

CITY OF SAN MARCOS
Tax Reinvestment Zone #4
BOARD MEETING



BOARD MEMBER PACKETS

Monday, February 26, 2024 at 10:00 A.M.

**San Marcos City Hall
630 East Hopkins, San Marcos, TX 78666**

BOARD MEETING
City of San Marcos TIRZ #4-February 26, 2024



Monday, February 26, 2024 at 10:00 A.M.

City of San Marcos City Hall
630 East Hopkins, San Marcos Texas 78666

- Item 1. Call to order**
- Item 2. Roll call**
- Item 3. Project overview of the Carma Paso Robles (Kissing Tree) Tax Increment Reinvestment Zone (TIRZ) #4.**
- Item 4. Discuss and consider possible action amending the TIRZ #4 Project Plan and Reinvestment Zone Financing Plan.**
- Item 5. Discuss and consider possible action amending the Carma Paso Robles reimbursement agreement.**
- Item 6. New business**
- Item 7. Adjourn**

BOARD MEETING
City of San Marcos TIRZ #4-February 26, 2024

Item 2. Roll Call

<u>NAME</u>	<u>PRESENT</u>
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City Councilmember Jane Hughson

City Councilmember Mark Gleason

City Councilmember Shane Scott

Director of Engineering Shaun Condor

Brookfield Residential Rep. Chad Matheson

Director of Finance Jon Locke

County Commissioner Lon Shell

State Representative Erin Zwiener or designee

State Senator Donna Campbell or designee

BOARD MEETING
City of San Marcos TIRZ #4-February 26, 2024

Item 3. Project overview of Carma Paso Robles Tax Reinvestment Zone (TIRZ) #4.

In 2011, the City of San Marcos created Tax Increment Reinvestment Zone #4 that incorporated 1,338 acres of land one mile west of IH-35, between the intersection of Centerpoint and McCarty Lane along Hunter Road. The development includes approximately 3,182 homes that are age restricted to 55 years and older. The duration of the TIRZ #4 is 33 years and the termination date is December 31, 2044.

The total reimbursable TIRZ #4 public infrastructure improvements approved in 2011 had an estimated cost of \$22,183,000. The Carma Paso Robles reimbursement agreement limited eligible improvement reimbursement to \$20,000,000. In 2014, the San Marcos City Council passed a resolution expressing its continued support of the development and directed staff to prepare the necessary documents to increase the total amount of project expenses eligible for reimbursement by \$10,000,000 to \$30,000,000. The eligible public infrastructure costs were estimated to be \$32,174,556.

In December 2020, the San Marcos City Council approved an ordinance amending the Project Plan and Reinvestment Zone Financing Plan for TIRZ #4. The eligible public infrastructure costs were estimated to be \$32,439,546, which included an additional \$265,000 for ground water testing services. The amended financing plan limited reimbursements to \$30,000,000. The Carma Paso Robles reimbursement agreement was amended to increase the total reimbursement by \$10,000,000 to \$30,000,000 in August 2021.

Inflation has had a significant impact on development costs, especially given the inflation experienced post COVID. In addition, the City of San Marcos has identified new projects that can be funded through the TIRZ #4. The new projects include upgrading the Trunk Hill Water Storage Tank, upsizing a water line, and additional street improvements to Centerpoint.

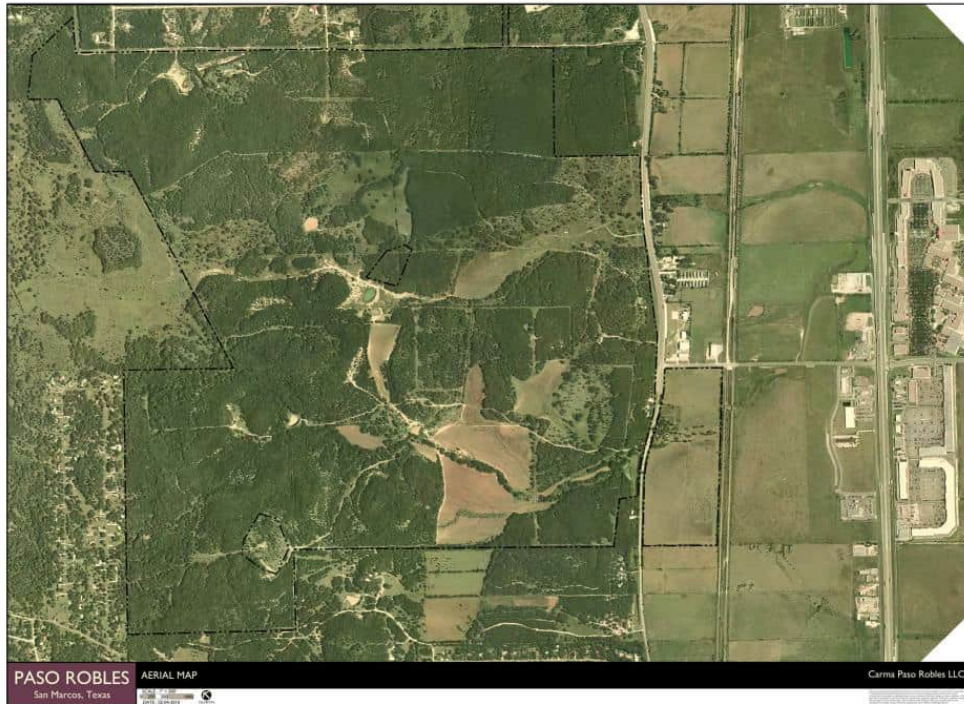
Eligible public infrastructure costs are now estimated to be \$46,842,284. The Carma Paso Robles reimbursement is proposed to increase \$16,000,000. Of this amount, \$10,000,000 is attributable to inflation experienced since 2014. The remaining \$6,000,000 is for new projects identified by the City.

The initial incremental taxable value estimate for TIRZ #4 was over \$816 million. The revised forecast estimates the incremental taxable value to be nearly twice that amount at approximately \$1.6 billion. The City and County contribute 40% of the TIRZ #4 incremental tax revenues to the TIRZ. The County's contribution will end when the total reimbursement reaches \$20,000,000. The revised TIRZ #4 Cash Flow Forecast estimates that to occur in Fiscal Year 2029. The total \$46,000,000 reimbursement for eligible public infrastructure is estimated to occur in Fiscal Year 2037.

BOARD MEETING
City of San Marcos TIRZ #4-February 26, 2024

- Item 4. Discuss and consider possible action amending the TIRZ #4 Project Plan and Reinvestment Zone Financing Plan.**

AERIAL VIEW PROJECT BOUNDARIES

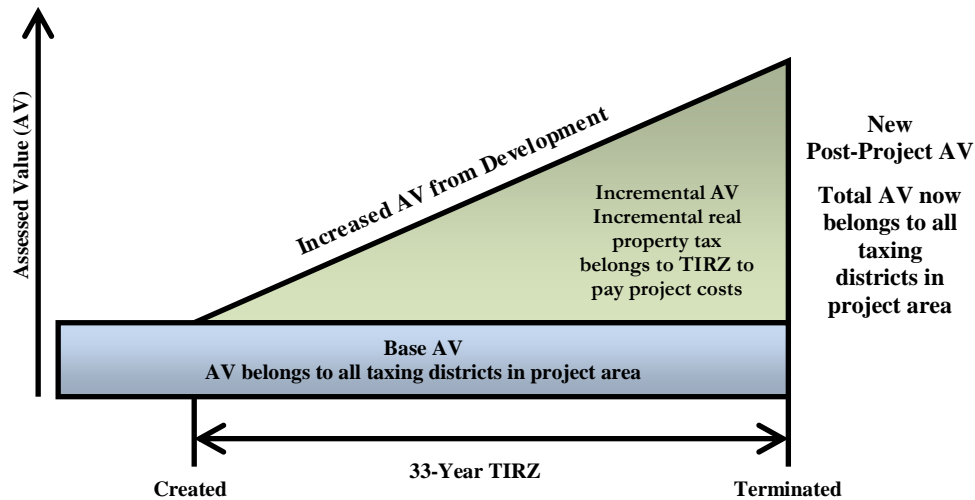


**REVISED PRELIMINARY PROJECT PLAN AND
REINVESTMENT ZONE FINANCING PLAN
FOR
CITY OF SAN MARCOS, TEXAS
TAX INCREMENT REINVESTMENT ZONE No. 4**

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THE TIRZ CONCEPT GENERALLY

A tax increment reinvestment zone (“TIRZ”) is a financing tool created by the State Legislature to assist cities and counties in developing or redeveloping unproductive, underdeveloped or blighted areas.

Cities may create a TIRZ where conditions exist that substantially impair an area’s sound growth and where development or enhancements financed by the TIRZ significantly enhance the value of all the taxable real property in a TIRZ and of general benefit to the city or county.

Prior to creation, the statute requires preparation of a preliminary project plan and reinvestment zone financing plan outlining specific projects to address the existing conditions and the method and means to finance those projects.

Upon creation, the total appraised value of real property located in a TIRZ is established for the year in which it was created. This is known as the base value. As new development occurs in a TIRZ due to the provision of new infrastructure, the value of real property increases.

This additional value above the base value is known as the tax increment. Such tax increment is typically set aside to finance improvements within a TIRZ including public infrastructure. Once all projects are complete or after a defined period of time, a TIRZ is dissolved.

During the life of a TIRZ, a city and other participating taxing jurisdictions collect tax revenue on the base value of a TIRZ as well as sales and use tax revenue generated by new development (unless a city or county agrees that sales tax and use revenue are also part of the increment). When a TIRZ is dissolved, a city and other participating taxing jurisdictions collect tax revenue on the tax increment value created by new development as well.

EXECUTIVE SUMMARY

The proposed City of San Marcos, Texas (the "City") Tax Increment Reinvestment Zone No. 4 ("Zone No. 4") consists of approximately 1,338 acres of undeveloped land located approximately one-half mile northwest of IH – 35 and the Centerpoint Drive interchange.

While the site holds potential due to its location, it lacks the infrastructure necessary to support commercial and residential development. As such, the site is not likely to be developed in the near future beyond its current use but for creation of Zone No. 4 or similar reimbursement mechanism to Carma Paso Robles LLC, a Texas limited liability company, the developer and sole land owner of the site (the "Developer").

Zone No. 4 has been proposed to help pay for public infrastructure costs to facilitate a new development by the Developer consisting of up to 3,450 single-family homes, a daily fee golf course and clubhouse, walking trails, parks and sites for general commercial use. Proposed public infrastructure improvements are primarily related to the extension of city services, including water, reclaimed water, wastewater and streets, to and throughout the site.

The public improvements proposed in this plan would convey a direct benefit to the City and Hays County (the "County") both in terms of quality regional growth and new sales and ad valorem tax revenues.

It is estimated that the City and County combined will collect nearly \$10 million in new sales and use tax and ad valorem tax revenue annually over the 33-year life of Zone No. 4 due to residential and commercial development associated with the site.

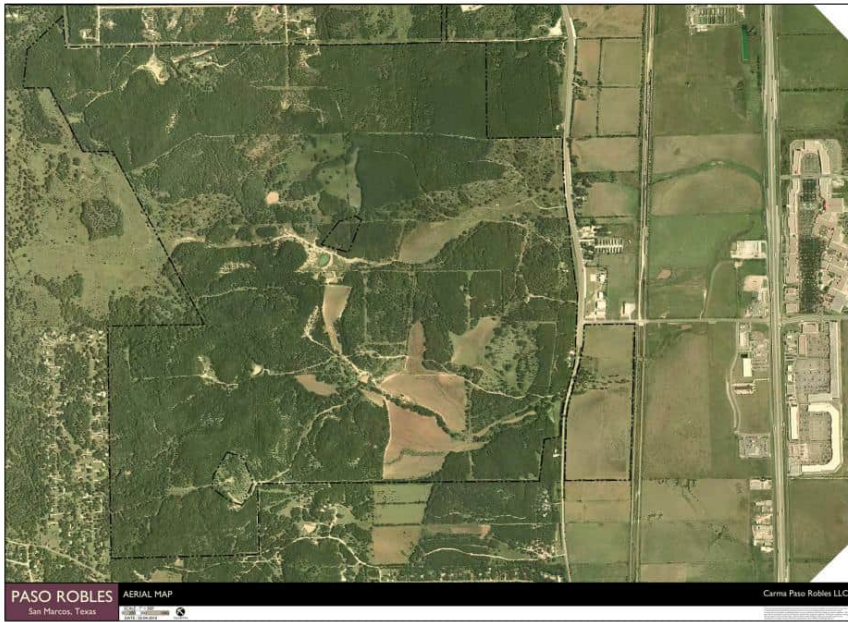
In addition, the [public road](#)/street improvements include the extension of Centerpoint Drive and Hunter Road improvements that will not only serve the property within Zone No. 4 but also increase connection to other parts of the City and open up land surrounding Zone No. 4 to future development.

Under this Plan, the City would agree to reimburse the Developer from tax increment revenue generated by Zone No. 4 itself for a portion of the public infrastructure improvements.

The City would incur no capital improvement costs, but would retain ownership of the infrastructure once built. Over the life of Zone No. 4, the City would continue to collect the base real property tax revenue as well as new sales and use tax revenues generated by the development.

The entire project currently is projected to include \$99 million in infrastructure improvements, \$305 million in residential development, and \$53 million in commercial development. The total value of the proposed development is currently estimated by the Developer at \$910 million.

Aerial View Project Boundaries



LOCATION

As proposed, Zone No. 4 is located approximately one-half mile northwest of the Interstate 35 and Centerpoint Drive interchange. Centerpoint Drive currently terminates approximately in the middle of Paso Robles boundary at Hunter Road. Hunter Road separates the two parcels that create the overall Paso Robles Planned Development District. Approximately 60 acres is located southeast of Hunter Road with the remainder, approximately 1,278 acres, northwest of Hunter Road. All of the land is located in the City and County and is predominantly vacant or agricultural. Active cattle ranching has been, and currently remains, the historic use of the property with three (3) non-historic dwellings currently remaining on-site.

Historical and archaeological surveys completed for the site reveal nothing of historic or archaeological significance. Total land contained in Zone No. 4 is approximately 1,338 acres.

