

D.J. Ory Mayor Jan. 4, 2019

Charles Whitaker Mayor Pro Tem District 4

To: Al Rudin, Mayor City of Oak Ridge

Tim Royse Deputy Mayor Pro Tem District 5

From: Mike Sims

Sandra Wilson Council Member Interim City Manager, City of Terrell

District 3
Grady Simpson

Grady Simpson Council Member District 2

Enclosed is an original fully executed copy of the Memorandum of Agreement between the City of Terrell, the City of Oak Ridge and VLMC,

Mike Sims Interim City Manager Inc.

### MEMORANDUM OF AGREEMENT

#### **BETWEEN THE**

#### CITY OF OAK RIDGE

#### **CITY OF TERRELL**

#### **AND**

#### VLMC, INC

WHEREAS, the CITY OF OAK RIDGE ("OAK RIDGE"), the CITY OF TERRELL, ("TERRELL") and VLMC, INC, ("DEVELOPER"), herein after referred to as the "Parties" recognize the mutual benefits of coordination and proactive planning to all parties and to the benefit of the current and future residents of Kaufman County; and

WHEREAS, DEVELOPER intends to develop a high-quality residential development in Kaufman County consisting of a maximum of 175 single-family residences on approximately 231 acres at the southeast quadrant of Abner Road and County Road 138, more particularly described herein on Exhibit "A" ("Property"); and

WHEREAS, the Property is situated partially in the City Limits of OAK RIDGE and the Extraterritorial Jurisdiction ("ETJ") of OAK RIDGE and primarily in the ETJ of TERRELL, such current boundaries shown on Exhibit "B" ("2018 Jurisdiction Map"), and OAK RIDGE and TERRELL agree and confirm that Exhibit "B" accurately reflects the current City limits and ETJ of each municipality; and

WHEREAS, the Property has water supply available from North Kaufman Water Supply Corporation and the Property has no wastewater treatment service available from OAK RIDGE or TERRELL; and

WHEREAS, fireflow requirements do not apply to provision of water service to the Property by North Kaufman Water Supply Corporation; and

WHEREAS, wastewater treatment service to the Property shall be provided by individual on-site septic systems; and

WHEREAS, TERRELL has an Agreement as shown in Exhibit "C" ("2018 County Agreement") with Kaufman County delegating platting and subdivision authority from Kaufman County to TERRELL for land located in the ETJ of TERRELL, such as the subject Property; and

WHEREAS, OAK RIDGE, TERRELL and DEVELOPER mutually desire to coordinate an orderly development process for the Property and to seek to enter into a Memorandum of

Agreement (MOA) to establish roles, responsibilities and a sequence of development related actions by each party; and

WHEREAS, certain transportation issues exist at this time including roadway maintenance, current traffic safety, and long-term mobility proximate to the Property all of which may be resolved by implementing the Transportation Improvement Concept Plan as shown on Exhibit "D" ("Roadway Concept Plan"); and

WHEREAS, OAK RIDGE and TERRELL concur and agree upon a plan for adjusting each City's Corporate Limits and ETJ in the future generally following Exhibit "E" ("Exchange Map"), resulting in Exhibit "F" ("Potential Future Boundary Map"); and

WHEREAS, TERRELL has high quality requirements in its Comprehensive Plan, Future Land Use Plan and Zoning Ordinance the intent of which is to prohibit detrimental uses or nuisance development on the areas identified as "Oak Ridge City Limits to Terrell" on Exhibit "E". Further, TERRELL agrees in regard to such area that future land uses in TERRELL adjacent or proximate to residential property in OAK RIDGE shall be fully compatible with high quality single-family residential uses.

