notice, the delivery of documents, or the funding of money) under this Agreement, prior to the expiration of, by no later than, or on a particular date, unless otherwise expressly provided in this Agreement, such action must be completed by {TIME} Central Time on such date, provided that such action must be completed by {TIME} Central Time with respect to the payment of the balance of the Purchase Price and other payments by Purchaser on the Closing Date. However, notwithstanding anything to the contrary herein, whenever action must be taken (including, without limitation, the giving of Notice, the delivery of documents, or the funding of money) under this Agreement prior to the expiration of, by no later than, or on a particular date that is not a business day, then such date shall be extended until the immediately following business day.

Section 14.13 Headings. The captions or paragraph titles contained in this Agreement are for convenience and reference only and shall not be deemed a part of the text of this Agreement.

Section 14.14 No Waivers. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party providing the waiver. No waiver by either party of any failure or refusal to comply with any obligations under this Agreement shall be deemed a waiver of any other or subsequent failure or refusal to so comply.

Section 14.15 No Offer. This Agreement shall not be deemed an offer or binding upon Seller or Purchaser until this Agreement is fully executed and delivered by Seller and Purchaser.

Section 14.16 Waiver of Jury Trial. SELLER AND PURCHASER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM (WHETHER ARISING IN TORT OR CONTRACT) BROUGHT BY SUCH PARTY AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

PURCHASER:

The City of Sanger, a Texas Home Rule Municipality

By: _____

Name: _____

Title: _____

SELLER:

KW Elm Investment LLC, a Texas limited liability company

By: Mel Knight

Name: MEL KNIGHT

Title: Member / owner

ESCROW AGENT:

