

DEVELOPMENT AGREEMENT
BY AND BETWEEN
THE CITY OF SUGAR LAND, TEXAS,
AND PULTE HOMES OF TEXAS, L.P.

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I	
DEFINITIONS AND INTERPRETATIONS	
Section 1.01 Terms Defined In This Agreement	2
Section 1.02 Exhibits	5
ARTICLE II	
GENERAL PLAN AND LAND USE	
Section 2.01 Introduction	5
Section 2.02 General Plan and Amendments Thereto	6
Section 2.03 Additional Tracts Bound by Agreement	6
Section 2.04 Deviations to City Development Code/Design Criteria	7
ARTICLE III	
DESIGN AND CONSTRUCTION STANDARDS AND APPLICABLE ORDINANCES	
Section 3.01 Certainty of Regulatory Standards and Development Quality	7
Section 3.02 Density	8
Section 3.03 Construction Standards for Public Improvements and Drainage Criteria	8
Section 3.04 Signs	9
Section 3.05 Inspection of Private Improvements	10
Section 3.06 Water/Wastewater Treatment Services	11
Section 3.07 Connection Fees	13
Section 3.08 Obligation of Developer' Concerning MUD Operations	14
Section 3.09 Liability of Ultimate Consumer	14
Section 3.10 Irrigation Wells and Use of Lake Water	14
Section 3.11 Design and Bidding of City-Funded Improvements	14
Section 3.12 Park Dedication Requirements	15
Section 3.13 Road Facilities	16
Section 3.14. Marketing and Branding	16
ARTICLE IV	
CONSENT TO CREATION OF MUD; ANNEXATION INTO ETJ AND ANNEXATION	
Section 4.01 Consent to Creation of the MUD	16
Section 4.02 Withdrawal from Thompsons ETJ	17
Section 4.03 Consent to Annexation into the ETJ of City	17
Section 4.04 Limitation on Withdrawal from the City's ETJ of the City	17
Section 4.05 Annexation	17
ARTICLE V	
PUBLIC SAFETY SERVICES	

Section 5.01	Adoption of Fire Plan	17
Section 5.02	Interim Safety Services	17
Section 5.03	EMS Services	17
Section 5.04	Police Services	17
Section 5.05	Dedication of Public Safety Site	18
ARTICLE VI		
PROVISIONS FOR DESIGNATED MORTGAGEE		
Section 6.01	Notice to Designated Mortgagee	18
Section 6.02	Right of Designated Mortgagee to Cure Default	18
Section 6.03	Designated Mortgagee	18
ARTICLE VII		
PROVISIONS FOR DEVELOPER		
Section 7.01	Vested Rights	19
Section 7.02	Waiver of Actions Under Private Real Property Rights Preservation Act	19
Section 7.03	Developer' Right to Continue Development	19
ARTICLE VIII		
MATERIAL BREACH, NOTICE AND REMEDIES		
Section 8.01	Material Breach of Agreement	20
Section 8.02	Notice of Developer' Default	21
Section 8.03	Notice of City's Default	21
Section 8.04	Mediation	22
Section 8.05	Remedies	22
ARTICLE IX		
BINDING AGREEMENT, TERM, AMENDMENT, AND ASSIGNMENT		
Section 9.01	Beneficiaries	22
Section 9.02	Term	23
Section 9.03	Termination	23
Section 9.04	Assignment or Sale	23
Section 9.05	Transfer of Control of Developer	23
ARTICLE X		
MISCELLANEOUS PROVISIONS		
Section 10.01	Notice	23
Section 10.02	Time	24
Section 10.03	Minor Amendments	24
Section 10.04	Severability	25
Section 10.05	Waiver	25
Section 10.06	Applicable Law and Venue	25
Section 10.07	Reservation of Rights	25

Section 10.08 Further Documents	25
Section 10.09 Incorporation of Exhibits and Other Documents by Reference	25
Section 10.10 Effect of State and Federal Laws	25
Section 10.11 Developer Representations	25
Section 10.12 Authority for Execution	27

**DEVELOPMENT AGREEMENT
BETWEEN THE CITY OF SUGAR LAND, TEXAS,
AND PULTE HOMES OF TEXAS, L.P.**

This Development Agreement (the “Agreement”) is made and entered into as of December 5, 2023 and shall be effective as of the date set out herein by and between THE CITY OF SUGAR LAND, TEXAS (the “City”), a home rule municipality in Fort Bend County, Texas, acting by and through its governing body, the City Council of Sugar Land, Texas; and PULTE HOMES OF TEXAS, L.P., a Texas limited partnership (collectively, the “Developer”).

RECITALS

WHEREAS, the Developer has contracted to purchase approximately 958.46 acres of land in Fort Bend County, Texas, located partially within the City’s extraterritorial jurisdiction (“ETJ”) and described in Exhibit “A”, attached hereto and made a part hereto for all purposes (the “Property”); and

WHEREAS, approximately 608.7 acres of the Property is located partially within the City of Thompsons ETJ; and

WHEREAS, approximately 137.4 acres of the Property is located within an unincorporated area in Fort Bend County (the “Unincorporated Area”); and

WHEREAS, approximately 16.4 acres of the Property is located within the corporate limits of the City of Rosenberg (the “Rosenberg Tract”) and such tract shall not be governed by the terms of this Agreement; and

WHEREAS, Earl B. Shouse, August E. Shouse and Little Creek Polly Ltd. are the current owners of the Property; provided that pursuant to authority granted under that certain Order Appointing Receiver signed by the Court on December 20, 2022 (the “Receivership Order”) in Cause No. 21—DCV—279743 in the District Court of Fort Bend County, Texas, 458th Judicial District, styled Mary Catherine Shouse, et al, Plaintiff v. August E. Shouse, individually et al, Defendants (the “Proceeding”), wherein James H. Shoemake, Receiver was granted certain authority over the business of Little Creek Polly, Ltd., all as more fully set forth in the Receivership Order (the “Landowner”); and

WHEREAS, the City is a home rule city with all powers except those specifically limited by the Constitution and laws of the State of Texas; and

WHEREAS, the City's current policy for development in the ETJ encourages development through the creation of municipal utility districts in the ETJ with annexation of a municipal utility district at such time as the City deems feasible and appropriate and

WHEREAS, the Developer desires to develop a high quality master-planned community within the Property generally consistent with development standards applicable to land within the City's corporate limits. However, the Developer represents that securing the financing for the purchase and development of the Property requires an agreement providing for long-term certainty in regulatory requirements, development standards, and timing of annexation by the City; and

WHEREAS, the Parties agree that the development of the Property can best proceed pursuant to a development agreement and pursuant to a Services Agreement (defined hereinafter); and

WHEREAS, it is the intent of this Agreement to establish certain restrictions and commitments imposed and made in connection with the development of the Property and to provide certainty to the Developer concerning annexation of the development of the Property for a period of years; and

WHEREAS, the City and the Developer are proceeding in reliance on the enforceability of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained herein, and other good and valuable consideration, the City and the Developer agree as follows:

ARTICLE I DEFINITIONS AND INTERPRETATIONS

Section 1.01 Terms Defined In This Agreement.

Unless the context requires otherwise, and in addition to the terms defined above, the following terms and phrases used in this Agreement shall have the meanings set out below:

City means the City of Sugar Land Texas, a home-rule municipal corporation.

City Council means the City Council of the City or any successor governing body.

City Manager means the City Manager of the City.

Connection Fee means the fee that is a one-time charge to Developer by the City for each Equivalent Single-family Connection (“ESFC”) platted to cover the capital costs incurred by the City related to the provision of water supply and sewage treatment.

Day means business day.

Design Standards means the document adopted by the City which provides the general requirements for the design of public improvements, private improvements that connect to or affect the public infrastructure and the supporting documents for approval in the City and its extraterritorial jurisdiction. Specific design criteria are included in the document. The Design Standards are incorporated into the Development Code as Chapter 6.

