

Exhibit B

MUNICIPAL SERVICES AGREEMENT BETWEEN THE CITY OF FORNEY, TEXAS AND ROYSE WORLD LAND, LP

This Municipal Services Agreement (“Agreement”) is entered into pursuant to Section 43.0672 of the Texas Local Government Code by and between the City of Forney, Texas, a home-rule municipality of the State of Texas, (“City”) and Royse World Land, LP (“Owner”). City and Owner may be referred individually as a “Party” and collectively referred to as the “Parties.”

RECITALS

The parties agree that the following recitals are true and correct and form the basis upon which the parties have entered into this Agreement.

WHEREAS, Owner owns two parcels of real property (the “Property”) in Kaufman County, Texas, consisting of an approximate 93.14 acres, Kaufman CAD Property ID 12976 and an approximate 108.624 acres, Kaufman CAD Property ID 10892, generally situated in the extra-territorial jurisdiction of the City of Forney on Helms Trail and more particularly described on Exhibit “A” attached hereto; and

WHEREAS, the Parties desire to enter into this Agreement pursuant to Section 43.0672 of the Texas Local Government Code in order to address the provision of municipal services to be offered to the Property on the date of annexation, and a schedule that includes the period within which the City will provide any municipal service that is not provided on the effective date of annexation, as shown in Exhibit “B” attached hereto; and

WHEREAS, the Owner and the City acknowledge that this Agreement is binding upon the City and the Owner and their respective successors and assigns for the term (defined below) of this Agreement; and

WHEREAS, Owner has filed a written request with the City for full-purpose annexation of the Property that was accepted by Resolution of the City Council for the City on April 7, 2020 (“Annexation Case”);

NOW THEREFORE, in exchange for the mutual covenants, conditions and promises contained herein, City and Owner agree as follows:

Section 1. The City acknowledges and agrees that it shall provide the municipal services listed in Exhibit “B” to the Property pursuant to Chapter 43 of the Texas Local Government Code upon annexation of the Property.

Section 2. The Owner acknowledges that each and every owner of the Property must sign this Agreement in order for the Agreement to take full effect, and **the Owner who signs this Agreement covenants and agrees, jointly and severably, to indemnify, hold harmless, and defend the City against any and all legal claims, by any person claiming an ownership interest in the Property who has not signed the Agreement**, arising in any way from the City’s reliance on this Agreement.

Section 3. The Owner agrees and stipulates that such annexation of the Property is voluntary, and the Owner has submitted a petition for such annexation to the City. Furthermore, the Owner hereby waives any and all vested rights and claims that they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by any action Owner has taken. Owner

acknowledges and stipulates that this Agreement is not a permit, as defined in Texas Local Government Code, Section 245.001(1), required by the City.

Section 4. The Parties acknowledge and agree that nothing in this Agreement shall require the City to provide a uniform level of full municipal services to each area of the City, including the annexed Property, if different characteristics of topography, land use, and population density are considered a sufficient basis for providing different levels of municipal service. Furthermore, the Parties acknowledge and agree that this Agreement will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.

Section 5. The Owner acknowledges that the City's codes, ordinances, regulations and policies ("Regulations") that apply throughout the City, including the Property, may be reviewed at City Hall and at <https://z2.franklinlegal.net/franklin/Z2Browser2.html?showset=forneyset> and shall adhere to all such regulations in development of the Property.

Section 6. This Agreement shall be valid for a term of ten (10) years. Renewal of the Agreement shall be at the discretion of the City Council and must be approved by ordinance. The Owner agrees that this Agreement may be amended without the written consent or knowledge of the Owner if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Agreement unworkable or obsolete. Furthermore, the Owner acknowledges and agrees that the City Council may amend the services provided under this Agreement without the written consent of the Owner in order to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances existing pursuant to the Local Government Code or other Texas or Federal laws that make this Agreement unworkable, obsolete or unlawful.

Section 7. The Owner of the Property acknowledges and agrees, upon the Property being annexed into the City, any subsequent zoning of the Property will be pursuant to the Regulations of the City.