Table 1 - Proposed Distribution of Public Infrastructure Costs

ITEM	PROJECTS	ESTIMATED ZONE NO. 4 PROJECT COSTS	ESTIMATED NON-ZONE NO. 4 PROJECT COSTS
<u>WATER</u>			
1	Hunter Road Water Lines	\$ 2,203,985.00	-----
2	Soyars Tank Upgrades	\$ 2,431,679 306,774.00	-----
3	Trunk Hill Tank (<u>Upgraded Project</u>)	\$ 940,332 5,752,372.54	-----
4	Trunk Hill Pumps	\$ 264,132.00	-----
5	McCarty Tank Pumps	\$ 844,366.00	-----
6	Regional Water Line Infrastructure	\$ 3,430,100 4,500,551.10	-----
7	Ground water quality testing services 8B Upgraded Water Line (New Project)	\$ 265,000 299,903.77	-----
<u>WASTEWATER</u>			
1	Regional Offsite Improvements	\$ 1,938,875 851,144.00	-----
<u>ROADS/DRAINAGE</u>			
1	Centerpoint Extension	\$ 2,262,691 6,444,544.00	-----
	<u>Centerpoint Extension 2B</u>	\$ 4,092,767.00	
	<u>Centerpoint Extension 3A</u>	\$ 5,139,385.00	
	<u>Centerpoint Extension 2C & 3B (New Project)</u>	\$ 3,538,370.82	
2	Hunter Road Intersection Improvements	\$ 527,719 450,858.00	-----
3	Hunter Road Right-Of-Way 2.1 acres South of Centerpoint Road, East side of Hunter Road	\$ 193,149.00	-----
4	Entry Feature	-----	\$ 1,425,000.00
5	Bridge	-----	\$ 2,500,000.00
6	Bridge Element	-----	\$ 50,000.00
7	Golf Cart Tunnel	-----	\$ 250,000.00
8	TxDOT Signals, Striping	-----	\$ 500,000.00
9	Major Boulevard	-----	\$15,055,977.98
10	Landscaping	-----	\$ 1,539,718.00 7,539,718.00
11	Consulting Fees	-----	\$ 4,098,104.40
<u>RECLAIMED WATER LINE</u>			
1	Reclaimed Water Line	\$ 2,306,175 2,942,745.00	-----
<u>PARKS, TRAILS AND OPEN SPACE IMPROVEMENTS</u>			
1	Purgatory Creek Open space land purchase	\$ 300,000.00	
2	Public trails, open space, hardscape, landscape and public improvements	\$ 8,461,342 12,522,868.42	
	<u>Golf Course</u>		\$ 19,500,000.00
<u>LOT DEVELOPMENT</u>			
1	Lot Development	-----	\$39,729,010.88 183,770,666.62
2	Consulting Fees	-----	\$ 5,959,351.63.00
	<u>Amenities</u>		\$ 39,600,000.00
	<u>General Costs</u>		\$ 81,300,000.00
	TOTAL ESTIMATED PROJECT COSTS:	\$ 32,439,556 46,842,283.65*	\$71,107,162.89 355,589,467.00

* The total reimbursable amount to the Developer through TIRZ No. 4 tax increment revenues will be limited to ~~\$3046~~,000,000 for all Zone No. 4 Projects including any interest costs related to any listed Zone No. 4 Project.

PROJECT OVERVIEW AND PROJECT COSTS

This Table 1 summarizes the public infrastructure costs to be financed by the Developer within Zone No. 4.

In this Plan, the Developer will fund the public infrastructure costs listed under Zone No. 4 Project Costs and then be reimbursed by Zone No. 4 tax increment revenue by the City on an annual basis as further provided in the finance plan set forth herein and the Reimbursement Agreement between the Developer and the City (the "Reimbursement Agreement"). The total Zone No. 4 Project Costs that can be reimbursed to the Developer from the tax increment revenue is ~~\$30-46~~ million including any interest costs related to any listed Zone No. 4 Project.

Non-Zone No. 4 Projects include those financed by the Developer within Zone No. 4, but not reimbursed or funded by Zone No. 4 tax increment revenues.

<u>New Taxes and Fees (1)</u>	<u>City of San Marcos</u>	<u>Hays County</u>
Annual Sales Tax Revenue	\$2,165,130	\$2,165,130
Annual Ad Valorem Tax Retained from Zone No. 4 (2)	\$2,545,369	\$3,059,051
Estimated Annual Total	\$4,710,499	\$5,224,181

Notes:

(1) Projections based on 33-year life of Zone No. 4.

(2) Estimated maximum amount beginning in year 11 of Zone No. 4 based upon the 40% participation of the City and the ~~20~~40% participation of the County. See Schedule D - Projected Assessed Valuation.

BENEFITS TO TAXING JURISDICTIONS

The size and scope of residential and commercial development made possible by creation of Zone No. 4, the combination of new transportation infrastructure and new housing will be necessary to accommodate growth in the San Marcos and Hays County area.

Over the 33-year life of Zone No. 4, it is estimated that the City will collect annually approximately \$4.7 million in combined new sales and use tax revenue and new ad valorem tax due to residential and commercial development associated with Zone No. 4 development. It is estimated that the County will collect approximately \$5.2 million annually in combined ad valorem tax retained from Zone No. 4 revenue and residential and commercial sales tax revenue.

The proposed extension of Centerpoint Drive will improve mobility for area residents.

Finally, it should be noted that the taxing entities are shielded from risk in that the Developer provides the initial funding for the proposed infrastructure projects and only receives reimbursement from Zone No. 4 when and if the tax increment revenue is created by the new development. The sole source of reimbursement to the Developer is new ad valorem tax increment generated by the development itself.

TEXAS TAX CODE
SUBTITLE B. SPECIAL PROPERTY TAX PROVISIONS
CHAPTER 311. TAX INCREMENT FINANCING ACT
Sec. 311.011. PROJECT AND FINANCING PLANS

- (a) The board of directors of a reinvestment zone shall prepare and adopt a project plan and a reinvestment zone financing plan for the zone and submit the plans to the governing body of the municipality or county that designated the zone.
- (b) The project plan must include:
 - (1) a description and map showing existing uses and conditions of real property in the zone and a map showing proposed uses of that property;
 - (2) proposed changes of zoning ordinances, the master plan of the municipality, building codes, other municipal ordinances, and subdivision rules and regulations, if any, of the county, if applicable;
 - (3) a list of estimated non-project costs; and
 - (4) a statement of a method of relocating persons to be displaced, if any, as a result of implementing the plan.
- (c) The reinvestment zone financing plan must include:
 - (1) a detailed list describing the estimated project costs of the zone, including administrative expenses;
 - (2) a statement listing the proposed kind, number, and location of all proposed public works or public improvements to be financed by the zone;
 - (3) a finding that the plan is economically feasible and an economic feasibility study;
 - (4) the estimated amount of bonded indebtedness to be incurred;
 - (5) the estimated time when related costs or monetary obligations are to be incurred;
 - (6) a description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit anticipated to contribute tax increment to the zone that levies taxes on real property in the zone;
 - (7) the current total appraised value of taxable real property in the zone;
 - (8) the estimated captured appraised value of the zone during each year of its existence; and
 - (9) the duration of the zone.

PROJECT AND FINANCE PLAN

The purpose of Zone No. 4 is to reimburse the Developer for costs associated with the construction by the Developer of approximately ~~\$30-46~~ million of the approximately \$99 million of infrastructure improvements funded by the Developer, including water, reclaimed water, wastewater and street improvements. Infrastructure improvement costs may include interest costs within the ~~\$30-46~~ million reimbursement limitation. Zone No. 4 includes agricultural and vacant land located in the City, which could not be developed beyond its current use in the near future but for the designation of Zone No. 4.

Expenditures associated with the design and construction of Zone No. 4 Projects, as well as other specific project-related costs, will be funded by tax increment revenue derived from increases in property values resulting from the new development in Zone No. 4.

EXISTING USES

1. Map showing existing uses and conditions of real property in Zone No. 4

Zone No. 4 consists of approximately 1,338 acres of undeveloped and agricultural land in the City.

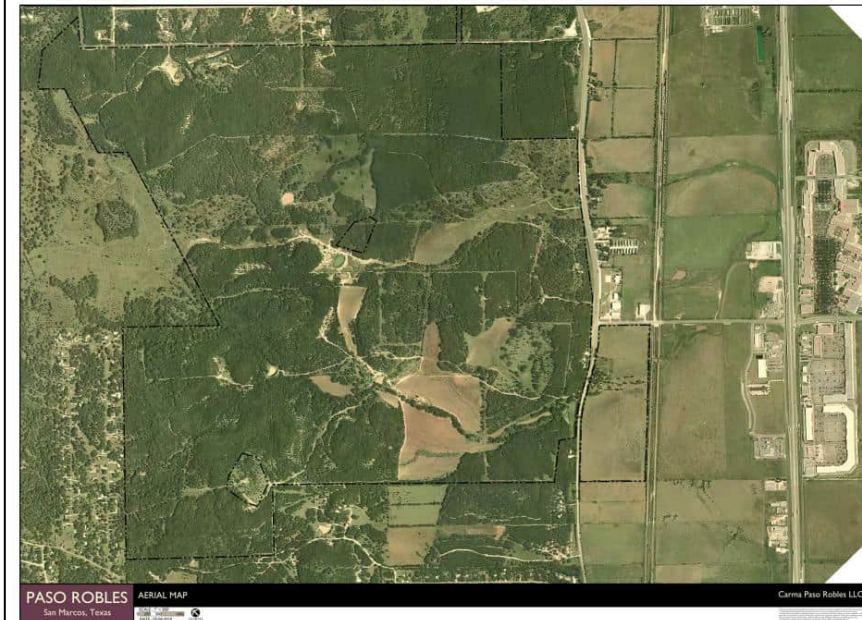
This property lacks adequate infrastructure to enable its development. The subject site has been utilized as farmland and is currently subject to an agricultural exemption from property taxes.

Development of the property is further constrained by the lack of basic infrastructure including public road access outside of flood-prone areas and drainage facilities. There is a predominance of defective or inadequate sidewalk or street layout, as well as problems with faulty lot layout in relation to size, adequacy, accessibility, or usefulness.

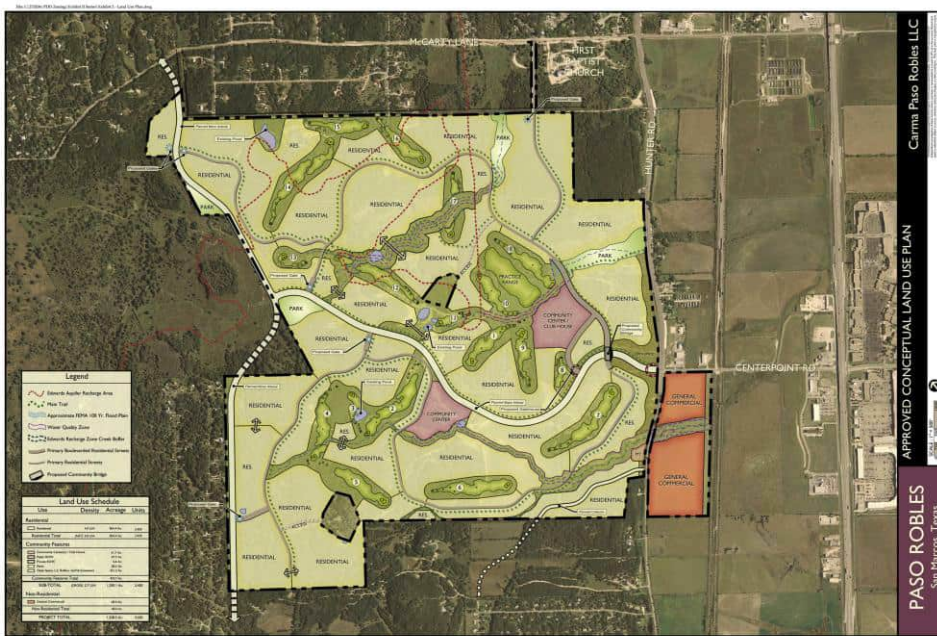
Because of obsolete platting, deterioration of structures or site improvements, or other factors, the area substantially impairs or arrests the sound growth of the City.

The map on this page illustrates the current condition of the land. Maps on the following pages describe improvements and uses of the property proposed in this Plan.

Aerial View Project Boundaries



Proposed Uses



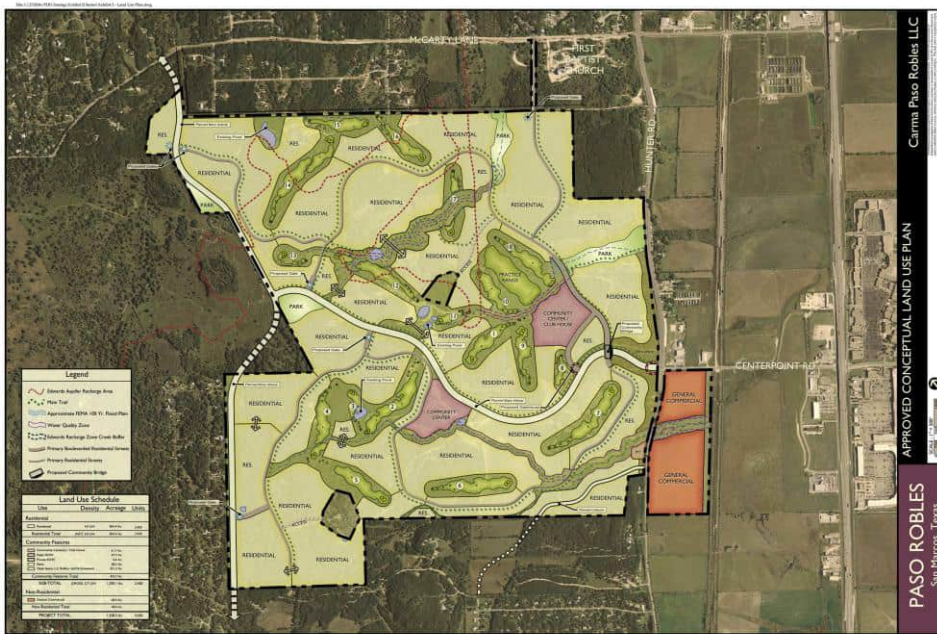
PROPOSED INFRASTRUCTURE IMPROVEMENTS

1. Map showing proposed improvements to and proposed uses of that property

Infrastructure improvements proposed for Zone No. 4 are primarily related to certain water, reclaimed water, wastewater and street improvements as shown on Table 1.