Designated Mortgagee means, whether one or more, any mortgagee or security interest holder that has been designated to have certain rights pursuant to Article VI herein.

Developer means PULTE HOMES OF TEXAS, L.P., a Texas limited partnership.

Development Code means the Development Code of the City as it exists on the Effective Date consistent with Article III of this Agreement.

Development Guidelines means the General Plan, including any density and land use standards, a thoroughfare plan, drainage plan, parks and recreation plan, private improvement regulations, utility service plan, regionalization of utility services, annexation restrictions or conditions, and any other guidelines, conditions, or restrictions established by this Agreement governing development of the Property.

Effective Date and similar references means (i) such date as Developer closes on the purchase of the Property from Landowner, anticipated to be December 21, 2023 for that portion of the Property located within the ETJ of the City; (ii) such date as the City includes the Thompsons ETJ Property and the Unincorporated Area in the ETJ of the City, pursuant to the provisions of Section 4.03; and (iii) such date as the City agrees to accept any future property owned by Developer into the ETJ of the City, pursuant to the provisions of Section 2.03.

ETJ means extraterritorial jurisdiction of a city.

Fire Protection Agreement means that agreement to be entered into between the City and each of the Participant MUDs as attached hereto as Exhibit G.

General Plan means the approved general plan of the proposed development of the

Property attached hereto as Exhibit “B” and incorporated herein for all purposes in satisfaction of Section 5-9 of the Development Code and any amendments thereto made pursuant to Article II of this agreement.

HOA means the homeowners association(s) for the homes within the Property.

MUD or District means a municipal utility district; created pursuant to Article XIV, Section 59, Texas Constitution and operating pursuant to Chapter 49 and 54, Texas Water Code; the purposes of which are limited to supplying fresh water for residential or commercial use or furnishing sanitary sewer services, reclaimed water services, drainage services, fire protection and parks and recreational services.

Ordinance means the ordinances of the City.

Participant MUD means any MUD, now existing or hereinafter created within the Property to provide water, wastewater, reclaimed water, drainage, and all services that MUDs may now or hereafter provide by law.

Party or Parties means a party or the parties to this Agreement.

Person shall mean any individual, partnership, association, firm, trust, estate, public or private corporation, or any other legal entity whatsoever.

Petition means the Petition for Consent to Creation of a Municipal Utility District, executed and , attached hereto as Exhibit “K”

Property means all the land owned by the Developer as described in the attached Exhibit “A”.

Regional Facilities means the City’s Sanitary Sewage Collection System, the City’s Water Distribution System, the City’s Reclaimed Water Distribution System, the Water Supply System and the City’s Wastewater Treatment System, and such other facilities as the City is permitted by law to provide, all as defined in the Services Agreement.

Regional Improvement means any of the improvements specified in Section 252.043 (d) of the Local Government Code, as amended, for which the City is to provide funding for construction under this Agreement.

Services Agreement means the Water Supply, Wastewater Treatment and Reclaimed Water Supply Services Agreement attached hereto as Exhibit “E”.

Strategic Partnership Agreement means the Strategic Partnership Agreement to be executed by the City and the Participant MUDs, which is attached hereto as Exhibit “D” and which qualifies as a strategic partnership agreement as defined by Chapter 43 of the Texas Local Government Code.

TCEQ means the Texas Commission on Environmental Quality and its successors.

Ultimate Consumer means the purchaser of a tract or lot within the Property who does not intend to resell, subdivide or develop the tract or lot in the ordinary course of business.

Section 1.02 Exhibits. The following exhibits are attached to this Agreement as though fully incorporated herein:

- Exhibit A - Property Description
- Exhibit B - General Plan
- Exhibit C - Deviations to City Development Code/Design Criteria
- Exhibit D - Strategic Partnership Agreement
- Exhibit E - Water Supply, Wastewater Treatment and Reclaimed Water Supply Services Agreement
- Exhibit F - Regional Improvement Tracts
- Exhibit G - Fire Protection Agreement
- Exhibit H - Memorandum of Agreement
- Exhibit I - Reserved
- Exhibit J - Park Property Description
- Exhibit K - Petition for Consent to Creation of a MUD
- Exhibit L - City MUD Consent Resolution
- Exhibit M - Petition Requesting Exclusion of Land from Thompsons ETJ
- Exhibit N - Form Ordinance annexing Land into City’s ETJ
- Exhibit O - Del Webb Primary/Secondary Entrance Examples

ARTICLE II GENERAL PLAN AND LAND USE

Section 2.01 Introduction. The Property is to be developed as a master-planned, mixed-use community within the ETJ of Sugar Land. The land uses within the Property shall be typical of a mixed-use development including: (a) single-family residential; (b) retail, commercial, and office uses as allowable per zoning classification and standards in the B-1 district with the following exceptions as not permitted: (i) school, public, elementary, middle and high (including

charter school); (ii) school, private, elementary, middle and high; (iii) assisted living facilities; and (iv) places of worship; (c) office/warehouse uses are permitted only as warehousing/storage of goods with office (d) Independent senior Living (max 200 units) per the requirements and criteria of Chapter 2 of the Development Code; and I medium density single-family residential uses – i.e. townhomes per Chapter 5 of the Development Code, cottage court, as agreed upon by the City and Developer, provided that the uses set forth in (d) and (e) do not exceed thirty (30) acres.

Section 2.02 General Plan and Amendments Thereto. Concurrently with execution and final approval of this Agreement, Developer has submitted to the City, and the City has approved, the General Plan for the development of the Property in satisfaction of the Development Code, unless otherwise noted herein. The General Plan is the initial master general development plan of the Property and identifies the proposed land uses. Developer shall develop or cause any undeveloped property to be developed in accordance with the latest General Plan. The General Plan may be revised and amended from time to time with the approval of the City Council, the Developer, and the owners (excluding Ultimate Consumers of the portions of the Property within the area of the General Plan being revised. The General Plan may also be revised by Developer, without the approval of the City or any other owners, so long as: (i) land use areas, and Pod acreages do not increase or decrease more than 10%; (ii) land use does not deviate from the terms set forth herein; and (iii) arterial and collector roadway alignments substantially conform to the roadway alignments shown on the then-current General Plan. If the General Plan is revised as provided by this Section 2.02, the revision shall be considered an amendment to this Agreement, and the City shall cause the revised General Plan to be attached to the official version of this Agreement on file with the City's Secretary's Office.

Section 2.03 Additional Tracts Bound by Agreement. The City and the Developer acknowledge that the Developer may hereafter acquire one or more tracts of land contiguous to the Property for purposes of development.

If the Developer acquires, or obtains an option to acquire, property contiguous to the boundaries of the Property or property that may be served by the Regional Facilities, as defined herein or subsequently modified pursuant to this Section, the Developer shall give written notice to the City that the tract has been or will be acquired. Notice shall: (a) reference this Agreement, (b) include a legal description of the tract and a proposed amendment to the General Plan for development of the tract that is consistent with the guidelines set forth in this Agreement, (c) set forth proposed density allocations for the tract, (d) set forth the number of MUDs, if any, to be created to serve the tract consistent with the terms of Section 4.01 hereof; (e) include any other information required by the Development Code; (f) include a petition to be annexed into the ETJ of the City; (g) include agreement to join the City's Groundwater Reduction Plan, if applicable. If approved by the City, the Developer shall, immediately or upon acquisition of the tract, record notice of the approval (including the legal description of the tract acquired) in the real property

records of Fort Bend County and shall send a copy of the recorded notice to the City. At such time, the City shall be deemed to have approved and consented to the amendment of the General Plan to include the tract and the density allocations and execute the appropriate consent to the annexation of such Property into the MUD, and this Agreement shall automatically be deemed amended to include and bind such tract as a part of the Property. Such additional tracts shall not be annexed into the MUD unless Developer has provided its' express written consent to the annexation or Developer has been reimbursed for 100% of its' eligible reimbursable costs by the MUD or Participant MUD.