Section 8. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the Party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such Party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the Parties shall be as follows:

To City:

City of Forney
Attn: City Manager
P.O. Box 826
Forney, Texas 75126

To Owner:

Royse World Land, LP
Attn: Alan Bain
1255 Investments, LLC
210 Cedar Springs Rd, #600
Dallas, Texas 75201

Section 9. A certified copy of this Agreement shall be recorded in the real property records of Kaufman County, Texas, and this Agreement shall constitute a covenant that runs with the Property.

Section 10. If a court of competent jurisdiction determines that any covenant of this Agreement is void or unenforceable, then the remainder of this Agreement shall remain in full force and effect.

Section 11. This Agreement may be enforced by any Owner or the City by any proceeding at law or in equity. Failure to do so shall not be deemed a waiver to enforce the provisions of this Agreement thereafter. Notwithstanding the preceding terms of this section, the City does not waive immunity from suit or liability. Owner acknowledges and agrees that the only recourse against the City for breach or default of the Agreement is disannexation for failure to provide service pursuant to Chapter 43 of the Texas Local Government Code.

Section 12. Owner and City acknowledge and expressly agree that no subsequent change in the law regarding annexation shall affect the enforceability of this Agreement or the City's ability to annex the properties covered herein pursuant to the terms of this Agreement.

Section 13. The validity of this Agreement and any of its terms and provisions, as well as the rights and duties of the Parties, shall be governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be only in Kaufman County, Texas.

Section 14. This Agreement may be separately executed in individual counterparts and, upon execution, shall constitute one and same instrument.

Section 15. This Agreement shall survive its termination to the extent necessary for the implementation of the provisions of Sections 2, 3, 4 and 11 herein.

Section 16. This Agreement embodies the complete agreement of the Parties hereto, superseding all oral or written, previous and contemporary agreements between the Parties and relating to the matters in this Agreement and except as otherwise provided herein, cannot be modified without written agreement of the Parties to be attached to and made a part of this Agreement.

Section 17. The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein as part of this Agreement.

Section 18. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Entered into this the _____ day of _____, 2020.

[Signature Pages to Follow.]

CITY OF FORNEY

Anthony Carson, City Manager

Date

THE STATE OF TEXAS §
 §
COUNTY OF KAUFMAN §

This instrument was acknowledged before me on _____, 2020, by Anthony Carson, City Manager for the City of Forney, Texas on behalf of said City.

Notary Public in and for the State of Texas

OWNER – ROYSE WORLD LAND, LP

Alan Bain, Vice President of
1255 Investments, LLC, general partner of
Royse World Land, LP

Date

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2020, by Alan Bain, as authorized representative of Royse World Land, LP, owner of the Property.

Notary Public in and for the State of Texas

EXHIBIT A
PROPERTY DESCRIPTION

TRACT I:

BEING 93.14 acres of land situated in the Hrs. Of Samuel Smith Survey, Abstract 450, Kaufman County, Texas (Kaufman County Property ID No. 12976) and being a part of that certain 130.48 acre tract as conveyed to Countryside CR211, LP in Volume 2785, Page 139 of the Deed Records of Kaufman County, Texas, said 130.48 acres of land to be more particularly described by metes and bounds as follows:

BEGINNING at a $\frac{3}{4}$ -inch iron pipe found for the Southeast corner of the above referenced Countryside tract and the Southwest corner of a called 123.853 acre tract as recorded in Volume 2908, Page 335 of said deed records and being in County Road 211 (Helms Trail);

THENCE South 44 degrees 08 minutes 09 seconds West, a distance of 2128.67 feet with the Southeast boundary line of said Countryside tract and along County Road 211 (Helms Trail) to a point for the Southeast corner of Highland Prairie, Phase III as recorded in Cabinet 2, Page 467 of the Plat Records of said county;