WHEREAS, OAK RIDGE and DEVELOPER concur that on-site public improvements and offsite public access improvements to the Property necessitating creation of a Public Improvement District (PID) limited to the boundaries of the Property for the purposes of recouping a special assessment from the future appraised value of the new homes on the Property; and

WHEREAS, OAK RIDGE hereby irrevocably assigns to TERRELL, and TERRELL hereby accepts responsibility to review and approve plats for the Property for compliance with TERRELL'S subdivision ordinance, including any plat action occurring after annexation of the Property by OAK RIDGE. The Parties contemplate that DEVELOPER will submit a construction plat encompassing all of the Property and will submit final plats in phases. This TERRELL authority on the Property shall include the issuing and oversight of grading permits as per TERRELL requirements. OAK RIDGE retains the sole right to issue Building Permits, which shall only be issued after the TERRELL City Engineer approves DEVELOPER's completion of related preconstruction requirements; and

WHEREAS, TERRELL irrevocably assigns to OAK RIDGE the authority and responsibility to negotiate, execute and enforce a Development Agreement with the DEVELOPER for the Property pursuant to Section 212.172 of the Texas Local Government Code; and

WHEREAS, the Parties share a common vision including the following goals, which include, but which are not necessarily limited to: improvement of the transportation issues, platting of the property by TERRELL, construction by DEVELOPER of minimum public infrastructure requirements that are roughly proportionate to the impacts of the development of the Property to be cooperatively determined during the process herein described, removal of the Property from the TERRELL ETJ, incorporation of the Property into the OAK RIDGE Corporate Limits, construction by DEVELOPER of a high quality residential community; and a cooperative spirit between all the entities working together throughout this process; and

WHEREAS, the Parties agree that any actions of the OAK RIDGE City Council and the TERRELL City Council listed below are contingent upon DEVELOPER purchasing the Property and incurring predevelopment engineering, surveying costs and construction costs for the Wilson Road Bypass and related drainage improvements as shown on Exhibit "D". The land entitlements to the Property may only be implemented through subsequent approval of all terms and conditions by the OAK RIDGE City Council, the TERRELL City Council, and any other governmental entities as may be appropriate.

NOW, THEREFORE, OAK RIDGE, TERRELL, AND DEVELOPER HEREBY STATE THEIR MUTUAL UNDERSTANDING OF THE AGREEMENT AND THE RECITALS ABOVE AND THE INTENT TO COOPERATE ON EACH OF THE STEPS REPRESENTED BELOW, IN ORDER, AS NECESSARY, TO ACHIEVE THESE SHARED GOALS:

- 1.) The Parties agree to and hereby incorporate the Recitals and Exhibits referenced above into this MOA.
- 2.) DEVELOPER will initiate engineering work and analysis through and as directed by TERRELL necessary to prepare a complete construction plat application.
- 3.) Parties will work together to reach final agreement on transportation improvements on and around the Property consistent with or achieving goals similar to Exhibit "D," as well as park improvements on the Property generally consistent with the TERRELL Park Dedication Ordinance in consideration of allowing DEVELOPER to increase densities from one (1) acre minimum lots to seventy five percent (75%) of an acre or similar minimum lots.
- 4.) DEVELOPER will coordinate as may be necessary with Kaufman County and any other governmental entity to finalize requirements for lot size given the provision of on-site sewer; provided, however, the Parties acknowledge that approval by Kaufman County is not required for provision of on-site sewer within the corporate limits of a municipality.
- 5.) DEVELOPER will draft and provide to OAK RIDGE a Development Agreement under Section 212.172 of the Texas Local Government Code, for negotiation and approval. The Development Agreement initially shall govern the property from its current status partially in TERRELL's ETJ and through such time as is mutually agreeable to OAK RIDGE and DEVELOPER. The Development Agreement shall include a petition to OAK RIDGE requesting creation of a Public Improvement District with an assessment level adequate to cover both the reimbursement of DEVELOPER's upfront investment in public improvements and OAK RIDGE's applicable long-term maintenance and operations costs.
- 6.) OAK RIDGE City Council will consider approval of the Development Agreement with DEVELOPER to be effective only if the steps below are completed by the applicable Parties.
- 7.) OAK RIDGE shall have the right to terminate the Development Agreement if DEVELOPER fails to complete construction of the Wilson Road Bypass and related drainage improvements by a mutually acceptable date.