If the City rejects the amendment to include the additional tract, the Developer and the City shall have the right but not the obligation to continue to negotiate to obtain the City's approval on the additional tract. If the City does not give its approval, the additional tract shall not be entitled to the benefits nor be bound by the terms of this Agreement.

The City and the Developer acknowledge that the Rosenberg Tract is not subject to the terms of this Agreement and shall not be included in the boundaries of any MUD created over the Property. Developer does not intend to locate any single family residential homes or commercial improvements on the Rosenberg Tract.

Section 2.04 Deviations to City Development Code/Design Criteria. Development of the Property shall be governed solely by this Agreement and shall include the deviations to the City Development Code/Design Criteria set forth in Exhibit "C".

ARTICLE III

DESIGN AND CONSTRUCTION STANDARDS AND APPLICABLE ORDINANCES

Section 3.01 Certainty of Regulatory Standards and Development Quality.

(a) The City and the Developer agree that one of the primary purposes of this Agreement is to provide for quality development of the Property that is compatible with the standards of development within the City and certainty to the regulatory requirements applicable to the development of the Property throughout the development process. Feasibility of the development of the Property is dependent upon a predictable regulatory environment and stability in the projected land uses. In exchange for Developer's performance of the obligations under this Agreement to develop the Property in accordance with certain standards and to provide the overall quality of development described herein, the City agrees to the extent allowed by law that it will not impose or attempt to impose any moratoriums on building or growth within the Property.

By the terms of this Agreement, the City and Developer intend to establish development and design rules and regulations which will ensure a quality, unified development, yet afford

Developer predictability of regulatory requirements throughout the term of this Agreement. Accordingly, the development regulations and guidelines established by this Agreement include density and land use regulations, a general land use plan, a thoroughfare plan, a drainage plan, subdivision regulations, public improvement regulations, private improvement regulations, a utility service plan, regionalization of utility services, and annexation restrictions.

(b) For single-family residential housing units within the Property, the following guidelines shall apply: (a) acceptable exterior building finish materials shall include brick, stucco or stone on three (3) sides on the first floor only; (b) any siding treatment shall be LP Smart siding or equivalent in quality and durability; and (c) a minimum two (2) car garage will be constructed.

Section 3.02 Density. Developer agrees that development of the Property shall be in accordance with the Development Guidelines and the General Plan. The number of single-family residential housing units within the Property shall not exceed 2650 units. The number of commercial uses shall not be more than 60 acres. The minimum lot size for a single-family residential lot shall be as set forth below or as allowed in other sections of this agreement:

Lot Sizes (Minimums)

	Lot Width (a)	Lot Depth (a)	Minimum Front Setback	Minimum Side Yard Setback Per Side	Minimum Street Side Yard Setback	Front Facing Garage Front Setback (a)	Minimum Rear Yard Setback
Del Webb	40'	125'	20'	5'	10'	20'	7.5'
Del Webb	50'	125'	20'	5'	15' (b)	20'	7.5'
Del Webb	65'	125'	20'	5'	15' (b)	20'	7.5'
SF	40'	120'	20'	5'	10'	20'	7.5'
SF	45'	120'	20'	5'	10'	20'	7.5'
SF	50'	120'	20'	5'	15' (b)	20'	7.5'
SF	60'	120'	20'	5'	15' (b)	20'	7.5'

(a) *Cul-de-sac Irregular lots will be permitted at the end of cul-de-sacs or where site and roadway geometry requires but should not be used to circumvent requirement that all lots have direct access to road and minimum lot width is provided.*

(b) *No side loading garages shall be allowed.*

Section 3.03 Construction Standards for Public Improvements and Drainage Criteria.

(a) To the extent allowed by law, the City agrees to modify its regulations for the construction of public improvements only as provided in the paragraph. During the term of this Agreement, the City may modify, supplement or amend Chapter 5 Article III of the Development Code to make them consistent with generally accepted standards imposed by governmental entities on the design and construction of public improvements. The City may make only such

modifications, supplements, and amendments as are necessary to ensure that Chapter 5 Article III of the Development Code is consistent with modern technology, engineering practices, and construction techniques. All such modifications, supplements, and amendments shall be uniformly applied to all development governed by the Development Code. Modifications, supplements and amendments that do not conform to these criteria will not be applicable to the Property. In the event that the Developer disputes the jurisdiction for the City's decisions to modify, supplement or amend the Development Code as provided herein, such dispute shall be resolved by mediation pursuant to Section 8.04 hereof. The criteria and construction standards for drainage facilities and improvements shall be consistent with criteria and standards imposed by the Fort Bend County Drainage District as they may be amended by the Fort Bend County Drainage District from time to time, and pumped detention shall be allowed, provided that plans are approved by Fort Bend County Drainage District, and submitted to the City for review.

(b) The Developer further agrees to provide a thoroughfare system to and through the Property which meets or exceeds the City of Sugar Land standards required by the Development Code and the Institute of Transportation Engineers' general standards for the projected land use based on the General Plan and regional use. The General Plan will indicate the road classification for the major thoroughfares, consisting of the unnamed loop road and the proposed Reading Road.

(c) To the extent allowed by law, the City agrees to modify its transportation standards only as provided in this paragraph. During the term of this Agreement, the City may modify, supplement or amend its transportation standards to make them consistent with generally accepted standards imposed by governmental entities on the design and construction of public improvements. The City may make only such modifications, supplements and amendments as are necessary to ensure that the City's transportation standards are consistent with modern technology, engineering practices, and construction techniques. All such modifications, supplements, and amendments shall be uniformly applied to all development governed by the Development Code. Modifications, supplements, and amendments that do not conform to these criteria will not be applicable to the Property. In the event that the Developer disputes the jurisdiction for the City's decision to modify, supplement or amend the City's transportation standards as provided herein, such dispute shall be resolved by mediation pursuant to Section 8.04 hereof. In the event of conflicts between the provisions of Chapter 5 of the Development Code or other provisions of the Development Code relating to transportation standards as contained in paragraph (b) and the provisions of this Agreement shall govern.

Section 3.04 Signs. Property used or developed for nonresidential use shall comply with Chapter 4 (Sign Regulations) of the Development Code of the City, including the permitting requirements for signs, but not including regulations governing stake signs, as that term is defined by Chapter 4 of the Development Code Agreement. If there is a conflict between the provisions of Chapter 4 of the Development Code and the provisions of this Agreement, the provisions of this Agreement shall govern.

Section 3.05 Inspection of Private and Public Improvements.

(a) Single-Family Residential Private Improvements. Neither the Developer nor their respective grantee or grantee's successor shall be obligated to apply for or obtain from the City any permit for construction of single-family residential private improvements, obtain any inspection related thereto, or pay any fee to the City for any application, permit, or inspection of construction of private improvements, but all residential construction shall comply with the City's building regulations contained in Chapter 7 of the Development Code. Inspection of single-family residential private improvements shall be conducted by a certified and state-licensed inspector (a "Certified Inspector") to certify compliance with the City's building regulations and a copy of such inspection shall be provided to the City. No inspection fees shall be due to the City for Residential Private Improvements. No residential private improvement may be occupied until a certificate of occupancy has been issued by the City. Model homes may be occupied for the sole purpose of sales and marketing; however, no model home may be sold to, or occupied by, an Ultimate Consumer until a certificate of occupancy has been issued.