THENCE North 45 degrees 49 minutes 33 seconds West with the Southwest boundary line of said Countryside tract and the Northeast boundary line of said Highland Prairie, Phase III at a distance of 10.02 feet pass a $\frac{5}{8}$ -inch iron rod in the North margin of County Road 211 (Helms Trail) and at 1575.02 pass a $\frac{5}{8}$ -inch iron rod for the Northeast corner of said Phase III and the Southeast corner of Highland Prairie, Phase IV as recorded in Cabinet 2, Page 719 of said Plat Records and continuing a total distance of 2673.70 feet to a $\frac{1}{2}$ -inch iron rod set for the Northeast corner of said Phase IV and the Northwest corner of said Countryside tract, said corner being in the Southeast boundary line of the BDG Holdings tract as recorded in Volume 2382, Page 601 of said deed records;

THENCE North 44 degrees 20 minutes 57 seconds East, a distance of 2129.07 feet with the Northwest boundary line of said Countryside tract and the Southeast boundary line of said BDG Holdings tract to a $\frac{5}{8}$ -inch iron rod found for the Northeast corner of said Countryside tract and the Southeast corner of said BDG Holdings tract and being in the Southwest boundary line of the above mentioned 123.853 acre tract;

THENCE South 45 degrees 49 minutes 03 seconds East, a distance of 2665.78 feet with the Northeast boundary line of said Countryside tract and the Southwest boundary line of said 123.853 acre tract to the place of beginning and containing 5,683,515 square feet or 130.48 acres of land.

TRACT 2:

BEING 108.624 acres of land situated in the Lewis Pearce Survey, Abstract 373, Kaufman County, Texas and being all of that certain called 108.73 acre tract as conveyed to Countryside CR211, LP in Volume 2785, Page 139 of the Deed Records of Kaufman

County, Texas, said 108.624 acres of land to be more particularly described by metes and bounds as follows:

BEGINNING at a 5/8-inch iron rod found for the West corner of the above referenced 108.73 acre tract and the North corner of a called 10.00 acre tract as recorded in Volume 2925, Page 128 of said deed records and being in County Road 211 (Helms Trail);

THENCE North 44 degrees 20 minutes 21 seconds East, with the Northwest boundary line of said 108.73 acre tract and with County Road 211 (Helms Trail), a distance of 2742.61 feet to a 1/2-inch iron rod with cap stamped "GRIFFITH 4846" set for the North corner of said 108.73 acre tract and a west corner of a called 18.426 acre tract as recorded in Volume 3024, Page 582 of said deed records;