It is anticipated that the owner of the property within Zone No. 4, the Developer, will advance all funds for the project costs, and will be reimbursed from tax increment revenues of Zone No. 4 for the Zone No. 4 Project Costs as provided in the Reimbursement Agreement up to the ~~\$30~~46 million limitation shown in Table 1.

Proposed Uses



PROPOSED USES

1. Map showing proposed improvements to and proposed uses of the property

Proposed uses consist primarily of single-family residential development with approximately 3,450 new homes. The proposed development will also include a daily fee golf course, walking trails, park, commercial, retail, and public use facilities components.

Various land uses are listed below per the Paso Robles Planned Development District (PDD), along with their respective acreages and percentage of the gross land area.

Land Use	Service Units	Acreage	Anticipated Dwelling Units
General Commercial	500	48.4	0
Miscellaneous Open Space			
Areas/Corridors	50	11.9	0
Residential	3,450	854.4	3,450
Community Centers	200	31.7	0
Right-of-ways	100	54.3	0
Parks	200	28.5	0
Golf and Miscellaneous			
Open Space Areas/Corridors	2,250	309.3	0
Total	6,750	1,338.5	3,450

Table 1 - Proposed Distribution of Public Infrastructure Costs

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4	Trunk Hill Pumps	\$ 364,133 -0-	-----
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CHANGES TO MUNICIPAL ORDINANCES

2. Proposed changes of zoning ordinances, the master plan of the municipality, building codes, other municipal ordinances, and subdivision rules and regulations, if any, of the county, if applicable;

The City has established a Planned Development District ("PDD") zoning classification for the land within Zone No. 4. The PDD zoning reflects the land uses and development regulations specified in the Concept Plan and the PDD Regulations which includes (i) the Concept Plan; (ii) the City's Land Development Code in effect on October 30, 2008; (iii) the PDD Zoning Regulations for the property in Zone No. 4 adopted in accordance with the Development Agreement between the City and the Developer dated as of October 6th, 2010, and (iv) construction plans and final plats for portions of the property that are approved from time to time by the City.

ESTIMATED NON-ZONE NO. 4 PROJECTS

3. A list of estimated Non-Zone No. 4 Projects

Non-Zone No. 4 Project costs include those development items that will be funded by the Developer and for which no tax increment reimbursement is provided as set forth in Table 1.

METHOD OF RELOCATION

4. A statement of a method of relocating persons to be displaced as a result of implementing the plan.

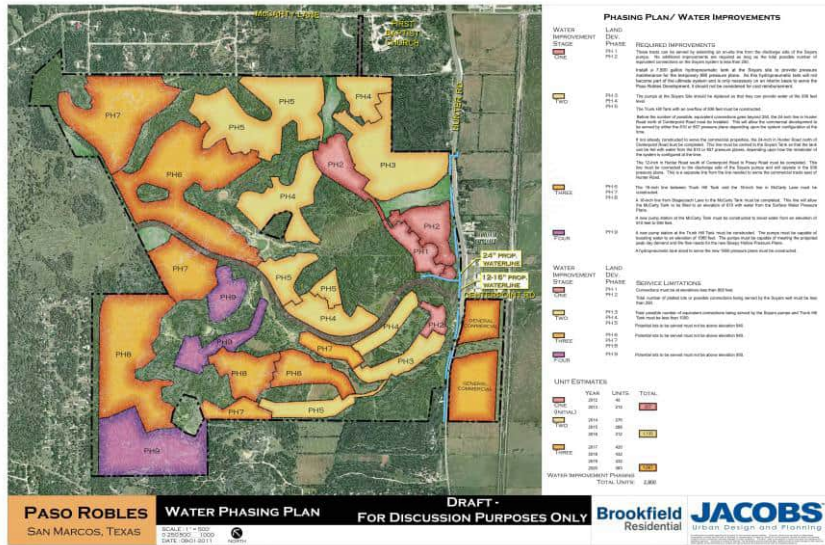
There is one resident in one of the historic buildings on the site. The resident will move once construction commences within Zone No. 4.

LIST OF ESTIMATED ZONE NO. 4 PROJECT COSTS

1. A detailed list describing the estimated project costs of Zone No. 4, including administrative expenses

Table 1 itemizes the estimated Zone No. 4 Project Costs. It is anticipated that the Developer will advance \$99 million in funds for Zone No. 4 Project Costs and Non-Zone No. 4 Project Costs and will be reimbursed from the increment revenue for up to ~~\$30~~^{\$46} million of the Zone No. 4 Project Costs in accordance with the Reimbursement Agreement. Administrative expenses are estimated to be \$5,000 a year over the 33-year life of Zone No. 4.

Aerial View Project Boundaries



STATEMENT OF PROPOSED PUBLIC WORKS

2. A statement listing the kind, number, and location of all proposed public works or public improvements in Zone No. 4

The public infrastructure improvements that Zone No. 4 is designed to facilitate will be located throughout Zone No. 4. These improvements will provide public infrastructure to a commercial and residential community. This map illustrates the location of the proposed improvements.

ECONOMIC FEASIBILITY STUDY

3. An Economic Feasibility Study

In connection with the proposed development of the property, the Developer commissioned a Market Study by the Sullivan Group which is attached hereto as Schedule A.

ESTIMATED BONDED INDEBTEDNESS

4. The estimated bonded indebtedness to be incurred

The City currently anticipates reimbursing the Developer solely from tax increment revenues on an annual basis in accordance with the Reimbursement Agreement. Within the City's sole discretion, the City may determine to issue bonds in one or more series in an aggregate principal amount not to exceed \$~~30~~46 million which bonds will be payable solely from the tax increment fund including the tax increment revenues. There is no obligation on the City to ever issue bonds to reimburse the Developer for Zone No. 4 Project Costs.

TIME WHEN COSTS/OBLIGATIONS INCURRED

5. The time when costs or monetary obligations are to be incurred

When reimbursements are to be made is a function of the availability of Zone No. 4 tax increment revenues. Schedule D is a projection of tax increment revenues expected to be available to reimburse Zone No. 4 Project Costs. Based on current projections, Schedule D shows that in year ten there is approximately \$___ million available to reimburse the Developer.

Participating Jurisdictions

Taxing Jurisdiction	2011 <u>2023</u> Total Tax Rate (1)	% Dedicated
City of San Marcos	\$0.53020 <u>0.6030</u> /\$100	40%
Hays County	\$0.42480 <u>0.2875</u> /\$100	20 <u>40</u> %

(1) ~~2011~~Tax Year 2023 Tax Rate for purposes of illustration only. Tax Rate will be levied from year to year by the City and County, respectively, and will vary.

FINANCING, EXPECTED SOURCES REVENUE

6. A description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit that levies taxes on real property in Zone No. 4.

Methods of Financing. The Developer will advance funds for all Zone No. 4 Project Costs, and Zone No. 4 will reimburse the Developer for the costs of the Zone No. 4 Project Costs solely from tax increment revenues of Zone No. 4 as they are realized by Zone No. 4. The reimbursement will be in accordance with this Plan and the Reimbursement Agreement.

Sources of Tax Increment Revenue. The tax increment revenue necessary to pay the Zone No. 4 Project Costs is expected to come from increased property values in Zone No. 4 due to the construction of new homes and commercial buildings. Schedules B and C display the projected residential and commercial build out schedules. The projected assessed valuations resulting from the construction are shown in Schedule D. These new tax increment revenues will be used to reimburse the Developer for Zone No. 4 Project Costs.

This Plan is based on a contribution rate (and current tax rates which are subject to change) shown from the City and County.

CURRENT APPRAISED VALUE OF PROPERTY

7. Current Total Appraised Value of Property in Zone No. 4

The total current appraised value within Zone No. 4 as of January 1, 2011 is \$1,969,490.

ESTIMATED CAPTURED VALUE

8. Estimated Captured Value of Zone No. 4 in Each Year of Existence

The estimated captured appraised value of Zone No. 4 during each year of its existence is shown on Schedule D - Projected Assessed Valuation.

DURATION OF ZONE

9. Duration of Zone

The duration of Zone No. 4 is 33 years. Zone No. 4 will take effect on the date it is created, and it is anticipated that the City Council will establish January 1, 2011 as the base year of Zone No. 4. Zone No. 4 will terminate on December 31, 2044.

SCHEDULE B
RESIDENTIAL BUILD OUT SCHEDULE (IN THOUSANDS)

Carma Paso Robles LLC

TIRZ MODEL

Projected Absorption Schedule - Residential

Scenario: City of San Marcos (40.00%) and Hays County (10.00%)

Product Lines	Projected Incremental Values										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Active Adult Product	\$ 9,158,842	\$ 39,910,740	\$ 45,144,936	\$ 47,107,759	\$ 47,325,850	\$ 71,970,187	\$ 69,353,089	\$ 67,390,266	\$ 60,829,430	\$ -	\$ -
Country Club Product	-	13,953,168	30,086,519	31,394,628	41,423,488	39,243,285	49,708,161	53,632,490	45,783,833	-	-
	\$ 9,158,842	\$ 53,863,908	\$ 75,231,454	\$ 78,502,387	\$ 88,749,318	\$ 111,213,472	\$ 119,061,250	\$ 121,022,756	\$ 106,413,263	\$ -	\$ -
Running Total	\$ 9,158,842	\$ 63,023,750	\$ 138,255,204	\$ 216,757,591	\$ 305,506,909	\$ 416,720,381	\$ 535,781,631	\$ 656,804,387	\$ 763,217,650	\$ 763,217,650	\$ 763,217,650

Active Adult Total \$ 457,992,100
Country Club Total \$ 305,225,550

Source: Jacobs as of September 28, 2010.

SCHEDULE C
COMMERCIAL BUILD OUT SCHEDULE (IN THOUSANDS)

Carma Paso Robles LLC

RDZ MODEL

Projected Absorption Schedule - Commercial

Scenario: City of San Marcos (40.00%) and Hays County (10.00%)

Estimated value / sq. ft. for commercial properties \$ 110

Projected Square Feet Developed											
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Commercial Properties	0	0	0	0	100,000	50,000	0	120,000	100,000	70,000	44,000
										<i>Total</i>	<i>484,000</i>

Projected Incremental Values											
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Commercial Properties	\$ -	\$ -	\$ -	\$ -	\$ 11,000,000	\$ 5,500,000	\$ -	\$ 13,200,000	\$ 11,000,000	\$ 7,700,000	\$ 4,840,000
<i>Running Total</i>	\$ -	\$ -	\$ -	\$ -	\$ 11,000,000	\$ 16,500,000	\$ 16,500,000	\$ 29,700,000	\$ 40,700,000	\$ 48,400,000	\$ 53,240,000

Source: Estimated development timetable provided by Carma.

SCHEDULE D
PROJECTED ASSESSED VALUATIONS

Carma Paso Robles LLC

TIRZ MODEL

TIRZ Cash Flow Summary

Scenario: City of San Marcos (40.00%) and Hays County (20.00%)

Year	TIRZ Tax Rate Summary				TIRZ Revenue Summary				Rev Retained by City/County	
	TIRZ TAV	City of San Marcos	Hays County	Total	City of San Marcos @ 98.00%	Hays County @ 98.00%	Annual Total	Cumulative Total	City of San Marcos @ 98.00%	Hays County @ 98.00%
1	\$ 9,159,842	\$ 0.21208	\$ 0.08496	\$ 0.29704	\$ 19,038	\$ 7,627	\$ 26,664	\$ 26,664	\$ 28,557	\$ 30,506
2	63,023,750	0.21208	0.08496	0.29704	130,988	52,474	183,462	210,126	196,481	209,896
3	138,255,204	0.21208	0.08496	0.29704	287,347	115,112	402,460	612,586	431,021	460,450
4	216,757,591	0.21208	0.08496	0.29704	450,506	180,474	630,980	1,243,565	675,758	721,896
5	316,506,909	0.21208	0.08496	0.29704	657,823	263,526	921,349	2,164,914	986,734	1,054,105
6	433,220,381	0.21208	0.08496	0.29704	900,398	360,703	1,261,101	3,426,015	1,350,597	1,442,811
7	552,281,631	0.21208	0.08496	0.29704	1,147,853	459,834	1,607,687	5,033,703	1,721,780	1,839,336
8	686,504,387	0.21208	0.08496	0.29704	1,426,820	571,589	1,998,409	7,032,112	2,140,230	2,286,356
9	803,917,650	0.21208	0.08496	0.29704	1,670,850	669,348	2,340,198	9,372,309	2,506,274	2,677,393
10	811,617,650	0.21208	0.08496	0.29704	1,686,853	675,759	2,362,612	11,734,922	2,530,280	2,703,037
11	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	14,111,624	2,545,369	2,719,157
12	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	16,488,325	2,545,369	2,719,157
13	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	18,865,027	2,545,369	2,719,157
14	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	21,241,729	2,545,369	2,719,157
15	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	23,618,430	2,545,369	2,719,157
16	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	25,995,132	2,545,369	2,719,157
17	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	28,371,834	2,545,369	2,719,157
18	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	30,748,535	2,545,369	2,719,157
19	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	33,125,237	2,545,369	2,719,157
20	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	35,501,939	2,545,369	2,719,157
21	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	37,878,640	2,545,369	2,719,157
22	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	40,255,342	2,545,369	2,719,157
23	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	42,632,044	2,545,369	2,719,157
24	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	45,008,746	2,545,369	2,719,157
25	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	47,385,447	2,545,369	2,719,157
26	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	49,762,149	2,545,369	2,719,157
27	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	52,138,851	2,545,369	2,719,157
28	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	54,515,552	2,545,369	2,719,157
29	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	56,892,254	2,545,369	2,719,157
30	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	59,268,956	2,545,369	2,719,157
31	816,457,650	0.21208	0.08496	0.29704	1,696,913	679,789	2,376,702	61,645,657	2,545,369	2,719,157
32	-	-	-	-	-	-	-	61,645,657	-	-
33	-	-	-	-	-	-	-	61,645,657	-	-
34	-	-	-	-	-	-	-	61,645,657	-	-
35	-	-	-	-	-	-	-	61,645,657	-	-
36	-	-	-	-	-	-	-	61,645,657	-	-
37	-	-	-	-	-	-	-	61,645,657	-	-
38	-	-	-	-	-	-	-	61,645,657	-	-
39	-	-	-	-	-	-	-	61,645,657	-	-
40	-	-	-	-	-	-	-	61,645,657	-	-
41	-	-	-	-	-	-	-	61,645,657	-	-
					\$ 44,013,638	\$ 17,632,019	\$ 61,645,657		\$ 66,020,457	\$ 70,528,078