{ESCROW AGENT NAME}

By: _____

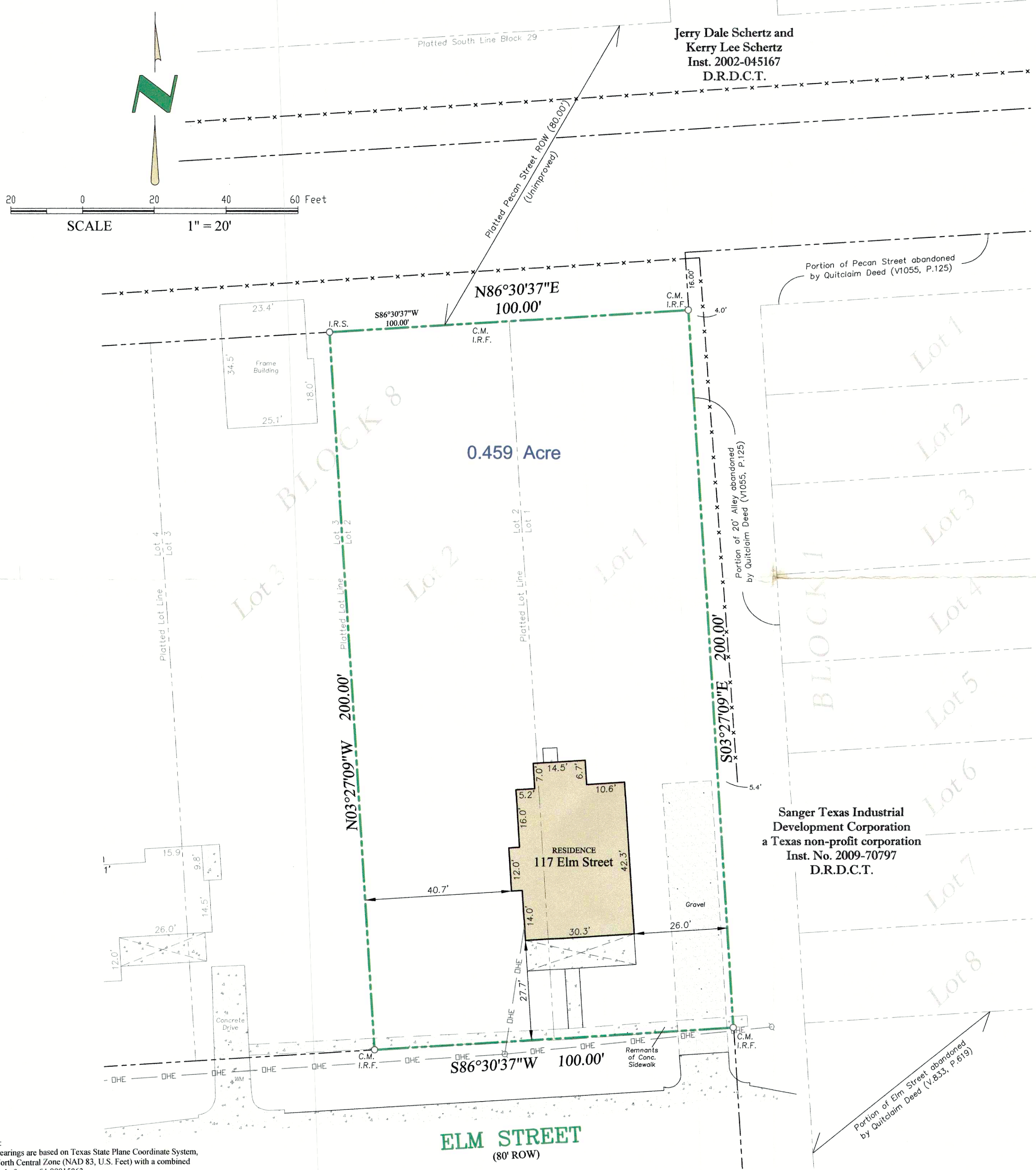
Name: _____

Title: _____

EXHIBIT A

LEGAL DESCRIPTION

Lots 1 – 4 Block 8 Original Town of Sanger, Sanger, Texas



LEGEND			
— x —	FENCE (AT CENTER OF FENCE POST)	○ WM	WATER METER
— DHE —	OVERHEAD POWER	— WV —	WATER VALVE
PP □	POWER POLE	— ICV —	IRRIGATION CONTROL VALVE
LP *	LIGHT POLE	— S —	TRAFFIC/PARKING SIGN
— G —	GUY WIRE(S)	— TMH —	TELEPHONE MANHOLE
I.R.F.	IRON ROD FOUND	□ CA T.V.	CABLE TELEVISION SUB-SURFACE BOX
I.R.S.	IRON ROD SET	— CON —	CONCRETE
TXDOT MON.	TEXAS DEPARTMENT OF TRANSPORTATION MONUMENT	— E.A. —	EDGE OF ASPHALT
F.C.P.	FENCE CORNER POST	— COV —	COVERED AREA
I.P.F.	IRON PIPE FOUND		
FH ♦	FIRE HYDRANT		
SS/CO •	SANITARY SEWER CLEAN-OUT		
○ SSMH	SANITARY SEWER MANHOLE		

NOTE: ALL IRON RODS FOUND ARE 1/2" UNLESS OTHERWISE NOTE.
ALL IRON RODS SET ARE 1/2" WITH YELLOW CAP STAMPED "ARTHUR SURVEYING COMPANY"

BOUNDARY SURVEY

PROPERTY DESCRIPTION:
Lots 1 and 2, in Block 8, of ORIGINAL TOWN OF SANGER, Denton County, Texas, according to the Plat thereof recorded in Volume 48, Page 630, Deed Records of Denton County, Texas.



117 Elm Street
Sanger, Texas

The undersigned have/has received and reviewed a copy of this survey.

X _____
X _____
X _____
Date: _____

FreedomTitle
3624 Long Prairie Road, Suite 101
Flower Mound, TX 75022
Ph. (972) 899-5950
Fax (972) 899-5952

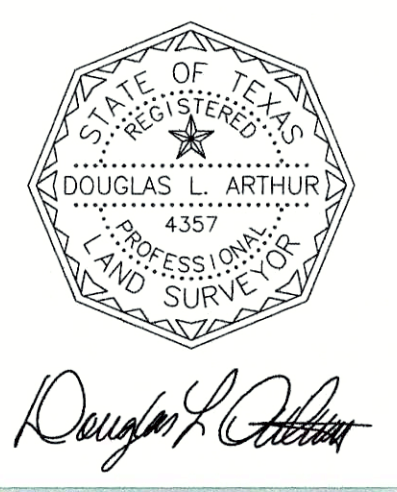
Lots 1 and 2, Block 8 Original Town of Sanger Denton County, Texas

SURVEYOR'S CERTIFICATION: The undersigned does hereby certify to Freedom Title (G.F.# 15031116FM), that this survey was this day made on the ground of the property legally described hereon and is correct and to the best of my knowledge, there are no visible discrepancies, conflicts, shortages in area, boundary line conflicts, encroachments, overlapping of improvements, easements or rights of way that I have been advised of except as shown hereon.