- 8.) Consistent with the steps above, DEVELOPER will file a complete set of plans in accordance with TERRELL's specifications for construction plat applications, the Development Agreement between OAK RIDGE and DEVELOPER and any applicable Federal, Texas Commission on Environmental Quality, Texas Department of Transportation, Kaufman County, or North Kaufman Water Supply Corporation requirements.
- 9.) OAK RIDGE will take the necessary steps to remove the land area as shown on Exhibit "E", or similar, from the OAK RIDGE's City limits and/or ETJ as may be appropriate.
- 10.) TERRELL will annex land areas removed from OAK RIDGE's corporate limits as shown on Exhibit "E", or similar exhibit.
- 11.) TERRELL will present and consider approval of the construction plat at meetings of both the TERRELL Planning and Zoning Commission and TERRELL City Council.
- 12.) DEVELOPER will build the roadways and related drainage improvements as shown on Exhibit "D" concurrently with development of Phase 1 of the Property. As per an approved construction plat, DEVELOPER will also apply for a TERRELL Grading Permit and build grading improvements and on-site infrastructure, consisting of water infrastructure designed and constructed in accordance with North Kaufman Water Supply Corporation standards, on-site septic systems, and roads and associated drainage improvements designed and constructed in accordance with TERRELL standards.
- 13.) DEVELOPER will submit a letter of credit, escrow deposit, or other mutually agreed upon security for on-site roads and associated drainage improvements to TERRELL, assignable from TERRELL to OAK RIDGE.
- 14.) TERRELL City Council will remove land areas as shown on Exhibit "E", or similar exhibit, including Property, from the TERRELL ETJ.
- 15.) DEVELOPER will submit a voluntary annexation request to OAK RIDGE for all of the Property not currently in OAK RIDGE's corporate limits. DEVELOPER'S consent to annexation shall be subject to and conditioned on creation by OAK RIDGE of a public improvement district encompassing the Property.
- 16.) OAK RIDGE City Council will consider annexation of the portion of the Property described in the annexation petition, creation of the PID, and zoning or all of the Property to a zoning designation that is consistent with the Development Agreement and mutually acceptable to DEVELOPER and OAK RIDGE.
- 17.) TERRELL Planning and Zoning Commission will consider approval of the final plats as requested by DEVELOPER.
- 18.) OAK RIDGE City Council will consider establishment of the PID on the Property and activating the Development Agreement with DEVELOPER.

- 19.) DEVELOPER will proceed with construction of on-site public improvements, including public park dedication, and will submit single-family building permit applications to OAK RIDGE.
- 20.) OAK RIDGE will administer the PID and make reimbursement payments to DEVELOPER as funds from property tax assessments on the Property enter the PID.
- 21.) DEVELOPER's rights and obligations described herein are subject to execution of mutually acceptable agreements and the appropriate approvals by the QAK RIDGE City Council and the TERRELL City Council.

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CITY OF TERRELL

VLMC, INC.

Al Rudin, Mayor

D.J. Ory, Mayor

Don Allen, Secretary,

12-28-18

Date

Date

Date

## EXHIBIT "A" PROPERTY

#### LEGAL DESCRIPTION

# STATE OF TEXAS COUNTY OF KAUFMAN

Being a tract of land situated in the Phillip Walker Survey, Abstract No. 569, City of Oak Ridge, Kaufman County, Texas, and being the same called tracts as described as Tract V 1st Tract - 120 acre and 2nd Tract - 120 acres of land conveyed to Hunt Oil Company by deed recorded in Volume 1023, Page 546, Deed Records, Kaufman County, Texas, and being more particularly described as follows:

Beginning at the centerline intersection of County Road No. 138 (Wilson Road) and Abner Road and being the north corner of said 2nd Tract and the west corner of a 79.244 acre tract of land conveyed to Glenn B. Caldwell and Jessyca Y. Caldwell by deed recorded in Volume 1249, Page 503, Deed Records, Kaufman County, Texas;

Thence, South 45°31'52" East, along the centerline of Abner Road, the northeast lines of said 1st Tract and 2nd Tract, the southwest line of said 79.244 acre tract, the southwest line of an 11.650 acre tract of land conveyed to Dennis A. Lingle by deed recorded in Instrument No. 2008-00005301, Deed Records, Kaufman County, Texas, the southwest line of a 2.811 acre tract of land conveyed to Christina Miranda and Jose Miranda by deed recorded in Volume 5503, Page 344, Deed Records, Kaufman County, Texas, the southwest line of a 1.495 acre tract of land conveyed to Dale W. Plant and Deanna L. Plant by deed recorded in Volume 1988, Page 612, Deed Records, Kaufman County, Texas, the southwest line of a tract of land conveyed to Juan Delapaz by deed recorded in Volume 3536, Page 624, Deed Records, Kaufman County, Texas and the southwest line of a 10.313 acre tract of land conveyed to Hector Saenzpardo by deed recorded in Volume 5299, Page 365, Deed Records, Kaufman County, Texas, a distance of 3,068.57 feet to a mag nail set with washer for corner;