TIRZ #4 - Carma Paso Robles LLC (Kissing Tree)

Cash Flow Forecast Summary

Tax Rate Summary				
	Total Tax Rate	Participation	TIRZ Tax Rate	Retained Tax Rate
City	\$ 0.6030	40%	\$ 0.2412	\$ 0.3618
County	\$ 0.2875	40%	\$ 0.1150	\$ 0.1725

Base Taxable Value - \$1,948,070

Tax Year	*Fiscal Year	TIRZ Taxable Value	TIRZ Revenue Summary				Revenue Retained by City/County	
			City of San Marcos at 98%	Hays County at 98%	Annual Total	Cumulative Total	City of San Marcos at 98%	Hays County at 98%
2017	2018	\$ 20,813,328	\$ 50,925	\$ 33,120	\$ 84,045	\$ 84,045	\$ 76,388	\$ 49,680
2018	2019	33,431,630	76,147	47,171	123,318	207,363	114,221	70,757
2019	2020	87,930,206	200,462	123,126	323,588	530,951	300,693	184,689
2020	2021	144,240,637	342,139	215,298	557,437	1,088,388	513,209	322,947
2021	2022	244,441,167	589,170	335,886	925,056	2,013,444	883,755	503,829
2022	2023	371,838,874	895,193	438,118	1,333,311	3,346,755	1,342,790	657,177
2023	2024	545,066,505	1,288,406	614,290	1,902,696	5,249,451	1,932,610	921,435
2024	2025	605,925,865	1,432,263	682,878	2,115,142	7,364,593	2,148,395	1,024,318
2025	2026	703,879,604	1,663,802	793,272	2,457,075	9,821,668	2,495,704	1,189,908
2026	2027	802,812,881	1,897,657	904,770	2,802,427	12,624,095	2,846,485	1,357,155
2027	2028	915,860,491	2,164,874	1,032,175	3,197,049	15,821,144	3,247,312	1,548,262
2028	2029	1,043,163,577	2,465,788	1,175,645	3,641,434	19,462,578	3,698,683	1,763,468
2029	2030	1,171,739,693	2,769,711	1,320,551	4,090,262	23,552,840	4,154,567	1,980,826
2030	2031	1,301,601,571	3,076,674	1,466,905	4,543,579	28,096,419	4,615,011	2,200,357
2031	2032	1,432,762,067	3,386,706	1,614,723	5,001,429	33,097,847	5,080,058	2,422,084
2032	2033	1,555,784,168	3,677,500	1,753,369	5,430,869	38,528,716	5,516,251	2,630,053
2033	2034	1,555,784,168	3,677,500	1,753,369	5,430,869	43,959,585	5,516,251	2,630,053
2034	2035	1,555,784,168	3,677,500	1,753,369	5,430,869	49,390,455	5,516,251	2,630,053
2035	2036	1,555,784,168	-	-	-	49,390,455	9,193,751	4,383,422
2036	2037	1,555,784,168	-	-	-	49,390,455	9,193,751	4,383,422
2037	2038	1,555,784,168	-	-	-	49,390,455	9,193,751	4,383,422
2038	2039	1,555,784,168	-	-	-	49,390,455	9,193,751	4,383,422
2039	2040	1,555,784,168	-	-	-	49,390,455	9,193,751	4,383,422
2040	2041	1,555,784,168	-	-	-	49,390,455	9,193,751	4,383,422
2041	2042	1,555,784,168	-	-	-	49,390,455	9,193,751	4,383,422
2042	2043	1,555,784,168	-	-	-	49,390,455	9,193,751	4,383,422
2043	2044	1,555,784,168	-	-	-	49,390,455	9,193,751	4,383,422
2044	2045	1,555,784,168	-	-	-	49,390,455	9,193,751	4,383,422

*Fiscal Year 2018-2023 are actuals and not forecasted. \$ 33,332,420 \$ 16,058,035 \$ 49,390,455 \$ 141,936,139 \$ 67,921,271

BOARD MEETING
City of San Marcos TIRZ #4-February 26, 2024

- Item 5. Discuss and consider possible action amending the Carma Paso Robles reimbursement agreement.**

RESOLUTION NO. 2021-139R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS CONCERNING AN AMENDMENT TO REIMBURSEMENT AGREEMENT WITH CARMA PASO ROBLES LLC FOR THE SAN MARCOS, TEXAS TAX INCREMENT REINVESTMENT ZONE NO. 4 IN CONNECTION WITH THE PASO ROBLES DEVELOPMENT AT HUNTER AND CENTERPOINT ROADS; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT TO REIMBURSEMENT AGREEMENT ON BEHALF OF THE CITY AND OTHER RELATED MATTERS; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, on May 17, 2011 the City of San Marcos, Texas (the "City") created the City of San Marcos, Texas Tax Increment Reinvestment Zone No. 4 ("Zone No. 4") pursuant to Chapter 311 of the Texas Tax Code and entered into a Reimbursement Agreement (the "Agreement") between the City and Carma Paso Robles LLC (the "Developer") to reimburse the Developer for the cost of certain improvements made within Zone No. 4; and

WHEREAS, the City and Developer now desire to amend the Agreement to increase the amount of reimbursement authorized in the Agreement by entering into an Amendment to Reimbursement Agreement Concerning Reinvestment Zone No. 4, City of San Marcos, Texas and the Paso Robles Project (the "Amendment").

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The Amendment attached hereto as Exhibit A between the City and the Developer related to Zone No. 4 is hereby approved.

PART 2. The City Manager is authorized to execute the Amendment on behalf of the City.

PART 3. This Resolution shall be in full force and effect immediately from and after its passage.

PART 4. The recitals contained in the preamble hereof are hereby found to be true and correct; and such recitals are hereby incorporated by reference and made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the City Council acting in its discretionary, legislative capacity.

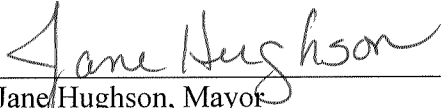
PART 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

PART 6. If any provision, section, subsection, sentence, clause, or phrase of this Resolution, or the application of same to any person or set of circumstances is for any reason

held to be unconstitutional, void, or invalid, the validity of the remaining portions of this Resolution or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council that no portion hereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity or any other portion hereof, and all provisions of this Resolution are declared to be severable for that purpose.

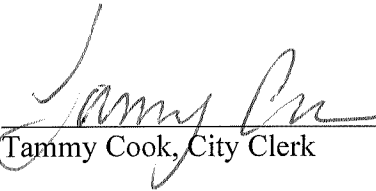
PART 7. The City Council hereby officially finds, determines, and declares that the meeting at which this Resolution is adopted was open to the public, and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

ADOPTED on August 3, 2021.



Jane Hughson, Mayor

ATTEST:



Tammy Cook, City Clerk

EXHIBIT A
AMENDMENT TO REIMBURSEMENT AGREEMENT

[Please see attached]

**AMENDMENT TO REIMBURSEMENT AGREEMENT CONCERNING
REINVESTMENT ZONE NO. 4, CITY OF SAN MARCOS, TEXAS
AND THE PASO ROBLES PROJECT**

THIS AMENDMENT TO REIMBURSEMENT AGREEMENT CONCERNING REINVESTMENT ZONE NO. 4, CITY OF SAN MARCOS, TEXAS AND THE PASO ROBLES PROJECT (the "Amendment") by and between the City of San Marcos, Texas, a Texas home rule municipality (the "City") and Carma Paso Robles LLC (the "Developer") is entered into on this 3rd day of August, 2021 (the "Effective Date").

RECITALS

WHEREAS, on May 17, 2011, the City Council of the City (the "Council") created the City of San Marcos, Texas, Tax Increment Reinvestment Zone No. 4 ("Zone No. 4") and adopted Ordinance No. 2011-68 which designated Zone No. 4 pursuant to Chapter 311 of the Texas Tax Code; and

WHEREAS, the City and the Developer entered into the Reimbursement Agreement Concerning Reinvestment Zone No. 4, City of San Marcos, Texas and the Paso Robles Project (the "Agreement") by and between the City and the Developer, related to Zone No. 4 pursuant to the authority granted to the City by its powers as a home-rule municipality and Chapter 311 of the Texas Tax Code; and

WHEREAS, the Council adopted Ordinance No. 2020-86 on December 15, 2020, which approved an amended Project Plan and Reinvestment Zone Financing Plan for Zone No. 4 to (i) include additional anticipated projects and cost estimates and (ii) increase the maximum amount of tax increment that may be reimbursed to the Developer, all as set forth and further described in the amended Project and Financing Plan (the "Amended Project and Financing Plan"); and

WHEREAS, in accordance with Section 311 of the Texas Tax Code, the City and the Developer desire to amend the Agreement to increase the amount of the reimbursement to the Developer for costs incurred for the Improvements (as defined in the Agreement); and

NOW, THEREFORE, for and in consideration of the promises and the mutual agreements set forth herein, the City and Developer hereby agree as follows:

AGREEMENT

1. The Agreement is amended by amending the fifth paragraph in Section 3(d) of the Agreement to read as follows:

At the sole discretion of the City and based upon such terms and conditions as determined, the City may issue bonds in one or more series in an aggregate principal amount not to exceed \$30,000,000 which bonds will be payable solely from the tax increment funds including the tax increment revenues. Any net proceeds of bonds remaining after payment of costs of issuance and any other reserve funds and/or capitalized interest shall be remitted

to the Developer within 60 days of delivery of the bonds subject to approval by the City of the reimbursement audit.

2. Except as explicitly set forth in this Amendment, no other terms of the Agreement are modified or amended, and except as otherwise modified herein, the terms of the Agreement are in full force and effect.

3. The provisions of this Amendment and the Agreement should be read together and construed as one agreement provided that, in the event of any conflict or inconsistency between the provision of this Amendment and the Agreement, the provisions of this Amendment shall control.

4. The Agreement (including the Amendment) shall remain in force and effect as provided in Section 10 of the Agreement.

5. Unless otherwise exempt, the Developer has delivered to the City, a Certificate of Interested Parties Form 1295 ("Form 1295") and certification of filing generated by the Texas Ethics Commission's (the "TEC") electronic portal, signed by an authorized agent of each respective entity prior to the execution of this Amendment by the Parties. The Parties understand and agree that, with the exception of information identifying the City, and the contract identification number in each Form 1295, with respect to an exemption from the filing requirement of a Form 1295, the Developer is solely responsible for its claim of exemption, and the City, nor its consultants, is responsible for a determination made by the Developer that the Developer is exempt from filing a Form 1295, or for the information contained in any Form 1295 and the City, nor its consultants, has verified such information.

6. The Developer represents and warrants, for purposes of Chapter 2271 of the Texas Government Code that at the time of execution and delivery of this Amendment, neither the Developer nor any parent company, wholly- or majority-owned subsidiaries or affiliates of the same, if any, boycotts Israel or will boycott Israel. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, "boycotts Israel" and "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

7. The Developer represents that, neither the Developer, nor any parent company, wholly- or majority-owned subsidiaries or affiliates of the same, if any, are companies identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudanlist.pdf>; <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/ftolist.pdf>. The foregoing

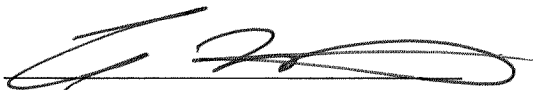
representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Developer and each parent company, wholly- or majority-owned subsidiaries, and other affiliates of the same, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

IN WITNESS WHEREOF, the parties hereto may execute this Amendment in multiple copies, each of equal dignity, as of the date and year set forth on the first page hereof.

[EXECUTION PAGE FOLLOWS]

SIGNED as of this 23 day of AUGUST, 2021.