FLOOD NOTE: It is my opinion that the property described hereon is not within the 100-year flood zone area according to the Federal Emergency Management Agency Flood Insurance Rate Map Community-Panel No. 480786 0210 G, present effective date of map, April 18, 2011, herein property situated within Zone "X".

DRAWN BY: J.H.B. DATE: 10/14/2015 SCALE: 1"= 20' CHECKED BY: D.L.A. ASC NO.: 151059

Arthur Surveying Co.
Professional Land Surveyors
220 Elm St., # 200 - Lewisville, TX 75057
Ph. 972.221.9439 - TFRN# 10063800
Established 1958



NOTE:
• Bearings are based on Texas State Plane Coordinate System, North Central Zone (NAD 83, U.S. Feet) with a combined scale factor of 1.00015063



CITY COUNCIL COMMUNICATION

DATE: December 19, 2022

FROM: Clayton Gray, Finance Director

AGENDA ITEM: Consideration and possible action of Ordinance 12-33-22, authorizing and ordering the issuance of City of Sanger, Texas Limited Tax Note, Series 2023; specifying the terms and features of such Note; levying a continuing direct annual ad valorem tax for the payment of said Note; and resolving other matters incident and related to the issuance, sale, payment, and delivery of a paying agent/registrar agreement; and providing for an effective date.

SUMMARY:

- The City Manager and Finance Director have worked with the City's advisor Ted Christensen in preparation for this debt issuance.
- Issuance of the Tax Notes is in line with the financial strategies previously set forth before Council.
- This Ordinance authorizes issuing Tax Notes for the acquisition of \$5,000,000 of capital items included in the 2022-2023 Annual Budget. The Tax Notes will effectively spread the cost of acquiring those assets across several years.
- Tax Notes Series 2023 will be dated January 17, 2023.
- Interest rate on the issuance is 3.7%
- Amounts associated with the Tax Notes are as follows:
 - Par amount and bond proceeds equal \$5,065,000.00.
 - Total interest will be \$776,254.86.
 - Total debt service will be \$5,841,254.86

FISCAL INFORMATION:

- The first payment (interest only) in the amount of \$92,61.36 will be made on July 15, 2023.
- Subsequent payments will be approximately \$821,000 in fiscal years 2023-2024 through 2029-2030.
- Annual payments will be made from the Debt Service Fund according to the schedule on page 6 of the Raymond James attachment.

RECOMMENDED MOTION OR ACTION:

- Staff recommends approval of Ordinance 12-33-22.

ATTACHMENTS:

- Raymond James: City of Sanger Limited Tax Notes Series 2023 – Final Numbers

TABLE OF CONTENTS

City of Sanger, Texas
Series 2023 New Money Financing

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Cost of Issuance	3
Bond Pricing	4
Bond Debt Service	5
Form 8038 Statistics	7

SOURCES AND USES OF FUNDS

City of Sanger, Texas
Series 2023 New Money Financing

Sources:	
<hr/>	
Bond Proceeds:	
Par Amount	5,065,000.00
<hr/>	
	5,065,000.00
<hr/>	
Uses:	
<hr/>	
Project Fund Deposits:	
Project Fund	5,000,000.00
<hr/>	
Delivery Date Expenses:	
Cost of Issuance	65,000.00
<hr/>	
	5,065,000.00
<hr/>	

BOND SUMMARY STATISTICS

City of Sanger, Texas
Series 2023 New Money Financing

Dated Date	01/17/2023
Delivery Date	01/17/2023
Last Maturity	01/15/2030
Arbitrage Yield	3.700049%
True Interest Cost (TIC)	3.700049%
Net Interest Cost (NIC)	3.700000%
All-In TIC	4.045823%
Average Coupon	3.700000%
Average Life (years)	4.142
Duration of Issue (years)	3.815
Par Amount	5,065,000.00
Bond Proceeds	5,065,000.00
Total Interest	776,254.86
Net Interest	776,254.86
Total Debt Service	5,841,254.86
Maximum Annual Debt Service	821,641.00
Average Annual Debt Service	835,127.78
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bonds	5,065,000.00	100.000	3.700%	4.142
	5,065,000.00			4.142

	TIC	All-In TIC	Arbitrage Yield
Par Value	5,065,000.00	5,065,000.00	5,065,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-65,000.00	
- Other Amounts			
Target Value	5,065,000.00	5,000,000.00	5,065,000.00
Target Date	01/17/2023	01/17/2023	01/17/2023
Yield	3.700049%	4.045823%	3.700049%