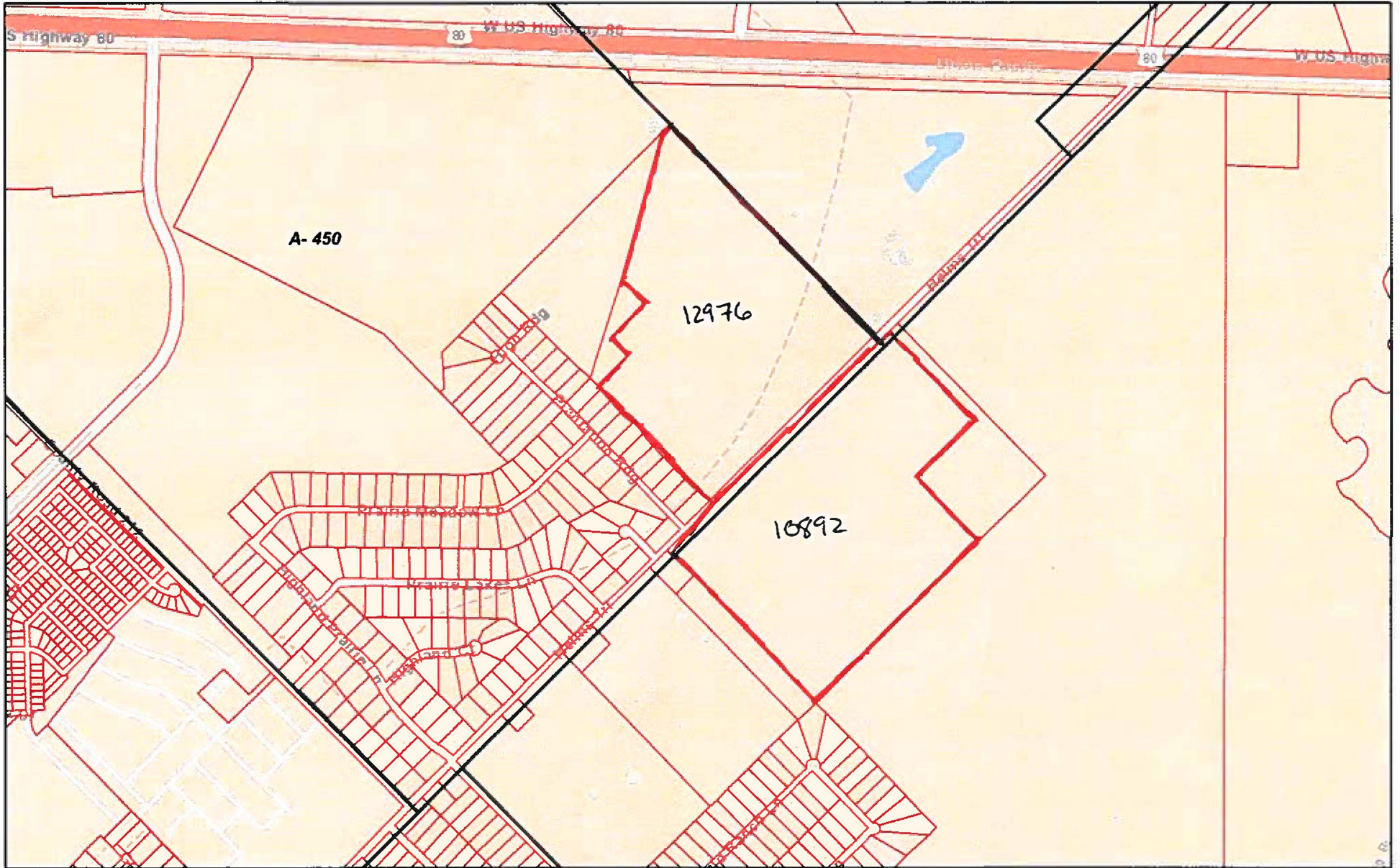
THENCE South 45 degrees 42 minutes 02 seconds East, with a Northeast boundary line of said 108.73 acre tract and a Southwest boundary line of said 18.426 acre tract, a distance of 1133.63 feet to a 1/2-inch iron rod with cap stamped "GRIFFITH 4846" set for corner;

THENCE South 44 degrees 10 minutes 13 seconds West, with a Southeast boundary line of said 108.73 acre tract and a Northwest boundary line of said 18.426 acre tract, a distance of 741.98 feet to a 1/2-inch iron rod with cap stamped "GRIFFITH 4846" set for corner;

THENCE South 45 degrees 42 minutes 02 seconds East, with a Northeast boundary line of said 108.73 acre tract and a Southwest boundary line of said 18.426 acre tract, a distance of 794.64 feet to a 1/2-inch iron rod with cap stamped "GRIFFITH 4846" set for an east corner of said 108.73 acre tract and south corner of said 18.426 acre tract, said corner being in a northwest line of a called 1038.779 acre tract as recorded in Volume 2908, Page 247 of said deed records;

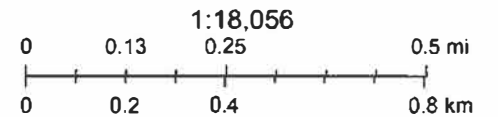
THENCE South 44 degrees 03 minutes 00 seconds West, with the common boundary line of said 108.73 acre tract and said 1038.779 acre tract, a distance of 2018.66 feet to a 5/8-inch iron rod found for the South corner of said 108.73 acre tract and the east corner of said 10.00 acre tract;

THENCE North 45 degrees 10 minutes 08 seconds West, with the common boundary line of said 108.73 acre tract and said 10.00 acre tract, a distance of 1940.71 feet to the place of beginning and containing 4,731,644 square feet or 108.624 acres of land.