CARMA PASO ROBLES LLC,
a Texas Limited Liability Company
By: Brookfield Residential (Texas) Inc.,
its sole member

By: 

Name: Chad Matheson
Title: Chief Financial Officer

CITY OF SAN MARCOS, TEXAS

By: Jane Hughson
Mayor

ATTEST:

Larry K. Orr
City Clerk

BOARD MEETING
City of San Marcos TIRZ #4-February 26, 2024

APPENDIX A

ITEM	PROJECTS	ESTIMATED ZONE NO. 4 PROJECT COSTS	ESTIMATED NON- ZONE NO. 4 PROJECT COSTS	COST INCURRED TO DATE	REMAINING TO SPEND	2024 UPDATED BUDGET	
	WATER						
1	Hunter Road Water Lines	\$ 2,203,985.00				\$ -	Monies spent in Item 6.
2	Soyars Tank Upgrades	\$ 2,431,679.00		\$ 306,774.00		\$ 306,774.00	Approved per Audit #1.
3	Trunk Hill Tank (Upgraded Project)	\$ 910,332.00		\$ 400,000.00	\$ 5,352,372.54	\$ 5,752,372.54	Cost Incurred to date includes Item 4 Trunk Hill Pumps. Bids provided.
4	Trunk Hill Pumps	\$ 364,133.00				\$ -	Monies spent in Item 3.
5	McCarty Tank Pumps	\$ 844,366.00				\$ -	
6	Regional Water Line Infrastructure	\$ 3,430,100.00		\$ 3,080,951.00	\$ 1,419,600.10	\$ 4,500,551.10	\$2.1MM approved in Audit #1. Cost Incurred to date includes Item 1 Hunter Road Water Lines. OPC provided.
	8B Upgraded Water Line (New Project)				\$ 299,903.77	\$ 299,903.77	OPC provided.
	WASTEWATER						
1	Regional Offsite Improvements	\$ 1,938,875.00		\$ 851,144.00		\$ 851,144.00	Approved per Audit #1.
	ROADS/DRAINAGE						
1	Centerpoint Extension	\$ 8,262,691.00		\$ 6,444,544.00		\$ 6,444,544.00	Approved per Audit #1.
	Centerpoint Extension 2B			\$ 4,092,767.00		\$ 4,092,767.00	Final Pay App provided.
	Centerpoint Extension 3A			\$ 5,139,385.00		\$ 5,139,385.00	Final Pay App provided.
	Centerpoint Extension 2C & 3B (New Project)			\$ -	\$ 3,538,370.82	\$ 3,538,370.82	OPCs provided.
2	Hunter Road Intersection Improvements	\$ 527,719.00		\$ 450,858.00		\$ 450,858.00	Approved per Audit #1.
3	Hunter Road Right of Way	\$ 193,149.00				\$ -	
4	Entry Feature		\$ 1,425,000.00			\$ -	
5	Bridge		\$ 2,500,000.00			\$ -	
6	Bridge Element		\$ 50,000.00			\$ -	
7	Golf Cart Tunnel		\$ 250,000.00			\$ -	
8	TxDOT Signals, Striping		\$ 500,000.00			\$ -	
9	Major Boulevard		\$ 15,055,977.98			\$ -	
10	Landscaping		\$ 7,539,718.00			\$ -	
11	Consulting Fees		\$ 4,098,104.40			\$ -	
	RECLAIMED WATER LINE						
1	Reclaimed Water Line	\$ 2,306,175.00		\$ 2,942,745.00		\$ 2,942,745.00	Approved per Audit #1.
	PARKS, TRAILS AND OPEN SPACE IMPROVEMENTS						
1	Purgatory Creek Open Space Land Purchase	\$ 300,000.00				\$ -	
2	Public trails, open space, hardscape, landscape and public improvements	\$ 8,461,342.00		\$ 6,090,982.00	\$ 6,431,886.42	\$ 12,522,868.42	Pay Apps, bids and trail map provided.
	Golf Course		\$ 19,500,000.00			\$ -	
	LOT DEVELOPMENT						
1	Lot Development		\$ 183,770,666.62			\$ -	
2	Consulting Fees		\$ -			\$ -	
	Amenities		\$ 39,600,000.00			\$ -	
	General Costs		\$ 81,300,000.00			\$ -	
	TOTAL ESTIMATED PROJECT COSTS	\$ 32,174,546.00	\$ 355,589,467.00	\$ 29,800,150.00	\$ 17,042,133.65	\$ 46,842,283.65	

TIRZ #4 - Carma Paso Robles LLC (Kissing Tree)

Cash Flow Forecast Summary

Tax Rate Summary				
	Total Tax Rate	Participation	TIRZ Tax Rate	Retained Tax Rate
City	\$ 0.6030	40%	\$ 0.2412	\$ 0.3618
County	\$ 0.2875	40%	\$ 0.1150	\$ 0.1725

Base Taxable Value - \$1,948,070

Tax Year	*Fiscal Year	TIRZ Taxable Value	TIRZ Revenue Summary				Revenue Retained by City/County	
			City of San Marcos at 98%	Hays County at 98%	Annual Total	Cumulative Total	City of San Marcos at 98%	Hays County at 98%
2017	2018	\$ 20,813,328	\$ 50,925	\$ 33,120	\$ 84,045	\$ 84,045	\$ 76,388	\$ 49,680
2018	2019	33,431,630	76,147	47,171	123,318	207,363	114,221	70,757
2019	2020	87,930,206	200,462	123,126	323,588	530,951	300,693	184,689
2020	2021	144,240,637	342,139	215,298	557,437	1,088,388	513,209	322,947
2021	2022	244,441,167	589,170	335,886	925,056	2,013,444	883,755	503,829
2022	2023	371,838,874	895,193	438,118	1,333,311	3,346,755	1,342,790	657,177
2023	2024	545,066,505	1,288,406	614,290	1,902,696	5,249,451	1,932,610	921,435
2024	2025	642,411,651	1,518,507	723,998	2,242,505	7,491,956	2,277,760	1,085,997
2025	2026	740,730,248	1,750,909	834,803	2,585,712	10,077,668	2,626,363	1,252,204
2026	2027	840,032,031	1,985,634	946,716	2,932,350	13,010,018	2,978,451	1,420,074
2027	2028	953,451,832	2,253,731	1,074,540	3,328,272	16,338,289	3,380,597	1,611,810
2028	2029	1,081,130,831	2,555,534	1,106,176	3,661,710	20,000,000	3,833,301	1,939,910
2029	2030	1,210,086,620	2,860,354	-	2,860,354	22,860,354	4,290,532	3,409,419
2030	2031	1,340,331,967	3,168,223	-	3,168,223	26,028,577	4,752,335	3,776,385
2031	2032	1,471,879,767	3,479,171	-	3,479,171	29,507,748	5,218,756	4,147,021
2032	2033	1,595,293,045	3,770,890	-	3,770,890	33,278,638	5,656,335	4,494,738
2033	2034	1,595,293,045	3,770,890	-	3,770,890	37,049,527	5,656,335	4,494,738
2034	2035	1,595,293,045	3,770,890	-	3,770,890	40,820,417	5,656,335	4,494,738
2035	2036	1,595,293,045	3,770,890	-	3,770,890	44,591,307	5,656,335	4,494,738
2036	2037	1,595,293,045	3,770,890	-	3,770,890	48,362,197	5,656,335	4,494,738
2037	2038	1,595,293,045	-	-	-	48,362,197	9,427,225	4,494,738
2038	2039	1,595,293,045	-	-	-	48,362,197	9,427,225	4,494,738
2039	2040	1,595,293,045	-	-	-	48,362,197	9,427,225	4,494,738
2040	2041	1,595,293,045	-	-	-	48,362,197	9,427,225	4,494,738
2041	2042	1,595,293,045	-	-	-	48,362,197	9,427,225	4,494,738
2042	2043	1,595,293,045	-	-	-	48,362,197	9,427,225	4,494,738
2043	2044	1,595,293,045	-	-	-	48,362,197	9,427,225	4,494,738
2044	2045	1,595,293,045	-	-	-	48,362,197	9,427,225	4,494,738
*Fiscal Year 2018-2023 are actuals and not forecasted.			\$ 41,868,955	\$ 6,493,243	\$ 48,362,197		\$ 138,221,230	\$ 79,784,931

AMENDED AND RESTATED INTERLOCAL AGREEMENT

between the

CITY OF SAN MARCOS, TEXAS

AND

HAYS COUNTY, TEXAS

Relating to

City of San Marcos, Texas

Tax Increment Reinvestment Zone No. 4

THE STATE OF TEXAS §

COUNTY OF HAYS §

**AMENDED AND RESTATED INTERLOCAL AGREEMENT
BETWEEN HAYS COUNTY AND THE CITY OF SAN MARCOS RELATED TO SAN
MARCOS, TEXAS TAX INCREMENT REINVESTMENT ZONE NO. 4**

THIS AMENDED AND RESTATED INTERLOCAL AGREEMENT ("Agreement") is made by and between the **CITY OF SAN MARCOS, TEXAS** (the "City"), a home rule municipality of the State of Texas, acting by and through its governing body, the City Council, and **HAYS COUNTY, TEXAS** (the "County"), acting by and through its governing body, the Commissioners Court. This Agreement is made pursuant to Chapter 791 of the Texas Government Code and Chapter 311 of the Texas Tax Code for the participation of the City and the County in **REINVESTMENT ZONE NUMBER FOUR, CITY OF SAN MARCOS, TEXAS** (the "Reinvestment Zone"), a reinvestment zone to be created by the City pursuant to Chapter 311 of the Texas Tax Code. The original Interlocal Agreement was executed between the Parties on or about November 17, 2011.

RECITALS:

The City, at the request of Carma Paso Robles LLC. (the "Developer"), a Texas limited liability company and the owner of the real property being developed, designated the Reinvestment Zone in the area more particularly described in the attached Exhibit A and on the map attached hereto as Exhibit B. The Reinvestment Zone consists of approximately 1,338.56 acres of land.

The general purpose of the Reinvestment Zone is to promote the redevelopment of the property in the Reinvestment Zone and in surrounding areas in the City and County pursuant to the tax increment finance provisions of Section 311.005(a)(1), (2) and (4) of the Texas Tax Code. The specific purpose of the Reinvestment Zone is to provide a financing mechanism to pay for a portion of the costs associated with certain water, wastewater, roads/drainage and reclaimed water improvements within the Reinvestment Zone as set forth in Exhibit C (the "Project"). The purposes of the Project are to improve public infrastructure to facilitate a new development by the Developer consisting of up to 3,450 single-family homes, a daily fee golf course and clubhouse, walking trails, parks and sites for general commercial use for residents of the City and the County.

The financial plan for the Project is for the Developer to incur all costs associated with the design and construction of the Project (the "Project Costs"), and for the City, with assistance from the County as provided in this Agreement, to reimburse the Developer for a portion of the Project Costs from tax increment revenues derived from increases in property values resulting from new development in the Reinvestment Zone.

The City and the County wish to provide in this Agreement for the County to make payments to the City of a portion of the County's tax increment revenues derived from increases in property values resulting from new development in the Reinvestment Zone, which payments are to be used by the City to reimburse the Developer for a portion of the Project Costs under the terms and conditions described in this Agreement.

AGREEMENT:

In consideration of the mutual covenants and agreements contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the County agree as follows:

SECTION 1. DEFINITIONS.

In this Agreement:

A. *Captured appraised value* for a year means the total appraised value of all real property taxable by the City or County and located in the Reinvestment Zone for that year, less the respective tax increment base of the City or County.

B. *Project* means, initially, the Project as set forth in Exhibit C. The public improvements constituting the Project may be revised or supplemented by amendments to the Project Plan that are adopted by the Board of Directors of the Reinvestment Zone and approved by the City Council of the City from time to time.

C. *Project Plan* means the Project Plan and Reinvestment Zone financing plan for the Reinvestment Zone adopted by the Board of Directors of the Reinvestment Zone and approved by the City Council of the City, and amendments to these plans that are adopted by the Board of Directors of the Reinvestment Zone and approved by the City Council of the City from time to time.

D. *Tax increment* for a year means the amount of property taxes levied and collected by the City or County for that year on the captured appraised value of real property taxable by the City or County and located in the Reinvestment Zone.

E. *Tax increment base* means the total appraised value of all real property taxable by the City or County and located in the Reinvestment Zone for the year 20[12] according to the certified Hays County Tax Roll.

F. *Tax Increment Fund* means the tax increment fund created by the City for the Reinvestment Zone.

G. Terms other than those defined above shall have 1) their meanings as given in Chapter 311, Texas Tax Code, or 2) if not so defined, their usual and ordinary meanings.

H. References to state statutes shall include amendments to those statutes that are duly enacted from time to time.

SECTION 2. OBLIGATIONS OF THE COUNTY.

A. Payments to the City. The County agrees to make payments to the City during the term of this Agreement, for deposit in the Tax Increment Fund, in the amount of forty percent (40%) of the tax increment attributed to the captured appraised value of the County in the Reinvestment Zone. The County's obligation to make these payments will accrue only as taxes on the captured appraised value are collected by the County. Payments shall be due on May 1 of each year during the term of this Agreement and shall not exceed a total of twenty million dollars (\$20,000,000 USD). No interest or penalty will be charged to the County for any payments made by the County based on collections that occur after this due date; however, the County will pay to the City, for deposit in the Tax Increment Fund, forty percent (40%) of any penalty or interest received by the County on any delinquent taxes on the captured appraised value of the County. The County may offset against future payments to the Tax Increment Fund any portion of payments to the City under this Agreement that the County subsequently refunds to taxpayers pursuant to the provisions of the Texas Tax Code.

B. Limitations on Payments. The County is not obligated to make payments under this Agreement 1) unless and until taxes on the captured appraised value are actually collected by the County, or 2) from any source other than taxes actually collected on the County's captured appraised value, or 3) from any County taxes or revenues other than taxes actually collected on the County's captured appraised value. Notwithstanding any provisions contained herein, this Agreement is expressly contingent upon the availability of funds for each obligation herein for the term of this Agreement and any extension thereto. In the event that either no funds or insufficient funds are appropriated for the payments due under this Agreement for the period covered by such budget or appropriation, the contract shall terminate without penalty to the County.

C. Expansion of the Reinvestment Zone; Supplemental Projects. The County's obligation to make payments under this Agreement is limited to the county's captured appraised value on property in the Reinvestment Zone as described in this Agreement. The County is not obligated to make payments based on the addition of property to the Reinvestment Zone unless the County specifically agrees to do so by amendment to this Agreement. The County's obligation to make payments under this Agreement is also limited to use by the City for partial reimbursement of the Project Costs, as described herein. The County is not obligated to make payments towards the costs of any other improvements unless the County specifically agrees to do so by amendment to this Agreement. Any member of the County Commissioners Court may review and provide comments to the Board of Directors of the Reinvestment Zone or the City Council of the City on any proposed expansion of the Reinvestment Zone or amendment to the Project Plan prior to its approval by the City Council.

D. County Appointment to Board of Directors of the Reinvestment Zone. Pursuant to the provisions of Section 311.009(a), Texas Tax Code, the Commissioners Court of the County shall have the unequivocal right during the term of this Agreement to appoint and remove, at its sole discretion, a qualified person to serve as a voting member of the Board of Directors of the Reinvestment Zone. Failure of the Commissioners Court to appoint a person to the Board of Directors of the Reinvestment Zone shall not be deemed a waiver of the County's right to make an appointment at a later date. The Commissioners Court will make best faith efforts to appoint a qualified person to serve on the Board of Directors, and to fill vacancies in this position as needed.

SECTION 3. OBLIGATIONS OF THE CITY.