(b) Non-Residential Private Improvements. All non-residential private improvements including, but not limited to, all commercial buildings, office buildings, retail establishments, utilities, roads, and infrastructure, will be constructed in accordance with the Chapter 7 of the Development Code. The City has the right, but not the obligation, to inspect all non-residential private improvements within the Property. The developer of the commercial and non-residential private improvements shall pay the City fees applicable to the construction of non-residential private improvements on the Property at the time and on the amounts then in effect and applicable to development within the City's ETJ. The cost for any inspections by the City shall be paid by the contractor performing the work (or by the owner of the property on which the work is being performed.) Nothing in this section is intended to obligate the City to perform any inspections of Public Infrastructure and in the event that the City waives inspections, no such inspection fee shall be charged by the City and contractor or landowner shall engage a Certified Inspector to certify compliance with the terms set forth herein and provide a copy of such inspection to the City.

(c) Public Infrastructure. All Public Infrastructure constructed by the Developer or the District shall be constructed, inspected and installed in accordance with this Agreement. The City has the right to inspect Public Infrastructure constructed to serve the Property and that are to be dedicated to public use to ensure that they comply with the City's design and constructions standards. The cost for review of plans for Public Infrastructure shall be in accordance with the fees established in the City's most recent fee ordinance. The cost for inspections of Public Infrastructure by the City shall be based on a time and material basis. Inspections will be billed on an hourly basis in accordance with the fee schedule set forth below plus the corresponding material charges. Overtime rates will be 1.5 the regular hourly rate for time worked over 8 hours, before 6:00 A.M. or after 6:00 P.M. Monday through Friday, and all hours worked on Saturdays, Sundays

or holidays. The cost for any inspections by the City shall be paid by the contractor performing the work (or by the owner of the property on which the work is being performed).

Service	Hourly Rate	Mileage charge (per mile)
Vehicle	\$ 19.45	\$ 0.66

Position	Hourly Rate
Engineer I	\$ 52.35
Engineer III	\$ 61.06
Sr. Engineering Manager	\$ 72.59
Construction Inspector	\$ 43.82
Sr. Construction Inspector	\$ 50.34
Construction Manager	\$ 72.59

*Rates are based on FY23 pay structure and subject to change annually

* Mileage charges are based IRS reimbursable rate and subject to change by IRS

Nothing in this section is intended to obligate the City to perform any inspections of Public Infrastructure and in the event that the City waives inspections, no such inspection fee shall be charged by the City and contractor or landowner shall engage a Certified Inspector to certify compliance with the terms set forth herein and provide a copy of such inspection to the City. Developer shall not request that Fort Bend County accept any proposed street for public use and maintenance until the City has given Developer its written notice that the street complies with City Design Standards and construction standards stated herein.

Section 3.06 Water/Wastewater/Reclaimed Treatment Services.

(a) The plan for an integrated regional water supply, storage, and distribution system; reclaimed water supply, storage and distribution system, wastewater collection and treatment system; to serve the Tract shall be developed in accordance with the Development Guidelines, City Design Standards, and the Service Agreement.

(b) The number of lots will not exceed a number that can be served by the number of ESFCs (as that term is defined in the Service Agreement) of Water Supply Services or Wastewater Services (as those terms are defined in the Service Agreement) to be provided to the District under the Service Agreement.

(c) The City shall be the retail provider of water supply services, wastewater services, and reclaimed water supply services to the Ultimate Consumers. The rates for such services shall be equal to the rates charged to in-city customers.

(d) The Developer will work with the District, during each phase of construction, to install pipes, valves, spray heads and related appurtenances that have been approved by the TCEQ for effluent reclaimed water for all irrigation systems located on the Property that can be served with effluent reclaimed water (such as irrigation in boulevards, parks, etc.) prior to such time as the effluent reclaimed water is delivered to the point of connection described herein. The District, the Developer and the City will mutually agree upon multiple points of connection. The City must approve the plans for such systems. The parties agree to work together to design the District's irrigation systems so as to maximize the use of the effluent reclaimed water as such use affords credits against the groundwater reduction requirements of the Fort Bend Subsidence District, which credits shall be the property of the City to use for the benefit of the participants in the City's Groundwater Reduction Plan. The District will be responsible for operating the District's irrigation systems. The District will purchase effluent reclaimed water from the City if the City delivers effluent reclaimed water to a point of connection mutually agreed upon by the City, Developer and the District and in a sufficient amount to serve the District's irrigation needs for areas served by that point of connection. The effluent reclaimed water will be pressurized or the parties will agree on an alternate effluent delivery system that is not pressurized. If necessary, the Developer is allowed to install and use potable water systems for irrigation in an area until such time as the City delivers effluent to the point of connection serving such area in a sufficient amount to serve the District's irrigation needs for such area. Upon delivery of reclaimed water by the City to each agreed upon location, Developer agrees to make connection within sixty (60) calendar days of receiving written notice from the City.

(e) The Developer shall provide streets, drainage, utilities, parks and recreational facilities according to the General Plan at Developer's sole cost; provided, however, the Developer may receive reimbursement of certain eligible costs from the District. All facilities shall comply with the City's design criteria set forth in the Development Code for such streets, paving, drainage, water, wastewater improvements.

To the extent allowed by law and subject to Section 3.03, the City may modify its regulations for the construction of public improvements only as provided in this paragraph. During the term of this Agreement, the City may modify, supplement, or amend the City design standards to make them consistent with generally acceptable standards. The criteria and construction standards for drainage facilities and improvements shall be consistent with criteria and standards imposed by the Fort Bend County Drainage District as they may be amended by Fort Bend County Drainage District from time to time. The Developer will comply with changes as set forth in this section.

(f) The water, wastewater, and reclaimed water improvements to serve the District shall be designed and constructed by or on behalf of the District at the Developer's expense in accordance with the Development Guidelines, City Design Standards, and the plans approved by the City Engineer pursuant to Section 3.03 above. The Developer and the City acknowledge that they are entering into the Service Agreement which provides, among other things, for the construction of the water and sanitary sewer facilities to serve the Property.

(g) CCN

(A) The City intends to hold a certificate of convenience and necessity (the

“CCN”) to exclusively provide retail water and wastewater service to the Property and Developer intends for the City to provide retail water and wastewater service to the Property. As of the Effective Date of this Agreement, no entity holds the CCN to provide retail wastewater service to the Property exclusively and Developer intends for the City to provide retail wastewater service to the Property exclusively. Accordingly, the City intends to pursue regulatory approval of the CCN for all parts of the Property subject to this agreement, and the Developer agrees that it will be supportive of such CCN application.

(B) Retail Water Service. The City shall be the exclusive retail provider of water service to the customers located within the Property.

(C) Wastewater Service and Wastewater Improvements. The Parties agree that the City shall be the exclusive retail provider of wastewater service to the Developer and to the customers located within the Property.

(D) City Application for CCN: No Protest by Developer. Developer agrees, acknowledges, and warrants that it shall not oppose and/or protest, in writing, or otherwise, the City’s prospective CCN application for the Property (inclusive of both water and wastewater service), nor shall Developer encourage others to oppose and/or protest such CCN application. Further, the Developer agrees to support such CCN application, and will provide the City with necessary support documentation for regulatory review, as the City may request from time to time.

Section 3.07. Connection Fees. The Developer agrees that Connection Fees for water supply capacity and wastewater treatment capacity, to serve the Property will be paid as the Property is platted, subject to any credit of Connection Fees provided for herein. The Connection Fees shall be \$11,500 and shall be collected in accordance with Article VIII, Section 5-249, of the City’s Code of Ordinances and is based upon a calculation of a minimum of 2300 single family ESFC and a maximum of 2650 single family ESFC and 450 ESFC for the flex tract north of FM 2759. In the event that Developer requests additional capacity to serve the Property beyond 3100 ESFCs, the Parties agree to provide a true-up calculation of the Connection Fees for the revised capacity to serve the Property and Developer shall receive a credit toward any future Connection Fees due pursuant to this Agreement. The Developer intends to construct and make provisions for public water supply and distribution and wastewater collection services and reclaimed water supply to serve the Property through regionalized public utility services with retail water supply and wastewater services to be provided by the City. The water supply and wastewater services serving the Property shall comply with the standards for service required by “Rules and Regulations for Public Water Systems’ adopted by the TCEQ or the applicable City standards, whichever is more stringent.