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- Abstracts
- Parcels



Sources Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand).

Kaufman County Appraisal District, BIS Consulting - www.bisconsulting.com

Disclaimer: This product is for informational purposes only and has not been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of boundaries.

EXHIBIT “B”
CITY OF FORNEY, TEXAS
MUNICIPAL SERVICE PLAN FOR ANNEXED AREAS

ANNEXATION ORDINANCE NO.: _____

DATE OF ANNEXATION ORDINANCE: _____

ACREAGE ANNEXED: *Exhibit A* _____ acres of land.

PROPERTY DESCRIPTION: *See Exhibit A* attached to the annexation ordinance.

Municipal Services to the acreage described above shall be furnished by or on behalf of the City of Forney, Texas (“City”) at the following levels and in accordance with the following schedule:

A. POLICE PROTECTION

1. Police services including routine patrol, responding to calls and other routine police services, within the limits of existing personnel and equipment and in a manner consistent with any of the methods of whereby the City extends police service to any other area of the City, will be provided immediately after the effective date of the annexation ordinance.
2. Upon ultimate development, police protection will be provided at a level consistent with other similarly situated areas within the City limits.

B. FIRE SERVICES / EMERGENCY MEDICAL SERVICES

1. Fire protection and emergency medical services and equipment by the present personnel and the present equipment of the Fire Department, within the limitations of available water and distances from existing fire stations, and in a manner consistent with any of the methods of whereby the City extends fire service to any other area of the City, will be provided to this area immediately after the effective date of the annexation ordinance.
2. Upon ultimate development, fire protection and emergency medical services will be provided at a level consistent with other similarly situated areas within the City limits.

C. ENVIRONMENTAL HEALTH AND CODE ENFORCEMENT SERVICES

1. Enforcement of the City’s environmental health ordinances and regulations, including but not limited to weed and brush ordinances, junked and abandoned vehicle ordinances and animal control ordinances, shall be provided within this within this area within sixty (60) days of the effective date of the annexation ordinance. These ordinances and regulations will be enforced through the use of existing personnel.

2. Inspection services, including the review of building plans, the issuance of permits and the inspection of all buildings, plumbing, mechanical and electrical work to ensure compliance with City codes and ordinances, will be provided within sixty (60) days of the effective date of the annexation ordinance. Existing personnel will be used to provide these services.
3. The City's zoning, subdivision, sign and other ordinances shall be enforced in this area, beginning upon the effective date of the annexation ordinance.
4. All inspection services furnished by the City, but not mentioned above, will be provided to this area within sixty (60) days of the effective date of the annexation ordinance.
5. As development and construction commence in this area, sufficient personnel will be provided to furnish this area the same level of Environmental Health and Code Enforcement Services as are furnished throughout the City.

D. PLANNING AND ZONING SERVICES

1. The planning and zoning jurisdiction of the City will extend to this area upon the effective date of the annexation ordinance. City planning will thereafter encompass this property, and it shall be entitled to consideration for zoning in accordance with the City's Comprehensive Zoning Ordinance and Comprehensive Plan.

E. PARK AND RECREATION SERVICES

1. Residents of this property may utilize all existing park and recreational services, facilities, and sites throughout the City, beginning upon the effective date of the annexation ordinance.
2. Additional facilities and sites to serve this property and its residents will be acquired, developed and maintained at locations and times provided by applicable plans, policies, and programs and decisions of the City. This property will be included in all plans for providing parks and recreation services of the City.
3. Existing parks, playgrounds, and other recreational facilities within this property shall, upon dedication to and acceptance by the City, be maintained and operated by the City, but not otherwise.

F. SOLID WASTE COLLECTION

1. Solid waste collection shall be provided to the property in accordance with existing City policies, beginning upon the effective date of the annexation ordinance. The collection of refuse from individual properties shall be made in accordance with the usual Sanitation Department scheduling.