A. Initial Project Plan. The City agrees that the Project, as described herein will comprise the Project in the initial Project Plan to be adopted by the Board of Directors of the Reinvestment Zone and approved by the City Council of the City. The City agrees that the Reinvestment Zone financing plan in the initial Project Plan to be adopted by the Board of Directors of the Reinvestment Zone and approved by the City Council of the City shall provide for use of the County's payments under this Agreement solely to reimburse the Developer for a portion of the Project Costs.

B. Use of County Payments. The City agrees to use payments made by the County under this Agreement solely to reimburse the Developer for Project Costs.

C. Notice to County of Amendments to Project Plan. The City agrees to provide the County with written notice of any proposed amendments to the Project Plan at least 14 days prior to their submission to the City Council for approval. The City agrees to work with the Reinvestment Zone Board of Directors to implement the Project Plan.

D. Disposition of Tax Increments. Upon termination of the Reinvestment Zone, and after all obligations of the Reinvestment Zone have been paid, the City agrees to pay to the County, within 60 days of the termination, all monies remaining in the Tax Increment Fund that represent the County's pro rata amount of participation authorized under this Agreement.

E. Annual Reports. The City agrees to provide to the County an annual report regarding the Reinvestment Zone as required under Texas Tax Code Section 311.016.

F. Audits - Redevelopment Authority. In the event the City creates a redevelopment authority in connection with the Reinvestment Zone, the City shall provide to the County a copy of each of the audits required by the agreement between the City, the Reinvestment Zone and any such redevelopment authority within 30 days of receipt of each audit.

SECTION 4. TERM AND TERMINATION.

A. Agreement Term. This Agreement will take effect only upon designation of the Reinvestment Zone by ordinance of the City and will be in effect for the earlier of 1) thirty (30) years from the date of the designation of the Reinvestment Zone or 2) the date the Developer is reimbursed the Project Costs, unless earlier terminated by the parties hereto. Nothing in this Agreement limits the authority of the County or City to extend the term of this Agreement. Upon termination of this Agreement, the obligation of the County to make payments to the City shall end; however, any refund obligations of the City shall survive the termination.

B. Early Termination of Reinvestment Zone. The City may terminate the Reinvestment Zone pursuant to the provisions of Section 311.017 of the Texas Tax Code.

C. Early Termination of County Obligation. If, without prior written consent of the County, the City modifies or further amends the Paso Robles PDD from the amendment that was approved by the City on or about the 2nd day of August 2011 (Ref. Ordinance No. 2011-39), and if such modification or further amendment substantially alters the layout of the roadways in the Paso Robles Land Use Plan and Development Standards, then, effective on the date of that modification or further amendment, the County shall no longer have an obligation to make payments under Section 2(A), above. All payments made prior to that date shall be considered valid contract obligations of the County under this Agreement.

SECTION 5. MISCELLANEOUS.

A. Cooperation. This City and the County agree to cooperate with each other, in good faith, at all times during the term hereof in order to achieve the purposes and intent of this Agreement.

B. Entire Agreement; Amendments. This Agreement contains the entire agreement between the parties respecting the subject matter hereof, and supersedes all prior understandings and agreements between the parties regarding such matters. This Agreement may not be modified or amended except by written agreement duly executed by the parties and Developer.

C. Interpretation. The parties acknowledge and confirm that this Agreement has been entered into pursuant to the authority granted under the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. All terms and provisions hereof are to be construed and interpreted consistently with that Act.

D. Invalid Provisions. Any clause, sentence, paragraph or article of this Agreement which is determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect shall not be deemed to impair, invalidate, or nullify the remainder of this Agreement if the Agreement can be given effect without the invalid portion.

E. Applicable Laws. This Agreement shall be construed in accordance with the laws of the State of Texas. All obligations hereunder are performable in Hays County, Texas, and venue for any action arising hereunder shall be in Hays County, Texas.

F. Authorization; Funding. Each party hereto acknowledges and represents that this Agreement has been duly authorized by its respective governing body, and that funding from each party for the performance of this Agreement will be provided from current revenues available to the parties.

G. Notices. Notices required by this Agreement will be provided by the parties to one another by certified mail, return receipt requested, or by confirmed facsimile transmission, to the following address/fax numbers:

City

Hays County

City Manager
City of San Marcos
630 East Hopkins Street
San Marcos, Texas 78666

Hays County Judge
Hays County Courthouse
111 E. San Antonio St., Ste. 300
San Marcos, Texas 78666

H. Non-Waiver. Failure of any party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing hereunder upon default or failure of performance shall not be considered a waiver of the right to insist on, and to enforce by any appropriate remedy, strict compliance with any other obligation hereunder or to exercise any right or remedy occurring as a result of any future default or failure of performance.

I. Successors. This Agreement shall bind and benefit the parties and their legal successors. This Agreement does not create any personal liability on the part of any officer or agent of the City or the Reinvestment Zone or any officer, agent or employee of the County.

J. No Waiver of Immunity. No party hereto waives or relinquishes any immunity or defense on behalf of itself, its officers, employees, and agents as a result of its execution of this Agreement and performance of the covenants contained herein.

K. Third Party Beneficiary. The parties agree that Developer and its successors and assigns shall have the right to enforce as a third party beneficiary Section 2.A. against the County for any breach of its contractual obligations thereunder, as well as Section 5.B. and this Section 5.K.

IN WITNESS HEREOF, the City and the County have made and executed this Agreement in multiple copies, each of which is an original.

CITY OF SAN MARCOS

Mayor

Date

ATTEST/SEAL:

City Clerk

Date

APPROVED AS TO FORM AND LEGALITY:

City Attorney

HAYS COUNTY

[Signature]
Hays County Judge

1-19-2015
Date

ATTEST:

[Signature]
County Clerk Deputy,
1/19/2015
Date



InterlocalAgreementExecutionP

EXHIBIT A

A-1



Professional Land Surveying, Inc.
Surveying and Mapping

Item 23
Attachment # 1
Page 4 of 16
Office: 512-443-1724
Fax: 512-389-0943

3500 McCall Lane
Austin, Texas 78744

**1,338.584 ACRES
HAYS COUNTY, TEXAS**

A DESCRIPTION OF 1,338.584 ACRES:

PART 1: 1,278.290 ACRES OUT OF THE JOHN WILLIAMS SURVEY, ABSTRACT NO. 471, THE EDWARD BURLESON SURVEY NO. 18, ABSTRACT NO. 63, THE NATHANIEL HUBBARD SURVEY NO. 35, ABSTRACT NO. 230, AND THE ISAAC LOWE SURVEY, ABSTRACT NO. 287, ALL IN HAYS COUNTY, TEXAS, BEING ALL OF A 160.033 ACRE TRACT DESCRIBED IN A SPECIAL WARRANTY DEED TO CARMA PASO ROBLES, LLC, DATED JANUARY 4, 2007 AND RECORDED IN VOLUME 3087, PAGE 318 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, ALL OF A 5.00 ACRE TRACT CONVEYED TO AUSTIN DISTRICT BOARD OF MISSIONS, INC., SOUTHWEST TEXAS ANNUAL CONFERENCE, THE UNITED METHODIST CHURCH BY DEED OF GIFT, DATED APRIL 20, 1995 AND RECORDED IN VOLUME 1145, PAGE 581 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, AND BEING DESCRIBED IN A DEED OF RECORD IN VOLUME 1197, PAGE 12 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, THE REMAINDER OF A 5.35 ACRE TRACT DESCRIBED IN A DEED TO BILLY JOE NICHOLAS AND MELLIE LOWMAN NICHOLAS, DATED DECEMBER 31, 1968 AND RECORDED IN VOLUME 227, PAGE 578 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS, A PORTION OF A 1 ACRE TRACT DESCRIBED IN A DEED TO HAYS COUNTY, DATED SEPTEMBER 12, 1895 AND RECORDED IN VOLUME 33, PAGE 117 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS, A PORTION OF A 160 ACRE TRACT DESCRIBED IN A DEED TO GRADY H. REED AND MARGIE REED, DATED JULY 24, 1962 AND RECORDED IN VOLUME 192, PAGE 368 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS, ALL OF A 70.00 ACRE TRACT DESCRIBED IN A SPECIAL WARRANTY DEED TO WALTER KENNETH BARNES AND WIFE, CAROLYN T. BARNES, LAURIE BARNES AND BRUCE CLINTON BARNES, DATED APRIL 15, 1999 AND RECORDED IN DOCUMENT NO. 9906734 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, A PORTION OF A 425.38 ACRE TRACT CONVEYED TO THE BARNES RANCH FAMILY LIMITED PARTNERSHIP BY WARRANTY DEED, DATED MAY 2, 2003 AND RECORDED IN VOLUME 2211, PAGE 789 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, AND DESCRIBED IN A DEED OF RECORD IN VOLUME 194, PAGE 320 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS, ALL OF A 272.027 ACRE TRACT DESCRIBED IN A SPECIAL WARRANTY DEED TO CARMA PASO ROBLES LLC, DATED APRIL 9, 2007 AND RECORDED IN VOLUME 3144, PAGE 658 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, AND ALL OF A 464.870 ACRE TRACT, SAVE AND EXCEPT A 9.123 ACRE TRACT, BOTH DESCRIBED IN A SPECIAL WARRANTY DEED TO CARMA PASO ROBLES LLC,

Page 2 of 13

DATED MARCH 5, 2007 AND RECORDED IN VOLUME 3122, PAGE 356 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, SAVE AND EXCEPT 5.038 ACRES, BEING A PORTION OF THE SAID 70.00 ACRE TRACT AND A PORTION OF THE SAID 425.38 ACRE TRACT;

PART 2: 60.294 ACRES OUT OF THE EDWARD BURLESON SURVEY NO. 18, ABSTRACT NO. 63, IN HAYS COUNTY, TEXAS, BEING ALL OF A 4.894 ACRE TRACT DESCRIBED IN A SPECIAL WARRANTY DEED TO CARMA PASO ROBLES LLC, DATED MARCH 5, 2007 AND RECORDED IN VOLUME 3122, PAGE 377 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, AND ALL OF A 55.400 ACRE TRACT DESCRIBED IN A SPECIAL WARRANTY DEED TO CARMA PASO ROBLES LLC, DATED MARCH 5, 2007 AND RECORDED IN VOLUME 3122, PAGE 389 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS; SAID PARTS 1 AND 2 TOTALING 1,338.584 ACRES AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

PART 1, GROSS ACREAGE: 1,292.449 ACRES

BEGINNING at a 3/4" iron pipe found at an angle point in the southeast line of the said 160.033 acre tract, same being the south corner of a 5.35 acre tract described in a deed of record in Volume 227, Page 578 of the Deed Records of Hays County, Texas, also being in the northwest right-of-way line of F.M. 2439 (Hunter Road, right-of-way width varies);

THENCE with the southeast line of the 160.033 acre tract, same being the northwest right-of-way line of F.M. 2439, the following three (3) courses and distances:

1. South 59°53'31" West, a distance of 422.48 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found;
2. With a curve to the left, having a radius of 1950.06 feet, a delta angle of 13°29'07", an arc length of 458.97 feet, and a chord which bears South 53°06'58" West, a distance of 457.91 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found;
3. South 46°24'24" West, a distance of 183.31 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found at the east corner of a 5.224 acre tract described in a deed of record in Volume 251, Page 959 of the Deed Records of Hays County, Texas;

THENCE continuing with the southeast line of the 160.033 acre tract, same being the north line of the said 5.224 acre tract, the following two (2) courses and distances:

1. North 53°35'40" West, a distance of 283.89 feet to a 1/2" iron pipe found;

Page 3 of 13

2. South 51°38'26" West, a distance of 703.19 feet to a 1/2" iron pipe found at the south corner of the 160.033 acre tract, same being the west corner of the 5.224 acre tract, also being in the northeast line of a 51.23 acre tract described in Volume 276, Page 322 of the Deed Records of Hays County, Texas;

THENCE North 45°27'10" West, with the southwest line of the 160.033 acre tract, same being the northeast line of the said 51.23 acre tract, a distance of 1138.32 feet to a 1/2" rebar found at the west corner of the 160.033 acre tract, same being the south corner of the said 464.870 acre tract;

THENCE North 45°30'14" West, with the southwest line of the 464.870 acre tract, same being the northeast line of the said 51.23 acre tract, the northeast line of a 82.17 acre tract described in a deed of record in Volume 1350, Page 446 of the Official Public Records of Hays County, Texas, and the northeast line of a 15 acre tract described in a deed of record in Volume 190, Page 161 of the Deed Records of Hays County, Texas, a distance of 3565.19 feet to a found corner fence post of an 8' tall game fence at the north corner of the said 82.17 acre tract, same being an interior corner of the 464.870 acre tract;

THENCE South 43°31'39" West, with the southeast line of the 464.870 acre tract, same being a northwest line of the 82.17 acre tract, a distance of 1186.42 feet to a found corner fence post of an 8' tall game fence at a south corner of the 464.870 acre tract, same being an angle point in the northwest line of the 82.17 acre tract, also being an angle point in the northeast line of an 80.17 acre tract described in a deed of record in Volume 1350, Page 446 of the Official Public Records of Hays County, Texas;

THENCE North 46°27'44" West, with the southwest line of the 464.870 acre tract, same being the northeast line of the said 80.17 acre tract and the northeast line of a 34.56 acre tract described in a deed of record in Volume 1925, Page 672 of the Official Public Records of Hays County, Texas, a distance of 2474.33 feet to a 1/2" rebar with plastic "PBS&J" cap found at the north corner of the 34.56 acre tract, same being the southeast line of Lot 2, Sleepy Hollow Subdivision, also being the west corner of the 464.870 acre tract;

THENCE with the northwest line of the 464.870 acre tract, same being the southeast line of Lots 2 through 28, inclusive, of Sleepy Hollow Subdivision, the following twenty-seven (27) courses and distances:

1. North 42°16'33" East, a distance of 28.53 feet to a 1/2" rebar found at the common corner of said Lots 2 and 3;
2. North 44°24'02" East, a distance of 145.42 feet to a 1/2" rebar found at the common corner of said Lots 3 and 4;
3. North 44°11'17" East, a distance of 145.74 feet to a 1/2" rebar found at the common corner of said Lots 4 and 5;