Thence, South 37°38'45" East, along the centerline of Abner Road, the southwest line of said 10.313 acre tract and the southwest line of a 128.065 acre tract of land conveyed to Flor Saldana by deed recorded in Volume 4622, Page 198, Deed Records, Kaufman County, Texas, a distance of 424.01 feet to a mag nail set with washer for corner;

Thence, South 45°51'21" East, along the centerline of Abner Road and the southwest line of said 428.065 acre tract, a distance of 985.66 feet to a mag nail set with washer for corner;

Thence, South 44°05'00" West, along the southeast line of said 1st Tract and the northwest line of a 127 acre tract of land conveyed to the Allen Family Revocable Living Trust by deed recorded in Volume 4902, Page 457, Deed Records, Kaufman County, Texas, at a distance of 30.00 feet to a 1/2" iron pin set with yellow cap stamped "CCG INC RPLS 5129" for reference

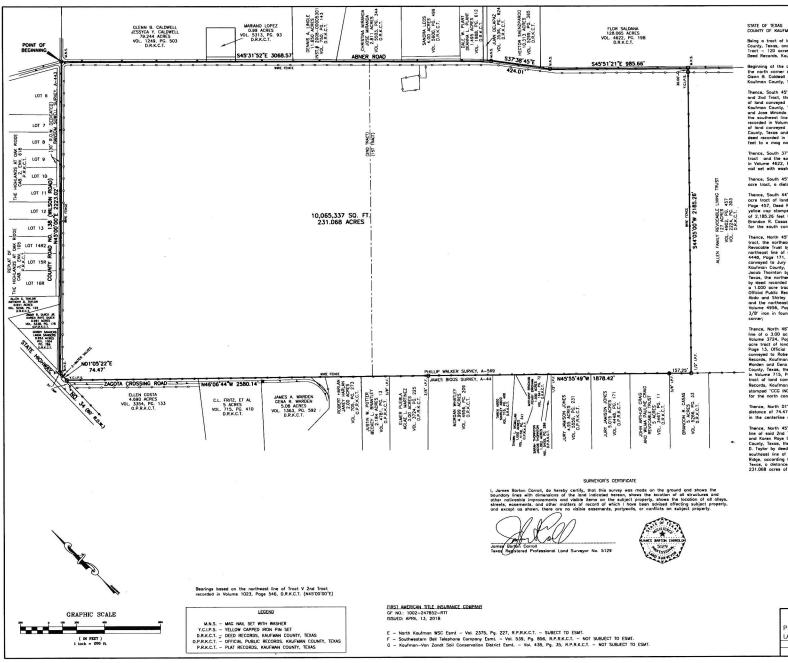
and continuing along a fence for a total distance of 2,185.26 feet to a 1/2" iron pin found on the northeast line of a 5 acre tract of land conveyed to Brandon R. Casas by deed recorded in Volume 5266, Page 33, Deed Records, Kaufman County, Texas and for the south corner of said 1st Tract and the west corner of said 127 acre tract;

Thence, North 45°55'49" West, along the southwest line of said 1st Tract, the northeast line of said Casas tract, the northeast line of a 5 acre tract of land conveyed to John Arthur Craig and Wilma Pauline Craig Revocable Trust by deed recorded in Volume 3467, Page 11, Deed Records, Kaufman County, Texas, the northeast line of a 5.015 acre tract of land conveyed to Jury Jamison Jones by deed recorded in Volume 4448, Page 171, Deed Records, Kaufman County, Texas, the northeast line of a 4.95 acre tract of land conveyed to Jury Jamison Jones by deed recorded in Volume 5559, Page 231, Official Public Records, Kaufman County, Texas, the northeast line of a 1.002 acre tract of land conveyed to Sarah Thornton and Jacob Thornton by deed recorded in Volume 5455, Page 286, Official Public Records, Kaufman County, Texas, the northeast line of a 1.000 acre tract of land conveyed to Anthony Brigham and Penny Brigham by deed recorded in Volume 1641, Page 72, Deed Records, Kaufman County, Texas, the northeast line of a 1.000 acre tract of land conveyed to Shawn L. McMillan by deed recorded in Volume 4156, Page 347, Official Public Records, Kaufman County, Texas, the northeast line of a tract of land conveyed to Tarek Abdo and Shirley Abdo by deed recorded in Volume 715, Page 406, Deed Records, Kaufman County, Texas and the northeast line of a 4.999 acre tract of land conveyed to Morgan Whatley by deed recorded in Volume 4956, Page 209, Deed Records, Kaufman County, Texas, at a distance of 157.25 feet passing a 3/8" iron in found and continuing for a total distance of 1,878.42 feet to a 3/8" iron pin found for corner;