COST OF ISSUANCE

City of Sanger, Texas
Series 2023 New Money Financing

Cost of Issuance	\$/1000	Amount
Municipal Advisor	8.68707	44,000.00
Bond Counsel	1.87562	9,500.00
Attorney General	1.00000	5,065.00
Misc. Expenses (Including MAC Texas)	0.28332	1,435.00
Placement Agent Fee	0.98717	5,000.00
	12.83317	65,000.00

BOND PRICING

City of Sanger, Texas
Series 2023 New Money Financing

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bonds:					
	01/15/2024	646,000	3.700%	3.700%	100.000
	01/15/2025	670,000	3.700%	3.700%	100.000
	01/15/2026	695,000	3.700%	3.700%	100.000
	01/15/2027	722,000	3.700%	3.700%	100.000
	01/15/2028	749,000	3.700%	3.700%	100.000
	01/15/2029	777,000	3.700%	3.700%	100.000
	01/15/2030	806,000	3.700%	3.700%	100.000
		5,065,000			

Dated Date	01/17/2023	
Delivery Date	01/17/2023	
First Coupon	07/15/2023	
Par Amount	5,065,000.00	
Original Issue Discount		
Production	5,065,000.00	100.000000%
Underwriter's Discount		
Purchase Price	5,065,000.00	100.000000%
Accrued Interest		
Net Proceeds	5,065,000.00	

BOND DEBT SERVICE

City of Sanger, Texas
Series 2023 New Money Financing

Period Ending	Principal	Coupon	Interest	Debt Service
09/30/2023			92,661.36	92,661.36
09/30/2024	646,000	3.700%	175,454.00	821,454.00
09/30/2025	670,000	3.700%	151,108.00	821,108.00
09/30/2026	695,000	3.700%	125,855.50	820,855.50
09/30/2027	722,000	3.700%	99,641.00	821,641.00
09/30/2028	749,000	3.700%	72,427.50	821,427.50
09/30/2029	777,000	3.700%	44,196.50	821,196.50
09/30/2030	806,000	3.700%	14,911.00	820,911.00
	5,065,000		776,254.86	5,841,254.86

BOND DEBT SERVICE

City of Sanger, Texas
Series 2023 New Money Financing

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
07/15/2023			92,661.36	92,661.36	
09/30/2023					92,661.36
01/15/2024	646,000	3.700%	93,702.50	739,702.50	
07/15/2024			81,751.50	81,751.50	
09/30/2024					821,454.00
01/15/2025	670,000	3.700%	81,751.50	751,751.50	
07/15/2025			69,356.50	69,356.50	
09/30/2025					821,108.00
01/15/2026	695,000	3.700%	69,356.50	764,356.50	
07/15/2026			56,499.00	56,499.00	
09/30/2026					820,855.50
01/15/2027	722,000	3.700%	56,499.00	778,499.00	
07/15/2027			43,142.00	43,142.00	
09/30/2027					821,641.00
01/15/2028	749,000	3.700%	43,142.00	792,142.00	
07/15/2028			29,285.50	29,285.50	
09/30/2028					821,427.50
01/15/2029	777,000	3.700%	29,285.50	806,285.50	
07/15/2029			14,911.00	14,911.00	
09/30/2029					821,196.50
01/15/2030	806,000	3.700%	14,911.00	820,911.00	
09/30/2030					820,911.00
	5,065,000		776,254.86	5,841,254.86	5,841,254.86

FORM 8038 STATISTICS

City of Sanger, Texas
Series 2023 New Money Financing

Dated Date 01/17/2023
Delivery Date 01/17/2023

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Serial Bonds:						
	01/15/2024	646,000.00	3.700%	100.000	646,000.00	646,000.00
	01/15/2025	670,000.00	3.700%	100.000	670,000.00	670,000.00
	01/15/2026	695,000.00	3.700%	100.000	695,000.00	695,000.00
	01/15/2027	722,000.00	3.700%	100.000	722,000.00	722,000.00
	01/15/2028	749,000.00	3.700%	100.000	749,000.00	749,000.00
	01/15/2029	777,000.00	3.700%	100.000	777,000.00	777,000.00
	01/15/2030	806,000.00	3.700%	100.000	806,000.00	806,000.00
		5,065,000.00			5,065,000.00	5,065,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	01/15/2030	3.700%	806,000.00	806,000.00		
Entire Issue			5,065,000.00	5,065,000.00	4.1421	3.7000%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	65,000.00
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00

DISCLAIMER

PUBLIC FINANCE

The information contained herein is solely intended to facilitate discussion of potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms. Any terms discussed herein are preliminary until confirmed in a definitive written agreement. While we believe that the outlined financial structure or marketing strategy is the best approach under the current market conditions, the market conditions at the time any proposed transaction is structured or sold may be different, which may require a different approach.