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4. North 44°03'14" East, a distance of 145.72 feet to a 1/2" rebar found at the common corner of said Lots 5 and 6;
5. North 44°25'01" East, a distance of 146.17 feet to a 1/2" rebar with plastic "PBS&J" cap found at the common corner of said Lots 6 and 7;
6. North 43°58'24" East, a distance of 145.32 feet to a 1/2" rebar found at the common corner of said Lots 7 and 8;
7. North 44°06'17" East, a distance of 145.46 feet to a 1/2" rebar found at the common corner of said Lots 8 and 9;
8. North 43°56'55" East, a distance of 145.44 feet to a 1/2" rebar found at the common corner of said Lots 9 and 10;
9. North 44°05'56" East, a distance of 145.91 feet to a 1/2" rebar found at the common corner of said Lots 10 and 11;
10. North 44°29'25" East, a distance of 145.12 feet to a 1/2" rebar found at the common corner of said Lots 11 and 12;
11. North 43°40'19" East, a distance of 145.38 feet to a 1/2" rebar found at the common corner of said Lots 12 and 13;
12. North 44°20'28" East, a distance of 145.03 feet to a 1/2" rebar found at the common corner of said Lots 13 and 14;
13. North 44°13'03" East, a distance of 145.49 feet to a 1/2" rebar found at the common corner of said Lots 14 and 15;
14. North 43°53'38" East, a distance of 145.05 feet to a 1/2" rebar found at the common corner of said Lots 15 and 16;
15. North 44°14'07" East, a distance of 145.21 feet to a 1/2" rebar found at the common corner of said Lots 16 and 17;
16. North 44°24'20" East, a distance of 145.52 feet to a 1/2" rebar found at the common corner of said Lots 17 and 18;
17. North 44°06'52" East, a distance of 145.20 feet to a 1/2" rebar found at the common corner of said Lots 18 and 19;
18. North 43°58'52" East, a distance of 145.24 feet to a 1/2" rebar found at the common corner of said Lots 19 and 20;

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19. North 44°39'50" East, a distance of 144.71 feet to a 1/2" rebar found at the common corner of said Lots 20 and 21;
20. North 44°38'33" East, a distance of 145.24 feet to a 1/2" rebar found at the common corner of said Lots 21 and 22;
21. North 44°16'09" East, a distance of 144.98 feet to a 1/2" rebar found at the common corner of said Lots 22 and 23;
22. North 43°41'15" East, a distance of 144.88 feet to a 1/2" rebar found at the common corner of said Lots 23 and 24;
23. North 44°15'04" East, a distance of 144.87 feet to a 1/2" rebar found at the common corner of said Lots 24 and 25;
24. North 44°00'02" East, a distance of 144.96 feet to a 1/2" rebar found at the common corner of said Lots 25 and 26;
25. North 44°23'04" East, a distance of 194.95 feet to a 1/2" rebar found at the common corner of said Lots 26 and 27;
26. North 44°04'48" East, a distance of 203.95 feet to a 1/2" rebar found at the common corner of said Lots 27 and 28;
27. North 44°36'40" East, a distance of 108.93 feet to a 1/2" rebar found at a north corner of the said 464.870 acre tract, same being the east corner of Lot 28, also being in the southwest line of a 111.9 acre tract (first 111.9 acre tract) described in a deed of record in Volume 145, Page 624 of the Deed Records of Hays County, Texas;

THENCE South 46°01'33" East, with the northeast line of the 464.870 acre tract, same being the southwest line of the said 111.9 acre tract and the southwest line a 111.9 acre tract (second 111.9 acre tract) described in a deed of record in Volume 149, Page 491 of the Deed Records of Hays County, Texas, a distance of 1609.75 feet to a 1/2" rebar found at an interior corner of the 464.870 acre tract, same being the south corner of the said second 111.9 acre tract;

THENCE North 17°08'49" East, with the northwest line of the 464.870 acre tract, same being the southeast line of the second 111.9 acre tract, a distance of 967.38 feet to a calculated point for a north corner of the 464.870 acre tract, same being the west corner of the said 70.00 acre tract;

THENCE North 17°08'49" East, continuing with the southeast line of the second 111.9 acre tract, same being the northwest line of the 70.00 acre tract, a distance of 842.90 feet to a calculated point for the north corner of the 70.00 acre tract, same being the west corner of the said 425.38 acre tract;

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THENCE North 17°08'49" East, continuing with the southeast line of the second 111.9 acre tract, same being the northwest line of the 425.38 acre tract, a distance of 1054.36 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found at the north corner of the 425.38 acre tract, same being the west corner of the said 272.027 acre tract;

THENCE continuing with the southeast line of the second 111.9 acre tract, same being the northwest line of the 272.027 acre tract, the following four (4) courses and distances:

- 1. North 17°08'49" East, a distance of 402.23 feet to a fence post found;**
- 2. North 45°41'06" West, a distance of 495.49 feet to a fence post found;**
- 3. North 17°13'03" East, a distance of 1206.69 feet to a fence post found;**
- 4. North 45°41'38" West, a distance of 439.64 feet to a 1/2" rebar with plastic "BYRN" cap found at the northwest corner of the 272.027 acre tract, same being the southwest corner of an 11.36 acre tract described in a deed of record in Volume 1856, Page 746 of the Official Public Records of Hays County, Texas;**

THENCE North 51°25'56" East, with the north line of the 272.027 acre tract, same being the south line of the said 11.36 acre tract and the south line of a 7.78 acre tract described in a deed of record in Volume 1227, Page 592 of the Official Public Records of Hays County, Texas, a distance of 655.14 feet to a 1/2" rebar with plastic "BYRN" cap found at the southeast corner of the said 7.78 acre tract, same being the southwest corner of a 10.82 acre tract described in a deed of record in Volume 2201, Page 515 of the Official Public Records of Hays County, Texas;

THENCE South 88°07'26" East, continuing with the north line of the 272.027 acre tract, same being the south line of the said 10.82 acre tract and the south line of a 7.40 acre tract described in a deed of record in Volume 1253, Page 378 of the Official Public Records of Hays County, Texas, a distance of 804.60 feet to a 1/2" rebar with plastic "BYRN" cap found at the south corner of the 7.40 acre tract, same being in the northwest line of Lot 10, Block 3, McCarty Ranch, Phase One, a subdivision of record in Volume 7, Page 233 of the plat records of Hays County, Texas, also being at the northeast corner of the 272.027 acre tract;

THENCE with the northeast line of the 272.027 acre tract, same being the northwest and southwest lines of McCarty Ranch, Phase One, the following three (3) courses and distances:

- 1. South 39°48'33" West, a distance of 518.49 feet to a 1/2" rebar with plastic "BYRN" cap found;**
- 2. South 45°52'43" East, a distance of 3715.29 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found;**

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3. South 42°58'06" East, a distance of 676.96 feet to a fence post found at the south corner of McCarty Ranch, Phase One, same being the west corner of a 40.00 acre tract described in a deed of record in Volume 1980, Page 545 of the Official Public Records of Hays County, Texas;

THENCE continuing with the northeast line of the 272.027 acre tract, same being the southwest line of the said 40.00 acre tract, the following two (2) courses and distances:

1. South 46°10'19" East, a distance of 485.00 feet to a 9" cedar tree found;
2. South 45°58'29" East, a distance of 680.33 feet to a 17" cedar tree found;

THENCE continuing with the northeast line of the 272.027 acre tract, same being the southwest line of the 40.00 acre tract and the southwest line of a 117.47 acre tract described in a deed of record in Volume 1885, Page 549 of the Official Public Records of Hays County, Texas, the following two (2) courses and distances:

1. South 47°09'51" East, a distance of 586.34 feet to a 15" cedar tree found at an angle point in the common line of the 272.027 acre tract and the 117.47 acre tract;
2. South 45°15'40" East, a distance of 130.55 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found at an interior corner of the 272.027 acre tract, same being in the southwest line of the said 117.47 acre tract;

THENCE North 45°13'32" East, continuing with the northeast line of the 272.027 acre tract and crossing the 117.47 acre tract, a distance of 1273.67 feet to a 1/2" rebar found at an angle point in the north line of the 272.027 acre tract, same being in the southwest right-of-way line of McCarty Lane (right-of-way width varies), as shown on a plat of record in Volume 12, Page 397 of the Plat Records of Hays County, Texas;

THENCE continuing with the northeast line of the 272.027 acre tract, same being the southwest right-of-way line of McCarty Lane, the following two (2) courses and distances:

1. South 46°57'23" East, a distance of 0.37 feet to a calculated point for a point of curvature;
2. With a curve to the left, having a radius of 2550.00 feet, a delta angle of 1°54'05", an arc length of 84.62 feet, and a chord which bears South 47°57'46" East, a distance of 84.61 feet to a 1/2" rebar found at an angle point in the north line of the 272.027 acre tract;

THENCE South 45°13'08" West, continuing with the northeast line of the 272.027 acre tract and crossing the 117.47 acre tract, a distance of 1277.67 feet to a 1/2" rebar with

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plastic "Chaparral Boundary" cap found at an angle point in the northeast line of the 272.027 acre tract, same being in the southwest line of the 117.47 acre tract;

THENCE continuing with the northeast line of the 272.027 acre tract, same being the southwest line of the 117.47 acre tract, the following two (2) courses and distances:

1. South 45°15'40" East, a distance of 240.99 feet to a fence post found;
2. South 43°46'45" East, a distance of 418.48 feet to a fence post found at an east corner of the 272.027 acre tract, same being the north corner of a tract of land described in deed to Herold Abel, et ux., of record in Volume 542, Page 593 of the Deed Records of Hays County, Texas;

THENCE South 44°30'03" West, with the southeast line of the 272.027 acre tract, same being the northwest line of the said Abel tract, a distance of 1590.38 feet to a twin 6" and 5" cedar tree found at the south corner of the 272.027 acre tract, same being the west corner of the Abel tract, also being in the northeast line of a 425.38 acre tract described in a deed of record in Volume 194, Page 320 of the Deed Records of Hays County, Texas, conveyed in a deed of record in Volume 2211, Page 789 of the Official Public Records of Hays County, Texas;

THENCE South 45°37'47" East, with the southwest line of the said Abel tract, same being the northeast line of the 425.38 acre tract, a distance of 1265.80 feet to a 1/2" rebar with cap set in the northwest right-of-way line of F.M. 2439;

THENCE crossing the 425.38 acre tract, with the northwest right-of-way line of F.M. 2439, the following five (5) courses and distances:

1. South 47°51'14" West, a distance of 149.23 feet to a TxDOT Type II disk found;
2. South 42°43'35" West, a distance of 401.81 feet to a TxDOT Type II disk found;
3. South 48°06'50" East, a distance of 3.50 feet to a 1/2" rebar with cap set;
4. South 41°52'45" West, a distance of 389.25 feet to a 1/2" rebar with cap set for a point of curvature;
5. With a curve to the left, having a radius of 2929.79 feet, a delta angle of 7°29'35", an arc length of 383.15 feet, and a chord which bears South 38°09'58" West, a distance of 382.88 feet to a 1/2" rebar with aluminum "TxDOT" cap found in the southwest line of the said 425.38 acre tract, also being in the northeast line of the said 160 acre;

THENCE continuing with the northwest right-of-way line of F.M. 2439, crossing the 160 acre tract, the following four (4) courses and distances:

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1. With a curve to the left, having a radius of 2829.79 feet, a delta angle of $01^{\circ}40'21''$, an arc length of 85.52 feet, and a chord which bears South $33^{\circ}35'26''$ West, a distance of 85.52 feet to a TxDOT Type II disk found;
2. South $39^{\circ}45'01''$ West, a distance of 551.11 feet to a calculated point;
3. South $36^{\circ}51'59''$ West, a distance of 703.47 feet to a TxDOT Type II disk found;
4. South $47^{\circ}04'26''$ West, a distance of 315.41 feet to a $1/2''$ rebar with aluminum "TxDOT" cap found in the northeast line of the said 1 acre tract;

THENCE continuing with the northwest right-of-way line of F.M. 2439, crossing the 1 acre tract, the following two (2) courses and distances:

1. South $47^{\circ}05'19''$ West, a distance of 165.17 feet to a calculated point;
2. South $48^{\circ}02'07''$ West, a distance of 43.80 feet to a $1/2''$ rebar with plastic "Chaparral Boundary" cap found in the southwest line of the 1 acre tract, at an east corner of the 160.033 acre tract;

THENCE South $48^{\circ}02'07''$ West, continuing with the northwest right-of-way line of F.M. 2439, same being the southeast line of the 160.033 acre tract, a distance of 89.38 feet to a $1/2''$ rebar with plastic "Chaparral Boundary" cap found at an angle point in the southeast line of the 160.033 acre tract, same being the east corner of the 5.35 acre tract;

THENCE continuing with the northwest right-of-way line of F.M. 2439, same being the southeast line of the 5.35 acre tract, the following four (4) courses and distances:

1. South $48^{\circ}02'07''$ West, a distance of 169.34 feet to a TxDOT Type II disk found;
2. With a curve to the right, having a radius of 2160.65 feet, a delta angle of $10^{\circ}09'27''$, an arc length of 383.04 feet, and a chord which bears South $48^{\circ}29'42''$ West, a distance of 382.54 feet to a TxDOT Type II disk found;
3. With a curve to the right, having a radius of 1870.08 feet, a delta angle of $01^{\circ}01'56''$, an arc length of 33.69 feet, and a chord which bears South $59^{\circ}31'17''$ West, a distance of 33.69 feet to a concrete highway monument found;
4. South $59^{\circ}53'31''$ West, a distance of 112.98 feet to the POINT OF BEGINNING, containing 1,282.449 acres of land, more or less.