Thence, North 46°06'44" West, along the southwest lines of said 1st Tract and 2nd Tract, the northeast line of a 3.00 acre tract of land conveyed to Elmer Puebla and Aglae L. Martinez by deed recorded in Volume 3724, Page 225, Official Public Records, Kaufman County, Texas, the northeast line of a 2.184 acre tract of land conveyed to Justin W. Potter and Beckey L. Brantley by deed recorded in Volume 4781, Page 13, Official Public Records, Kaufman County, Texas, the northeast line of a 2.00 acre tract of land conveyed to Robert Harlan and Janey Harlan by deed recorded in Volume 705, Page 273, Official Public Records, Kaufman County, Texas, the northeast line of a 5.085 acre tract of land conveyed to James A. Warden and Gena R. Warden by deed recorded in Volume 1363, Page 592, Deed Records, Kaufman County, Texas, the northeast line of a 5 acre tract of land conveyed to C.L. Fritz, et al by deed recorded in Volume 715, Page 410, Deed Records, Kaufman County, Texas and the northeast line of a 4.690 acre tract of land conveyed to Ellen Costa by deed recorded in Volume 3354, Page 133, Official Public Records, Kaufman County, Texas, a distance of 2,580.14 feet to a 1/2" iron pin set with yellow cap stamped "CCG INC RPLS 5129" on the east right-of-way line of State Highway No. 34 (80' R.O.W.) and for the north corner of said 4.690 acre tract;

Thence, North 01°05'22" East, along the east right-of-way line of State Highway No. 34 (80' R.O.W.), a distance of 74.47 feet to a mag nail set with washer on the northwest line of said 2nd Tract and being in the centerline of County Road No. 138 (Wilson Road);

Thence, North 45°00'00" East, along the centerline of County Road No. 138 (Wilson Road), the northwest line of said 2nd Tract, the southeast line of a 0.981 acre tract of land conveyed to Jimmy R. Quick Jr. and Karen Raye Quick by deed recorded in Volume 5338, Page 178, Official Public Records, Kaufman County, Texas, the southeast line of a 0.941 acre tract of land conveyed to Allen G. Taylor and Anthony D. Taylor by deed recorded in Volume 5248, Page 122, Deed Records, Kaufman County, Texas and the southeast line of a 30' R.O.W. dedicated by The Highlands at Oak Ridge, an addition to the City of Oak Ridge, according to the plat thereof recorded in Cabinet 2, Envelope 618, Plat Records, Kaufman County, Texas, a distance of 2,223.02 feet to the Point of Beginning and containing 10,065,337 square feet or 231.068 acres of land.



#### LEGAL DESCRIPTION

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Beginning at the centerine intersection of County Road No. 138 (Wison Road) and Abner Road and being the north corner of said 2nd Tract and the west corner of a 78.244 acre tract of land conveyed to Gann B. Cablesii and Jessyce Y. Caldwell by deed recorded in Volume 1249, Page 503, Deed Records, Keulman County, Tenas:

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**BOUNDARY SURVEY** 

231.068 ACRES

PHILLIP WALKER SURVEY, ABSTRACT NO. 569 CITY OF OAK RIDGE KAUFMAN COUNTY, TEXAS

CARRO	LL CONSU	ILTING GF	ROUP,	INC.
P.O. BOX 11			972-	-742-4411
LAVON, TEXAS	TEXAS FIRM	EXAS FIRM RECISTRATION NO.: 10007200		
JOB No.	SCALE:	DATE PREPARE	ED:	DRAWN BY:
2471-18	1~=200	MAY 7, 201	8	CP