The City and Developer agree that no more than four MUDs will be created to serve the Property within the City’s ETJ. All territory within any Participant MUD shall be contiguous unless the City’s prior written consent is obtained.

Section 3.08 Obligation of Developer' Concerning MUD Operations. Developer shall notify the City of their intent to annex or exclude property into or out of a Participant MUD, and shall provide a map of each Participant MUD's boundaries to the City Manager.

Developer shall ensure that each Participant MUD shall provide the City prior notice of agendas of all meetings of each Participant MUD.

Section 3.09 Liability of Ultimate Consumer. Ultimate Consumers shall have no liability for the failure of the Developer to comply with the terms of this Agreement and shall only be liable for their own failure to comply with the recorded declaration of restrictive covenants and land use restrictions applicable to the use of their tract or lot. Such recorded declaration of restrictive covenants and land use restrictions shall specially incorporate by reference the Development Guidelines, with applicable exceptions, as incorporated in this Agreement and the Exhibits attached hereto. The declaration of restrictive covenants and land use restrictions shall run with the land.

Section 3.10 Irrigation Wells and Use of Lake Water. The construction of one or more water wells for amenity lakes shall be allowed provided that such wells shall comply with City Ordinance Chapter 3, Article X, Section 3-176 Drilling of Wells and the applicable MUD shall be part of the City's Ground Water Reduction Plan. Such well(s) may not be connected to public water systems, may not be used to supply potable water and must comply with the criteria in the ordinance.

Section 3.11 Design and Bidding of City-Funded Improvements.

(a) Design and construction of the City-Funded Improvements shall be in accordance with the Plant Facilities Description and Map included as part of the Water Supply, Wastewater Treatment, and Reclaimed Water Supply Services Agreement attached hereto as Exhibit E.

(b) The City shall reimburse Developer for the design fees for the Regional Improvements by June 30, 2024. The District shall ensure that water, wastewater treatment, and reclaimed water facilities are available to serve the Property within eighteen (18) months after the District's award of the contract for construction. The District may include in its construction contracts the requirement that its contractor be responsible for wastewater pump and haul charges for failure to timely complete the Regional Facilities. Payment for the construction of the Regional Improvements shall be the sole cost of the City with Developer or the Districts paying Connection Fees as set forth in Section 3.07 for such service.

Sec. 3.12 Park Dedication Requirements.

(a) In this section:

Park Property means the proposed improvements as described in Exhibit J. The City agrees that (i) no additional parkland dedication or fees in lieu of park dedication other than the

Park Property and (ii) no additional approval of the City's parks department and associated park dedication shall be required.

(b) The City agrees that the Developer may make provisions for public park and recreational facilities to serve the Property to be financed, developed, and maintained by the District, to the extent authorized by state law. The Developer agrees that any such amenities may be dedicated to the HOA and/or to the District for ownership and operation and shall not be the responsibility of the City. If the District will be dissolved pursuant to any applicable law, the HOA, prior to the effective date of dissolution, will accept conveyance of the sites for such facilities in fee from the District and continue the operation and maintenance of same thereafter at no cost to the City, it being understood and agreed that the City will not own, operate or maintain any such park and recreational facilities, unless expressly agreed to in writing by the City. It is further understood and agreed that under no conditions will the City fully own, operate, or maintain any stormwater detention facilities or drainage outfall channels. In that regard, sites for stormwater detention systems shall be dedicated to, operated and maintained by the District prior to the first connection to the Water System within the Property being made, the Developer shall either: (i) enter into a contract with the HOA, or other entity acceptable to the City, but referred to as "HOA" in this subsection (b), with such contract to provide that the land within the Property shall have reserved stormwater detention capacity within the system and shall further provide that if the District is dissolved pursuant to any applicable law, the HOA, prior to the effective date of dissolution, will accept conveyance of the sites for stormwater detention systems in fee from the District; or (ii) convey such site for stormwater detention facilities and drainage outfall channels to the HOA, with the District granted an access and maintenance easement for such facilities, said maintenance easement to terminate upon dissolution of the District. Under either scenarios (i) or (ii) described above, if the District dissolves then the HOA shall be solely responsible for the mowing, seeding, and general maintenance of the stormwater detention area and side slopes, but the City, only upon dissolution of the District, agrees to assume ownership and maintenance of the outfall structures by which stormwater is conveyed in and out of the detention area. The District agrees to convey any necessary easements for accessing and maintaining the stormwater facilities to the HOA. It is acknowledged by all parties that HOA's are not assumed to have the engineering knowledge and expertise required to maintain such structures.

(c) Developer agrees to construct a minimum of fifty (50) public parking spaces adjacent to green space/detention facilities located in the Dry Creek green space, as shown on Exhibit J. The Developer agrees that the public parking spaces may be dedicated to the HOA and/or to the District for ownership and operation and shall not be the responsibility of the City and shall be maintained after dissolution as set forth in Section 3.12(b) above. The Developer agrees to construct recreational amenities, as allowed, in the Dry Creek green space that are accessible to the public.

Section 3.13 Road Facilities.

(a) Neither the Developer nor the District will be required by the City to construct any roadway improvements outside the boundaries of the District other than in accordance with this Agreement or identified in the required Traffic Impact Analysis ("TIA"). Said TIA shall be

updated by Developer upon completion of 750 single family residential units, provided that no more than two updates shall be required beyond the initial TIA.

(b) The City agrees that until such time as the appropriate sections are platted and public roads are constructed in accordance with the General Plan, that an all weather road is approved as a second point of connection to the Property.

(c) In the event that offsite improvements are identified in the TIA, the gross proportionality of those improvements associated with the development on the Property will be provided. At a minimum, the Developer agrees to finance the design and construction of the improvements in accordance with the proportionality when the improvements are required pursuant to the TIA.

(d) Private Streets – Private streets are permitted within the Del Webb site. Construction of any private street shall be in accordance with the City standards contained in the Development Code. Monitoring and reporting of street conditions shall be in accordance with the Development Code requirements.

Section 3.14. Marketing and Branding. Developer shall have the right, but not the obligation, to include the City’s name of “Sugar Land” when describing the development within the property in marketing, branding and signage for the development.

ARTICLE IV

CITY’S CONSENT TO CREATION; VOLUNTARY ANNEXATION INTO CITY ETJ; ANNEXATION OF THE PROPERTY

Section 4.01 Consent to Creation of the MUD. Concurrently with approval of this Agreement, the City has approved a resolution consenting to creation of the MUD, attached hereto as Exhibit “K”, and the City agrees that the resolution will be deemed to constitute the City’s consent to creation of the MUD. No further action will be required on the part of the City to evidence its consent; however, the City agrees to provide any additional confirmation of its consent that may be required by the Developer or the MUD if requested to do so upon the inclusion of the Thompsons ETJ Property (as defined in Section 4.02) into the ETJ of the City. The City agrees to consent to the creation of any Participant MUDs in the future that serve the Property.

Section 4.02 Withdrawal from Thompsons ETJ. Developer agrees to file the Petition Requesting Withdrawal of that portion of the Property from the City of Thompsons ETJ, within thirty (30) days of Closing on said property (the “Thompsons ETJ Property”). A copy of said Petition is attached hereto as Exhibit “M”.

Section 4.03 Consent to Annexation into the ETJ of City. The City accepts this Agreement as a petition under Texas Local Government Code sec. 42.022(b). Within 90 days of Closing, the City will adopt an Ordinance annexing the Thompsons ETJ Property and the Unincorporated Area into the City’s ETJ. A copy of the annexation ordinance is attached hereto as Exhibit “N”.