9.123 ACRE SAVE & EXCEPT PARCEL

BEGINNING at a $1/2''$ rebar with plastic "RPLS 1847" cap found in the interior of the 464.870 acre tract, being the southeast corner of the said 9.123 acre tract, from which a

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found corner fence post of an 8' game fence at an interior corner in the southwest line of the 464.870 acre tract, same being the north corner of the 82.17 acre, bears South 33°35'28" East, a distance of 74.52 feet, also from which a found corner fence post of an 8' game fence at a south corner of the 464.870 acre tract, same being an angle point in the northwest line of the 82.17 acre tract, also being an angle point in the northeast line of the 80.17 acre tract, bears South 33°35'28" East, a distance of 74.52 feet, and South 43°31'39" West, a distance of 1186.42 feet;

THENCE crossing the interior of the 464.870 acre tract, the following eight (8) courses and distances:

1. South 70°44'34" West, a distance of 418.79 feet to a 1/2" rebar with plastic "RPLS 1847" cap found;
2. North 25°59'19" West, a distance of 220.18 feet to a 1/2" rebar with plastic "RPLS 1847" cap found;
3. North 08°41'57" West, a distance of 375.09 feet to a 1/2" rebar with plastic "RPLS 1847" cap found;
4. North 53°35'29" East, a distance of 211.87 feet to a 1/2" rebar with plastic "RPLS 1847" cap found;
5. North 75°38'16" East, a distance of 443.47 feet to a 1/2" rebar with plastic "RPLS 1847" cap found;
6. South 29°55'42" East, a distance of 268.08 feet to a 1/2" rebar with plastic "RPLS 1847" cap found;
7. South 23°04'57" West, a distance of 377.19 feet to a 1/2" rebar found;
8. South 23°16'20" West, a distance of 94.71 feet to the **POINT OF BEGINNING**, containing 9.123 acres of land, more or less.

5.036 ACRE SAVE & EXCEPT PARCEL

COMMENCING at a 1/2" rebar with cap set at the east corner of the said 70.00 acre tract, same being in the southwest line of the said portion of 425.38 acres, also being the north corner of a 160 acre tract described in a deed of record in Volume 192, Page 368 of the Deed Records of Hays County, Texas, from which a 1/2" rebar with aluminum cap found bears South 46°41'01" East, a distance of 3014.54 feet, and a nail with shiner in a fence post found bears North 46°41'01" West, a distance of 3890.59 feet;

THENCE North 83°36'04" West, crossing the 70.00 acre tract, a distance of 820.34 feet to a 1/2" rebar with cap set for the south corner of the herein described tract, and the **POINT OF BEGINNING** hereof, from which a 1/2" rebar with plastic "Chaparral

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Boundary" cap found in the southwest line of the 70.00 acre tract, same being at the north corner of a 160.033 acre tract described in a deed of record in Volume 3087, Page 318 of the Deed Records of Hays County, Texas, also being at the east corner of a 464.870 acre tract described in a deed of record in Volume 3122, Page 356 of the Deed Records of Hays County, Texas, bears South 3°10'59" West, a distance of 412.73 feet;

THENCE continuing across the 70.00 acre tract and the portion of 425.38 acres, the following five (5) courses and distances:

1. North 29°13'22" West, a distance of 472.71 feet to a 1/2" rebar with cap set;
2. North 82°34'58" East, at a distance of 453.25 feet passing the northeast line of the 70.00 acre tract, same being the southwest line of the portion of 425.38 acres, and continuing for a total distance of 485.81 feet to a 1/2" rebar with cap set;
3. South 63°31'14" East, a distance of 293.44 feet to a 1/2" rebar with cap set;
4. South 9°27'27" East, a distance of 120.44 feet to a 1/2" rebar with cap set;

South 67°04'18" West, at a distance of 40.80 feet passing the northeast line of the 70.00 acre tract, same being the southwest line of the portion of 425.38 acres, and continuing for a total distance of 579.16 feet to the **POINT OF BEGINNING**, containing 5.036 acres of land, more or less.

Subtracting the Save & Except acreage of 9.123 acres and 5.036 acres from the Gross acreage of 1,292.449 acres leaves a Net acreage of 1,278.290 acres.

PART 2, 60.294 ACRES:

BEGINNING at a TxDOT Type II disk found at a point of curvature in the southeast right-of-way line of F.M. 2439 (Hunter Road, right-of-way width varies), same being a point of curvature in the northwest line of the said 55.400 acre tract;

THENCE with the southeast right-of-way line of F.M. 2439, same being the northwest line of the 55.400 acre tract, the following two (2) courses and distances:

1. North 47°04'30" East, a distance of 287.89 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found;
2. South 89°23'13" East, a distance of 31.54 feet to a 1/2" rebar with plastic "PBS&J" cap found in the southwest right-of-way line of Centerpoint Road (County Road No. 234, right-of-way width varies);

THENCE with the southwest right-of-way line of Centerpoint Road, same being the northeast line of the 55.400 acre tract, the following two (2) courses and distances:

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1. South 45°44'53" East, a distance of 777.45 feet to a 1/2" rebar with plastic "PBS&J" cap found;
2. South 45°30'51" East, a distance of 48.65 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found at the east corner of the 55.400 acre tract, same being in the northwest right-of-way line of the Union Pacific Railroad (212' right-of-way width), described in Volume 2056, Page 535 of the Official Public Records of Hays County, Texas;

THENCE South 46°38'59" West, with the northwest right-of-way line of the Union Pacific Railroad, same being the southeast line of the 55.400 acre tract, a distance of 2607.65 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found at the south corner of the 55.400 acre tract, same being in the northeast line of a 17.86 acre tract described in a deed of record in Volume 276, Page 322 of the Deed Records of Hays County, Texas;

THENCE North 45°27'58" West, with the southwest line of the 55.400 acre tract, same being the northeast line of the said 17.86 acre tract, a distance of 1095.38 feet to a 1/2" rebar with aluminum "TxDOT" cap found at the north corner of the 17.86 acre tract, same being the west corner of the 55.400 acre tract, also being in the curving southeast right-of-way line of F.M. 2439;

THENCE with the southeast right-of-way line of F.M. 2439, same being the northwest line of the 55.400 acre tract, the following four (4) courses and distances:

1. With a curve to the right, having a radius of 5689.65 feet, a delta angle of 00°40'04", an arc length of 66.31 feet, and a chord which bears North 46°04'22" East, a distance of 66.31 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found;
2. North 46°24'24" East, a distance of 846.88 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found;
3. With a curve to the right, having a radius of 1870.08 feet, a delta angle of 13°29'07", an arc length of 440.14 feet, and a chord which bears North 53°08'57" East, a distance of 439.13 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found;
4. North 59°53'31" East, a distance of 79.74 feet to a 1" iron pipe found at a north corner of the 55.400 acre tract, same being the west corner of the said 4.894 acre tract;

THENCE continuing with the southeast right-of-way line of F.M. 2439, same being the northwest line of the 4.894 acre tract, the following three (3) courses and distances:

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1. North 59°53'31" East, a distance of 455.72 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found;
2. With a curve to the left, having a radius of 1950.08 feet, a delta angle of 01°02'45", an arc length of 35.60 feet, and a chord which bears North 59°30'17" East, a distance of 35.60 feet to a TxDOT Type II disk found;
3. With a curve to the left, having a radius of 3677.11 feet, a delta angle of 02°53'50", an arc length of 185.94 feet, and a chord which bears North 58°12'47" East, a distance of 185.92 feet to a 1/2" rebar with plastic "Chaparral Boundary" cap found at the north corner of the 4.894 acre tract, same being a west corner of the 55.400 acre tract;

THENCE continuing with the southeast right-of-way line of F.M. 2439, same being the northwest line of the 55.400 acre tract, with a curve to the left, having a radius of 3677.11 feet, a delta angle of 03°23'46", an arc length of 217.96 feet, and a chord which bears North 55°03'59" East, a distance of 217.93 feet to the POINT OF BEGINNING, containing 60.294 acres of land, more or less.

This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

Attachments: Drawing 500-003-WAT-EXH. Caps placed on set rebars are plastic, stamped "Chaparral Boundary".


James Redmon
Registered Professional Land Surveyor
State of Texas No. 5848

8-26-08



EXHIBIT B

EXHIBIT C

EXHIBIT "C"

LIST OF TIRZ NO. 4 ELIGIBLE IMPROVEMENTS

WATER

ITEM	DESCRIPTION	ESTIMATED COST
1	Hunter Road Water Lines	\$ 2,088,180
2	Soyars Tank Upgrades	\$ 2,303,910
3	Trunk Hill Tank	\$ 862,500
4	Trunk Hill Pumps	\$ 345,000
5	McCarty Tank Pumps	\$ 800,000
6	Regional Water Line Infrastructure	\$ 3,249,870
	Total Water Infrastructure	\$ 9,649,460

WASTEWATER

ITEM	DESCRIPTION	ESTIMATED COST
1	Regional Offsite Improvements	\$ 1,837,000

ROADS/DRAINAGE

ITEM	DESCRIPTION	ESTIMATED COST
1	Centerpoint Extension	\$ 7,828,540
2	Hunter Road Intersection Improvements	\$ 500,000
3	Hunter Road Right-Of-Way 2.1 acres South of Centerpoint Road East side of Hunter Road	\$ 183,000

RECLAIMED WATER LINE

ITEM	DESCRIPTION	ESTIMATED COST
1	Reclaimed Water Line	\$ 2,185,000

Total Estimated Cost

\$22,183,000*

* The total reimbursable amount through TIRZ No. 4 will be limited to \$20,000,000 for all projects, including any interest costs related to such projects.



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PASO ROBLES TAX INCREMENT REINVESTMENT ZONE

Projects for Funding August 30, 2011

The following list of projects identified for inclusion for funding through the proposed Tax Increment Reinvestment Zone (TIRZ).

- **Water**

- *Hunter Road Water Lines (WTR-1)*
 - A 24" water line that will extend approximately 2,800 feet from the existing 24" and 12" water line connection located near Hunter Road, north of Centerpoint Road along the common property line of the Barnes Property and the Abel Property. The proposed line will extend in a southerly direction, parallel to Hunter Road to a point near the intersection of Hunter Road and Posey Road.
 - A 24" water line that will extend into the Paso Robles property from the proposed 24" line in Hunter Road and provide water supply to the existing Soyars Tank.
 - A 12" water line that will extend approximately 2,700 feet from the 24" water line proposed to be constructed in Hunter Road as described above. The proposed line will be located parallel to Hunter Road and terminate at approximately the southern property line at of the Paso Robles property line that intersects Hunter Road.
- *Soyars Tank Upgrades (WTR-2)*
 - Providing improvements to take the tank off well water by connecting to the 24" Hunter water line. Eventual pump upgrades to connect the Soyars Tank to the Trunk Hill Tank.
- *Trunk Hill Tank (WTR-3)*
 - Provide a new 500,000 gallon storage tank located in the vicinity of the proposed intersection of the Centerpoint Road extension and the western property line of the Paso Robles property at a ground elevation of approximately 855 feet MSL.
- *Trunk Hill Pumps (WTR-4)*
 - Pumps and other equipment to serve the Trunk Hill Tank.
- *McCarty Tank Pumps (WTR-5)*
 - Improvements to the pumps to serve and enhance the SW region of the City's water system.
- *Regional Water Line Infrastructure (WTR-6)*
 - Looped 16" water lines connecting the Soyars Tank to the proposed Trunk Hill Tank. These looped lines will be located within the Right-of-Way of Centerpoint

Road as it extends westerly through the Paso Robles property as well as in a north westerly direction along the alignment of the future internal looped roadway within the Paso Robles property.

- A 16" water line that will extend from an existing 24" water line located in McCarty Lane to a connection point of the looped 16" water Lines.
- A 12" water line to serve the Sleepy Hollow/Kingswood region will extend from the Trunk Hill Tank in a southerly direction to the southern property line of the Paso Robles property, along the proposed future roadway

- **Wastewater**

- *Centerpoint Wastewater Line (WW-1)*

- A 12" wastewater line approximately 3,700 feet in length to be constructed generally along the existing Centerpoint Road from Hunter Road to the existing Gregson's Bend wastewater manhole

- *Barnes Wastewater Line (WW-1)*

- A 24" wastewater line approximately 3,800 feet in length to be constructed within an easement within the Barnes property. This line will extend from the western Right-of-way line of Hunter Road and connect to an existing wastewater manhole located on the east side of Interstate 35 near the outlet malls

- **Roads/Drainage**

- *Centerpoint Road Extension (RD-1)*

- Centerpoint Road will extend approximately 8,200 feet in length from Hunter Road to the western property line of the Paso Robles property. The road will be designed as a four-lane divided roadway and will provide an appropriate drainage system to collect and convey stormwater runoff associated with the road. Per the approved TIA for Paso Robles, Brookfield is responsible for 4 lanes from Hunter Road to the first point of intersection of the internal looped road, and 2 lanes from this point to the western boundary of Paso Robles.

- *Hunter Road Intersection Improvements (RD-2)*

- Various Intersection Improvements to Centerpoint Road and McCarty Lane; and Hunter Road and Centerpoint Road. Per the approved TIA for Paso Robles, the recommended improvements consist of: additional turn lanes and re-striping at Hunter Road and McCarty Lane; and, traffic signal and re-striping at Hunter Road and Centerpoint.

- *Hunter Road Future Right-of-Way (RD-3)*

- Dedication of future right-of-way along Hunter Road between Centerpoint Road and the southern property line of the Paso Robles Development. This section of the roadway currently consists of a two lane cross section within an approximate 80 foot right-of-way. The potential additional right-of-way would be 120 feet and would accommodate a multi-lane cross section with longer, safer horizontal curvature. This dedication would be approximately 2.1 acres.

- ***Reclaimed Water***

- ***Reclaimed Water Line Extension (RCL-1)***

- A 12" reclaimed water line extension from the existing 18" line located east of the Outlet Malls. This line will extend approximately 9,300 feet to point of storage within the Paso Robles property. It is expected that this line will extend through the Stratford property located immediately north of the existing outlet malls, and through the Barnes property located between Interstate 35 and Hunter Road.



PHASING PLAN/ WATER IMPROVEMENTS

[illegible]

PASO ROBLES

WATER PLEASING PLAN

SCALE: 1" = 90'
0 250 500 1000
DATE: 08-01-2011



DRAFT
FOR DISCUSSION PURPOSES ONLY

Brookfield Residential

JACOBS
Group Design and Planning

1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 26