The analysis or information presented herein is based upon hypothetical projections and/or past performance that have certain limitations. No representation is made that it is accurate or complete or that any results indicated will be achieved. In no way is past performance indicative of future results. Changes to any prices, levels, or assumptions contained herein may have a material impact on results. Any estimates or assumptions contained herein represent our best judgment as of the date indicated and are subject to change without notice. Examples are merely representative and are not meant to be all-inclusive.

Raymond James shall have no liability, contingent or otherwise, to the recipient hereof or to any third party, or any responsibility whatsoever, for the accuracy, correctness, timeliness, reliability or completeness of the data or formulae provided herein or for the performance of or any other aspect of the materials, structures and strategies presented herein. This Presentation is provided to you for the purpose of your consideration of the engagement of Raymond James as an underwriter and not as your financial advisor or Municipal Advisor (as defined in Section 15B of the Exchange Act of 1934, as amended), and we expressly disclaim any intention to act as your fiduciary in connection with the subject matter of this Presentation. The information provided is not intended to be and should not be construed as a recommendation or “advice” within the meaning of Section 15B of the above-referenced Act. Any portion of this Presentation which provides information on municipal financial products or the issuance of municipal securities is only given to provide you with factual information or to demonstrate our experience with respect to municipal markets and products. Municipal Securities Rulemaking Board (“MSRB”) Rule G-17 requires that we make the following disclosure to you at the earliest stages of our relationship, as underwriter, with respect to an issue of municipal securities: the underwriter’s primary role is to purchase securities with a view to distribution in an arm’s-length commercial transaction with the issuer and it has financial and other interests that differ from those of the issuer.

Raymond James does not provide accounting, tax or legal advice; however, you should be aware that any proposed transaction could have accounting, tax, legal or other implications that should be discussed with your advisors and/or legal counsel.

Raymond James and affiliates, and officers, directors and employees thereof, including individuals who may be involved in the preparation or presentation of this material, may from time to time have positions in, and buy or sell, the securities, derivatives (including options) or other financial products of entities mentioned herein. In addition, Raymond James or affiliates thereof may have served as an underwriter or placement agent with respect to a public or private offering of securities by one or more of the entities referenced herein.

This Presentation is not a binding commitment, obligation, or undertaking of Raymond James. No obligation or liability with respect to any issuance or purchase of any Bonds or other securities described herein shall exist, nor shall any representations be deemed made, nor any reliance on any communications regarding the subject matter hereof be reasonable or justified unless and until (1) all necessary Raymond James, rating agency or other third party approvals, as applicable, shall have been obtained, including, without limitation, any required Raymond James senior management and credit committee approvals, (2) all of the terms and conditions of the documents pertaining to the subject transaction are agreed to by the parties thereto as evidenced by the execution and delivery of all such documents by all such parties, and (3) all conditions hereafter established by Raymond James for closing of the transaction have been satisfied in our sole discretion. Until execution and delivery of all such definitive agreements, all parties shall have the absolute right to amend this Presentation and/or terminate all negotiations for any reason without liability therefor. Thomson Reuters Municipal Market Data (“MMD”) is a proprietary yield curve which provides the offer-side of AAA rated state general obligation bonds as determined by the MMD analyst team. Raymond James & Associates, Inc., member New York Stock Exchange/SIPC.



Chris Felan
Vice President
Rates & Regulatory Affairs

November 28, 2022

City Official

Re: Rider GCR - Rate Filing under Docket No. 10170

Enclosed is Atmos Energy Corp., Mid-Tex Division's Statement of Rider GCR applicable for the December 2022 billing periods. This Statement details the gas cost component of the residential, commercial, and industrial sales rates for customers within your city. This filing is for informative purposes only and no action is required on your city's part.

Should you have any questions, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Chris Felan".