Section 4.04. Limitation on Withdrawal from the ETJ of the City. Developer and all MUD Districts created pursuant to and subject to this Agreement agree not to submit a petition for withdrawal from the ETJ of the City during the term of this Agreement.

Section 4.05 Annexation. To the extent permitted by law, the City agrees not to annex or attempt to annex, in whole or in part, a Participant MUD, except as provided for in the Strategic Partnership Agreement.

ARTICLE V PUBLIC SAFETY SERVICES

Section 5.01 Adoption of Fire Plan. The Developer agrees to use their best efforts to ensure that the MUD and each Participant MUD shall take formal action to adopt a Fire Plan and Contract with the City to provide fire protection services to the Participant MUD pursuant to Section 49.351 of the Texas Water Code (the "Fire Plan and Contract") and to enter into the Fire Protection Agreement attached hereto as Exhibit G within one year of confirmation of the applicable MUD. The terms and conditions of such Fire Plan and Contract shall be comparable to similar contracts to provide such services to other MUDs located within the City's ETJ and the Contract shall be substantially in the form attached hereto as Exhibit G.

Section 5.02 Interim Safety Services. For that period prior to the adoption of the Fire Plan and Contract as set forth in Section 5.01, the City will provide fire protection service to the Property in accordance with Section 5-421 of the City's Code of Ordinances. This fee will be adjusted each January based on the Consumer Price Index for All Urban Consumers (CPI-U), all items published by the United States Department of Labor.

Section 5.03 EMS Services. EMS service shall be provided to the Property in accordance with Section 5-422 of the City's Code of Ordinances. This fee will be adjusted each January based on the Consumer Price Index for All Urban Consumers (CPI-U), all items published by the United States Department of Labor.

Section 5.04 Police Services. The District may, but shall not be required to, contract with the City, County, or other service provider (in the form of interlocal agreements pursuant to Chapter 791, Texas Government Code) for police services, or in the alternative, cause the District to provide such services directly pursuant to the authority of Chapter 49, Texas Water Code.

Section 5.05 Dedication of Public Safety Site. Developer or the District shall dedicate to the City one site with a minimum of 2.0 acres for the construction of public safety infrastructure. Developer shall select one of the two sites shown on Exhibit B and plat and dedicate such site in accordance with the Fire Protection Agreement. Prior to construction of the vertical improvements on the Public Safety Site by the City, Developer or the District shall cause the site to be made construction-ready including public water, sewer and road infrastructure to be available to such site.

ARTICLE VI PROVISIONS FOR DESIGNATED MORTGAGEE

Section 6.01 Notice to Designated Mortgagee. Pursuant to Section 6.03, any Designated Mortgagee shall be entitled to simultaneous notice any time that a provision of this Agreement requires notice to Developer.

Section 6.02 Right of Designated Mortgagee to Cure Default. Any Designated Mortgagee shall have the right, but not the obligation, to cure any default in accordance with the provisions of Section 6.03 and Article VIII.

Section 6.03 Designated Mortgagee. At any time after execution and recordation in the Real Property Records of Fort Bend County, Texas, of any mortgage, deed of trust, or security agreement encumbering the Property or any portion thereof, the Developer (a) shall notify the Parties in writing that the mortgage, deed of trust or security agreement has been given and executed by the Developer, and (b) may change the Developer' address for notice pursuant to Section 10.01 to include the address of the Designated Mortgagee to which it desires copies of notice to be mailed.

At such time as a release of any such lien is filed in the Real Property Records of Fort Bend County, Texas, and the Developer give notice of the release to the Parties as provided herein, all rights and obligations of the Parties with respect to the Designated Mortgagee under this Agreement shall terminate.

The Parties agree that they may not exercise any remedies of default hereunder unless and until the Designated Mortgagee has been given thirty (30) days written notice and opportunity to cure (or commences to cure and thereafter continues in good faith and with due diligence to complete the cure) the default complained of. Whenever consent is required to amend a particular provision of this Agreement or to terminate this Agreement, the Parties agree that this Agreement may not be so amended or terminated without the consent of such Designated Mortgagee; provided, however, consent of a Designated Mortgagee shall only be required to the extent the lands mortgaged to such Designated Mortgagee would be affected by such amendment or termination. Each Party bound or benefited by this Agreement agrees that it will from time to time promptly respond to any written request for an assessment of the then current status of performance under this Agreement.

Upon foreclosure (or deed in lieu of foreclosure) by a Designated Mortgagee of its security instrument encumbering the Property, such Designated Mortgagee (and its affiliates) and their successors and assigns shall not be liable under this Agreement for any defaults that are in existence at the time of such foreclosure (or deed in lieu of foreclosure). Furthermore, so long as such Designated Mortgagee (or its affiliates) is only maintaining the property and marketing it for sale, and is not actively involved in the development of the property, such Designated Mortgagee (and its affiliates) shall not be liable under this Agreement. Upon foreclosure (or deed in lieu of foreclosure) by a Designated Mortgagee, any development of the property shall be in accordance with this Agreement.

If the Designated Mortgagee and/or any of its affiliates and their respective successors and assigns, undertakes development activity, Designated Mortgagee shall be bound by the terms of this Agreement. However, under no circumstances shall such Designated Mortgagee ever have liability for matters arising either prior to, or subsequent to, its actual period of ownership of the

Property, or a portion thereof, acquired through foreclosure (or deed in lieu of foreclosure).

ARTICLE VII PROVISIONS FOR DEVELOPER

Section 7.01 Vested Rights. Upon execution of this Agreement, the Parties agree that the rights of all Parties as set forth in this Agreement shall be deemed to have vested. The General Plan attached as Exhibit B, as amended from time to time in accordance with this Agreement, shall be considered be a development plan as provided for in Section 212.172 of the Texas Local Government Code.

Section 7.02 Waiver of Actions Under Private Real Property Rights Preservation Act. The Developer hereby waives its right, if any, to assert any causes of action against the City accruing under the Private Real Property Rights Preservation Act, Chapter 2007, Texas Government Code (the "Act"), that the City's execution or performance of this Agreement or any authorized amendment or supplements thereto may constitute, either now or in the future, a "Taking" of Developer', Developer' grantee's, or a grantee's successor's "Private Real Property," as such terms are defined in the Act. Provided, however, that this waiver does not apply to, and the Developer' and Developer' grantees and successors do not waive their rights under the Act to assert a claim under the Act for any action taken by the City beyond the scope of this Agreement which otherwise may give rise to a cause of action under the Act.

Section 7.03 Developer' Right to Continue Development. The Parties to this Agreement hereby acknowledge and agree that, subject to Section 9.04 of this Agreement, the Developer may sell a portion of the Property to one or more Persons who shall be bound by this Agreement and perform the obligations of Developer hereunder. In the event that there is more than one Person acting as a Developer hereunder, the acts or omissions of one Developer which result in that Developer's default shall not be deemed the acts or omissions of any other Developer, and a performing Developer shall not be held liable for the nonperformance of another Developer. In the case of nonperformance by one or more Developer, the City may pursue all remedies against such nonperforming Developer as set forth in Section 8.05 hereof, but shall not impede the planned or ongoing development activities nor pursue remedies against the performing Developer.

ARTICLE VIII MATERIAL BREACH, NOTICE AND REMEDIES

Section 8.01 Material Breach of Agreement.