2. As development and construction commence in this property and population density increases to the property level, solid waste collection shall be provided to this property in accordance with the current policies of the City as to frequency, changes and so forth.

G. STREETS

1. The City's existing policies with regard to street maintenance, applicable throughout the entire City, shall apply to this property, beginning upon the effective date of the annexation ordinance. Unless a street within this property has been constructed or is improved to the City's standards and specifications, that street will not be maintained by the City.
2. As development, improvement or construction of streets to City standards commences within this property, the policies of the City with regard to participation in the costs thereof, acceptance upon completion and maintenance after completion shall apply.
3. The same level of maintenance shall be provided to streets within this property, which have been accepted throughout the City, as is provided to City streets throughout the City.
4. Street lighting installed on streets improved to the City standards shall be maintained by the City's electric provider in accordance with current City policies.

H. WATER SERVICES

1. Water services will only be contemplated and provided for those areas that are not within the service area of another water or wastewater utility provider.
2. Connection to existing City water mains for water service for domestic, commercial and industrial use within this property will be provided in accordance with City policies, as they exist or may be amended. Upon connection to existing mains, water will be provided at rates established by City ordinances for such service throughout the City.
3. As development and construction commence in this property, water mains of the City will be extended in accordance with the provisions of the Subdivision Ordinance and other applicable ordinances and regulations, as they exist or may be amended. City participation in the costs of these extensions shall be in accordance with the applicable City ordinances and regulations, as they exist or may be amended. Such extensions will be commenced within two and one-half (2-1/2) years from the effective date of the annexation ordinance and substantially completed within four and one-half (4-1/2) years after that date.
4. Water mains installed or improved to City standards, which are within the annexed area and are within dedicated easements, shall be maintained by the City, beginning upon the effective date of the annexation ordinance.

5. Private water lines within this property shall be maintained by their owners in accordance with policies applicable throughout the City, as they exist or may be amended.
6. Operation and maintenance of water facilities in the annexed area that are within the service area of another water utility will be the responsibility of that utility.

I. SANITARY SEWER SERVICES

1. Wastewater services will only be contemplated and provided for those areas that are not within the service area of another water or wastewater utility provider.
2. Connections to existing City sanitary sewer mains for sanitary sewage service in this area will be provided in accordance with City policies, as they exist or may be amended. Upon connection, sanitary sewer service will be provided at rates established by City ordinances for service throughout the City.
3. Sanitary sewage mains and/or lift stations installed or improved to City standards, located in dedicated easements, and which are within the annexed area and are connected to City mains will be maintained by the City, beginning upon the effective date of the annexation ordinance.
4. As development and construction commence in this area, sanitary sewer in the City will be extended in accordance with the provisions of the Subdivision Ordinance and other applicable City ordinances and regulations, as they exist or may be amended. City participation in the costs of these extensions shall be in accordance with the applicable City ordinances and regulations, as they exist or may be amended. Such extensions will be commenced within two and one-half (2-1/2) years from the effective date of the annexation ordinance and substantially completed within four and one-half (4-1/2) years after that date.
5. Operation and maintenance of wastewater facilities in the annexed areas that are within the service area of another water utility will be the responsibility of that utility.
6. Operation and maintenance of private wastewater facilities in the annexed area will be the responsibility of the owner.

J. MISCELLANEOUS

1. Any publicly owned facility or building located within the annexed area and utilized by the City in providing services to the area will be maintained by the City commencing upon the date of use or within sixty (60) days of the effective date of the annexation ordinance, whichever occurs later.
2. General municipal administration and administration services of the City shall be available to the annexed area, beginning upon the effective date of the annexation ordinance.

3. Notwithstanding anything set forth above, this Service Plan does not require all municipal services be provided as set forth above if different characteristics of topography, land use and population density are considered a sufficient basis for providing different levels of service.
4. The Service Plan is valid for ten (10) years from the effective date of the annexation ordinance.