Chris Felan
Vice President, Rates and Regulatory Affairs
Atmos Energy, Mid-Tex Division

Attachment

ATMOS ENERGY CORPORATION
MID-TEX DIVISION
STATEMENT OF RIDER GCR
December, 2022
PREPARED IN ACCORDANCE WITH
GAS UTILITIES DOCKET NO. 10170

Part (a) - Mid-Tex Commodity Costs

Line	(a)	(b)			
1	Estimated Gas Cost per Unit	\$0.54545			
2	Estimated City Gate Deliveries:	208,334,240			
3	Estimated Gas Cost:	\$113,635,911			
4	Lost and Unaccounted For Gas %	2.5932%			
5	Estimated Lost and Unaccounted for Gas	\$2,946,806			
6	Total Estimated City Gate Gas Cost:	\$116,582,717			
7	Estimated Sales Volume:	188,037,020			
8	Estimated Gas Cost Factor - (EGCF)	0.62000			
9	Reconciliation Factor - (RF):	0.00594			
10	Taxes (TXS):	0.00000			
11	Adjustment - (ADJ):	0.00000			
12	Gas Cost Recovery Factor - (GCRF) (Taxable)	0.62594 per Ccf	Btu Factor 0.1024	Per MMBtu \$6.1127	

Part (b) - Pipeline Services Costs

Line	(a)	(b)	(c)	(d)	(e)
			Rate R - Residential	Rate C - Commercial	Rate I - Industrial Service Rate T - Transportation ¹
	<u>Fixed Costs</u>				
13	Fixed Costs Allocation Factors [Set by GUD 10170]	100.0000%	64.3027%	30.5476%	5.1497%
14	a. Current Month Fixed Costs of Pipeline Services	\$46,071,485	29,625,209	14,073,733	2,372,543
15	b. Plus: Second Prior Month Recovery Adjustment	\$0	\$0	\$0	\$0
16	Net Fixed Costs	\$46,071,485	\$29,625,209	\$14,073,733	\$2,372,543
	<u>Commodity Costs</u>				
17	a. Estimated Commodity Cost of Pipeline Services	(\$812,179)	(621,806)	(258,875)	68,502
18	b. Plus: Second Prior Month Recovery Adjustment	\$0	\$0	\$0	\$0
19	Net Commodity Cost of Pipeline Services	(\$812,179)	(\$621,806)	(\$258,875)	\$68,502
20	Total Estimated Pipeline Costs (Line 16 + Line 19)	\$45,259,306	\$29,003,403	\$13,814,858	\$2,441,045
21	Estimated Billed Volumes		71,592,550 Ccf	46,798,130 Ccf	4,835,132 MMBtu
22	Pipeline Cost Factor (PCF) [Line 20 / Line 21] (Taxable)		0.40510 Ccf	0.29520 Ccf	\$0.5049 MMBtu
23	Gas Cost Recovery Factor - (GCRF) [Line 12] (Taxable)		0.62594 Ccf	0.62594 Ccf	\$6.1127 MMBtu
24	Rider GCR		1.03104 Ccf	0.92114 Ccf	Rate I - \$6.6176 MMBtu
25					Rate T - \$0.5049 MMBtu

¹ Industrial Service and Transportation are reported in MMBtu. An MMBtu conversion factor of .1024 is used to convert from Ccf.

2021 - 2022												
ALL AMERICAN DOGS												
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
INCOMING												
IMPOUNDED: DOGS	13	2										
IMPOUNDED: CATS	5	20										
TOTALS PER MONTH	18	22	0	0	0	0	0	0	0	0	0	0
YTD TOTAL (260)(REMAINING)	242	220	220	220	220	220	220	220	220	220	220	220

EMERGENCY CALL OUT: DOG	1											
EMERGENCY CALL OUT: CAT												
TOTAL CALL OUTS PER MONTH	1	0	0	0	0	0	0	0	0	0	0	0

SURRENDER: DOG	4	2										
SURRENDER: CAT												
SURRENDER TOTAL FOR MONTH	4	2	0	0	0	0	0	0	0	0	0	0

OUTGOING												
ADOPTION: DOG												
ADOPTION :CAT												
RESCUE PICK UP: DOG												
RESCUE PICK UP: CAT												
OWNER PICK UP: DOG	1	1										
OWNER PICK UP: CAT												
RELEASE TO BARN: CAT	4	8										
DIED: DOG												
DIED: CAT												
EUTHANIZED: DOG												
EUTHANIZED: CAT		5										
TOTAL OUTGOING	5	14	0	0	0	0	0	0	0	0	0	0