(a) It is the intention of the Parties to this Agreement that the Property be developed in accordance with the terms of this Agreement and that Developer follow the development plans as set out in the General Plan as approved by the City or as modified with approval of the City. The Parties acknowledge and agree that any major deviation from the General Plan and the concepts of development contained therein and any substantial deviation by Developer from the material terms of this Agreement would frustrate the intent of this Agreement, and therefore,

would be a material breach of this Agreement. A material breach of this Agreement by Developer shall be deemed to have occurred in the following instances:

1. Developer' failure to develop the Property in compliance with the approved General Plan, as from time-to-time amended; failure to secure the City's approval of any material or significant modification or amendment to the General Plan;
2. Failure of any Developer or a Participant MUD to approve or consent to any annexation of territory by the City authorized by this Agreement;
3. Failure of Developer to substantially comply with a provision of this Agreement or a City ordinance applicable to the Property.

(b) The Parties acknowledge and agree that any substantial deviation by the City from the material terms of this Agreement would frustrate the intent of this Agreement and, therefore, would be a material breach of this Agreement. A material breach of this Agreement by the City shall be deemed to have occurred in the following instances:

1. The imposition or attempted imposition of any moratorium on building or growth on the Property, except as allowed by State law or this Agreement.
2. Imposition by the City of a requirement that Developer, the Developer' grantee, or a grantee's successor apply for or obtain from the City any permit for construction of private improvements, obtain any inspection related thereto, or pay any fee for any application, permit, or inspection, other than as may be authorized in this Agreement;
3. The imposition of a requirement to provide regionalization of public utilities through some method substantially or materially different than the plan set forth in this Agreement that results in delay of construction of public improvements; and
4. A unilateral attempt by the City to annex, in whole or in part, a Participant MUD prior to the occurrence of the conditions set forth in Section 4.05 of this Agreement.

In the event that a Party to this Agreement believes that another Party has, by act or omission, committed a material breach of this Agreement, the provisions of this Article VIII shall provide the remedies for such default.

Section 8.02 Notice of Developer' Default.

(a) The City Manager shall notify the Developer and each Designated Mortgagee in writing of an alleged failure by a Developer to comply with a provision of this Agreement, which notice shall specify the alleged failure with reasonable particularity. The alleged defaulting Developer shall, within thirty (30) days after receipt of such notice or such longer period of time as the City Manager may specify in such notice, either cure such alleged failure or, in a written response to the City Manager, either present facts and arguments in refutation or excuse of such alleged failure or state that such alleged failure will be cured and set forth the method and time schedule for accomplishing such cure.

(b) The City Manager shall determine (a) whether a failure to comply with a provision has occurred; (b) whether such failure is excusable; and (c) whether such failure has been cured or will be cured by the alleged defaulting Developer or a Designated Mortgagee. The alleged defaulting Developer shall make available to the City Manager, if requested, any records, documents or other information necessary to make the determination.

(c) In the event that the City Manager determines that such failure has not occurred, or that such failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the City Manager, or that such failure is excusable, such determination shall conclude the investigation.

(d) If the City Manager determines that a failure to comply with a provision has occurred and that such failure is not excusable and has not been or will not be cured by the alleged defaulting Developer or a Designated Mortgagee in a manner and in accordance with a schedule reasonably satisfactory to the City Manager, then the City Manager shall so notify the City Council in a written report which may recommend action to be taken by the City Council. The City Manager shall provide notice and a copy of such report to each Developer and each Designated Mortgagee. After receipt of such report from the City Manager, or at any time upon its own motion, the City Council may proceed to mediation under Section 8.04 or exercise the applicable remedy under Section 8.05 hereof, provided that if the City Council acts on its own motion, it shall follow the notice and procedural provisions of Section 8.02 hereof.

Section 8.03 Notice of City's Default.

(a) Any Developer shall notify the City Manager in writing of an alleged failure by the City to comply with a provision of this Agreement, which notice shall specify the alleged failure with reasonable particularity. The City Manager shall, within 30 days after receipt of such notice or such longer period of time as that Developer may specify in such notice, either cure such alleged failure or, in a written response to each Developer, either present facts and arguments in refutation or excuse of such alleged failure or state that such alleged failure will be cured and set forth the method and time schedule for accomplishing such cure.

(b) The Developer shall determine (a) whether a failure to comply with a provision has occurred; (b) whether such failure is excusable; and (c) whether such failure has been cured or will be cured by the City. The City Manager shall make available to the Developer, if requested, any records, documents or other information necessary to make the determination.

(c) In the event that the Developer determine that such failure has not occurred, or that such failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the Developer, or that such failure is excusable, such determination shall conclude the investigation.

(d) If the Developer determine that a failure to comply with a provision has occurred and that such failure is not excusable and has not been or will not be cured by the City in a manner and in accordance with a schedule reasonably satisfactory to the Developer, then the Developer shall so notify the City Council in a written report which may request action to be taken by the

City Council. The Developer shall provide notice and a copy of such report to the City Manager. If requested in the Developer' report, the City Manager will add the matter to the agenda of the next meeting of the City Council for consideration and action by City Council.

Section 8.04 Mediation. In the event the Parties to this Agreement cannot, within a reasonable time, resolve their dispute pursuant to the procedures described in Sections 8.02 or 8.03, the Parties agree to submit the disputed issue to non-binding mediation. The Parties shall participate in good faith, but in no event shall they be obligated to pursue mediation that does not resolve the issue within seven days after the mediation is initiated or forty-five (45) days after mediation is requested. The Parties participating in the mediation shall share the costs of the mediation equally.

Section 8.05 Remedies.

(a) In the event of a determination by the City that a Developer has committed a material breach of this Agreement that is not resolved in mediation pursuant to Section 8.04, the City may, subject to the provisions of Section 7.03, file suit in a court of competent jurisdiction in Fort Bend County, Texas, and seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act and termination of this Agreement as to the breaching Developer.

(b) In the event of a determination by a Developer that the City has committed a material breach of this Agreement that is not resolved in mediation pursuant to Section 8.04, the Developer may file suit in a court of competent jurisdiction in Fort Bend County, Texas, and seek any relief available, at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act and termination of this Agreement.

**ARTICLE IX
BINDING AGREEMENT, TERM, AMENDMENT, AND ASSIGNMENT**

Section 9.01 Beneficiaries. This Agreement shall bind and inure to the benefit of the Parties, their successors and assigns. In addition to the Parties, Designated Mortgagees, and their respective successors or assigns, shall also be deemed beneficiaries to this Agreement. The terms of this Agreement shall constitute covenants running with the land comprising the Property and shall be binding on all future Developer and owners of any portion of the Property, other than Ultimate Consumers. A memorandum of this Agreement, in the form attached hereto as Exhibit H, shall be recorded in the County Clerk Official Records of Fort Bend County, Texas.

Section 9.02 Term. This Agreement shall commence and bind the Parties on the Effective Date and continue until a date that is 40 years from the Effective Date, unless terminated on an earlier date pursuant to other provisions or by express written agreement executed by the City and Developer. Upon the expiration of 40 years from the Effective Date, this Agreement may be extended, at the Developer' request, with City Council approval, for successive one-year periods until the City has annexed all land comprising the Property.

Section 9.03 Termination. In the event this Agreement is terminated as provided in this Agreement or is terminated pursuant to other provisions, or is terminated by mutual

agreement of the Parties, the Parties shall promptly execute and file of record, in the County Clerk Official Records of Fort Bend County, a document confirming the termination of this Agreement, and such other documents as may be appropriate to reflect the basis upon which such termination occurred.

Section 9.04 Assignment or Sale. Developer has the right (from time to time without the consent of the City, but upon 30 days written notice to the City) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of Developer under this Agreement, to any person or entity that is affiliated, parent or subsidiary entity with Developer (a "Related Entity"). Developer may not assign any rights under this Agreement to a party, other than a Related Entity, without prior written notice to, and consent of, the City Council. In the event a Developer desires to sell a portion of the Property to a party, other than to an Ultimate Consumer, Developer shall promptly notify the City in writing of such sale. Any assignment of rights under this Agreement or sale of land, other than to a Ultimate Consumer, shall be subject to this Agreement, and the terms of this Agreement shall be binding upon an assignee or subsequent purchaser of land as provided in Section 9.01 hereof. Provided, however, no Developer' assignee shall acquire the rights and obligations of the Developer unless the Developer expressly states in the deed of conveyance or by separate instrument placed of record that said assign is to become the Developer for purposes of this Agreement and notice is sent by the Developer to the Parties, and any Designated Mortgagee. Any contract, agreement to sell land, or instrument of conveyance of land which is a part of the Property, other than to a Ultimate Consumer, shall recite and incorporate this Agreement as binding on any purchaser or assignee.

Section 9.05 Transfer of Control of Developer. The Developer shall promptly notify the City prior to any substantial change in ownership or control of that Developer. As used herein, the words "substantial change in ownership or control" shall mean a change of more than 49% of the stock or equitable ownership of a Developer. Any contract or agreement for the sale, transfer, or assignment of control or ownership of a Developer shall recite and incorporate this Agreement as binding on any purchaser, transferee, or assignee.

ARTICLE X MISCELLANEOUS PROVISIONS

Section 10.01 Notice. The Parties contemplate that they will engage in informal communications with respect to the subject matter of this Agreement. However, any formal notices or other communications ("Notice") required to be given by one Party to another by this Agreement shall be given in writing addressed to the Party to be notified at the address set forth below for such Party, (a) by delivering the same in person, (b) by depositing the same in the United States Mail, certified or registered, return receipt requested, postage prepaid, addressed to the Party to be notified, or (c) by depositing the same with Federal Express or another nationally recognized courier service guaranteeing "next day delivery," addressed to the Party to be notified. Any notice required to be given by a Party to a Designated Mortgagee shall be given as provided above at the address designated upon the identification of the Designated Mortgagee. Notice deposited in the United States mail in the manner herein above described shall be deemed effective from and after the date of such deposit. Notice given in any other manner shall be effective only if and when received by the Party to be notified. For the purposes of notice, the

addresses of the Parties, until changed as provided below, shall be as follows:

(a) Notices. All notices required or permitted hereunder shall be in writing and shall be served on the parties at the following address:

City:	City of Sugar Land 2700 Town Center Blvd., North Sugar Land, Texas 77479 Attn: City Manager
Developer:	PULTE HOMES OF TEXAS, LP 1311 Broadfield Blvd., Suite 100 Houston, TX 77084

The Parties shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by giving at least five days written notice to the other Parties. A Designated Mortgagee may change its address in the same manner by written notice to all of the Parties. If any date or any period provided in this Agreement ends on a Saturday, Sunday, or legal holiday, the applicable period for calculating the notice shall be extended to the first business day following such Saturday, Sunday or legal holiday.

Section 10.02 Time. Time is of the essence in all things pertaining to the performance of this Agreement.

Section 10.03 Minor Amendments. The City Manager of the City has the authority to administratively approve “minor revisions” to this Agreement when Developer demonstrates, to the reasonable satisfaction of the City Manager, that the requested exception: (a) is not contrary to the public interest; (b) does not cause injury to adjacent property; and (c) does not materially adversely affect the quality of development.

Section 10.04 Severability. If any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, then, and in that event, it is the intention of the Parties hereto that the remainder of this Agreement shall not be affected.

Section 10.05 Waiver. Any failure by a Party hereto to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof or of any other provision hereof, and such Party shall have the right at any time thereafter to insist upon strict performance of any and all of the provisions of this Agreement.

Section 10.06 Applicable Law and Venue. The construction and validity of this Agreement shall be governed by the laws of the State of Texas without regard to conflicts of law principles. Venue shall be in Fort Bend County, Texas.

Section 10.07 Reservation of Rights. To the extent not inconsistent with this Agreement,

each Party reserves all rights, privileges, and immunities under applicable laws.

Section 10.08 Further Documents. The Parties agree that at any time after execution of this Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Agreement.

Section 10.09 Incorporation of Exhibits and Other Documents by Reference. All Exhibits and other documents attached to or referred to in this Agreement are incorporated herein by reference for the purposes set forth in this Agreement.

Section 10.10 Effect of State and Federal Laws. Notwithstanding any other provision of this Agreement, Developer, their successors or assigns, shall comply with all applicable statutes or regulations of the United States and the State of Texas, as well as any City Ordinances, and any rules implementing such statutes or regulations.

Section 10.11 Developer Representations.

(a) Developer agrees, represents, and warrants, for the purposes of Chapter 2271 of the Texas Government Code, except to the extent otherwise required by applicable federal law, that at the time of execution and delivery and through the term of this Agreement, neither Developer, nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of Developer that exists to make a profit, boycotts or will boycott Israel. The terms “boycotts Israel” and “boycott Israel” as used in this section have the meaning assigned to the term “boycott Israel” in Section 808.001 of the Texas Government Code. For purposes of this section, “Developer” has the same meaning as the term “company” as set forth in Section 2271.001(2) of the Texas Government Code, as amended.

(b) Developer agrees, represents, and warrants, for the purposes of Subchapter F of Chapter 2252 of the Texas Government Code, that at the time of execution and delivery and through the term of this Agreement neither Developer, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Developer that exists to make a profit, (i) engages in business with Iran, Sudan or any foreign terrorist organization as described in Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. For purposes of this section, “Developer” has the same meaning as the term “company” as set forth in Section 2270.0001(2) of the Texas Government Code, as amended.

(c) Developer agrees, represents, and warrants, to the extent this Agreement represents a contract for goods or services, for the purposes of Chapter 552.371, Texas Government Code, and except to the extent otherwise required by applicable federal law, that Developer will (i) preserve all contracting information related to this Agreement as provided by the records retention requirements applicable to the City through the term of this Agreement, (ii) promptly provide to the City any contracting information related to this Agreement that is in the custody or possession of the Developer on request of the City, and (iii) upon completion of this Agreement, either (a) provide at no cost to the City all contracting information related to the Agreement that is in the custody or possession of the Developer or (b) preserve the contracting information related to this

Agreement as provided by the records retention requirements applicable to the City. The term “contracting information” as used in this paragraph has the meaning assigned to such term in Section 552.003 of the Texas Government Code, as amended.

(d) Developer agrees, represents, and warrants, to the extent this Agreement represents a contract for goods or services within the meaning of Section 2274.002 of the Texas Government Code, as amended, solely for purposes of Chapter 2274 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, at the time of execution of this proposal, neither Developer, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Developer, boycotts or will boycott energy companies. The term “boycott energy company” has the meaning assigned thereto in Section 809.001 of the Texas Government Code, as amended.

(e) Developer agrees, represents, and warrants, to the extent this Agreement represents a contract for goods or services within the meaning of Section 2274.002 of the Texas Government Code, as amended, solely for purposes of Chapter 2274 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, at the time of execution of this proposal, neither Developer, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Developer, discriminates or will discriminate against a firearm entity or firearm trade association. The term “discriminate against a firearm entity or firearm trade association” as used in this paragraph has the meaning assigned to such term in Section 2274.001 of the Texas Government Code, as amended. “Firearm entity” means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms, firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code). “Firearm trade association” means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which ensures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

Section 10.12 Authority for Execution. The City hereby certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted in conformity with the City Charter and City Ordinances. The Developer hereby certify, represent, and warrant that the execution of this Agreement is duly authorized and adopted in conformity with the articles of incorporation and bylaws or partnership agreements of such entities.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned Parties have executed this Agreement this day of December 5, 2023.

ATTEST:

CITY OF SUGAR LAND, TEXAS

Robin Lenio, City Secretary

Joe R. Zimmerman, Mayor

APPROVED AS TO FORM:

By: _____
Meredith Riede, City Attorney

DEVELOPER:

PULTE HOMES OF TEXAS, L.P.

A Texas limited partnership

By: _____

Name: _____

Title: _____

