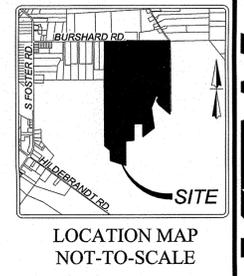
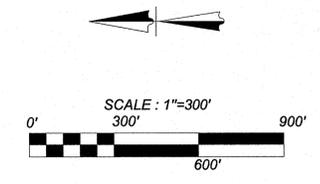
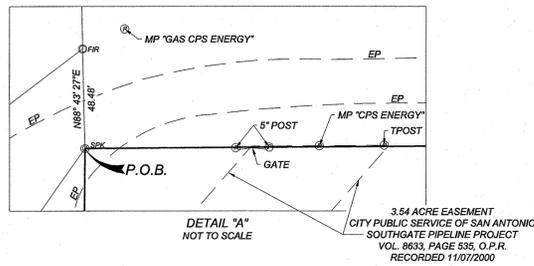
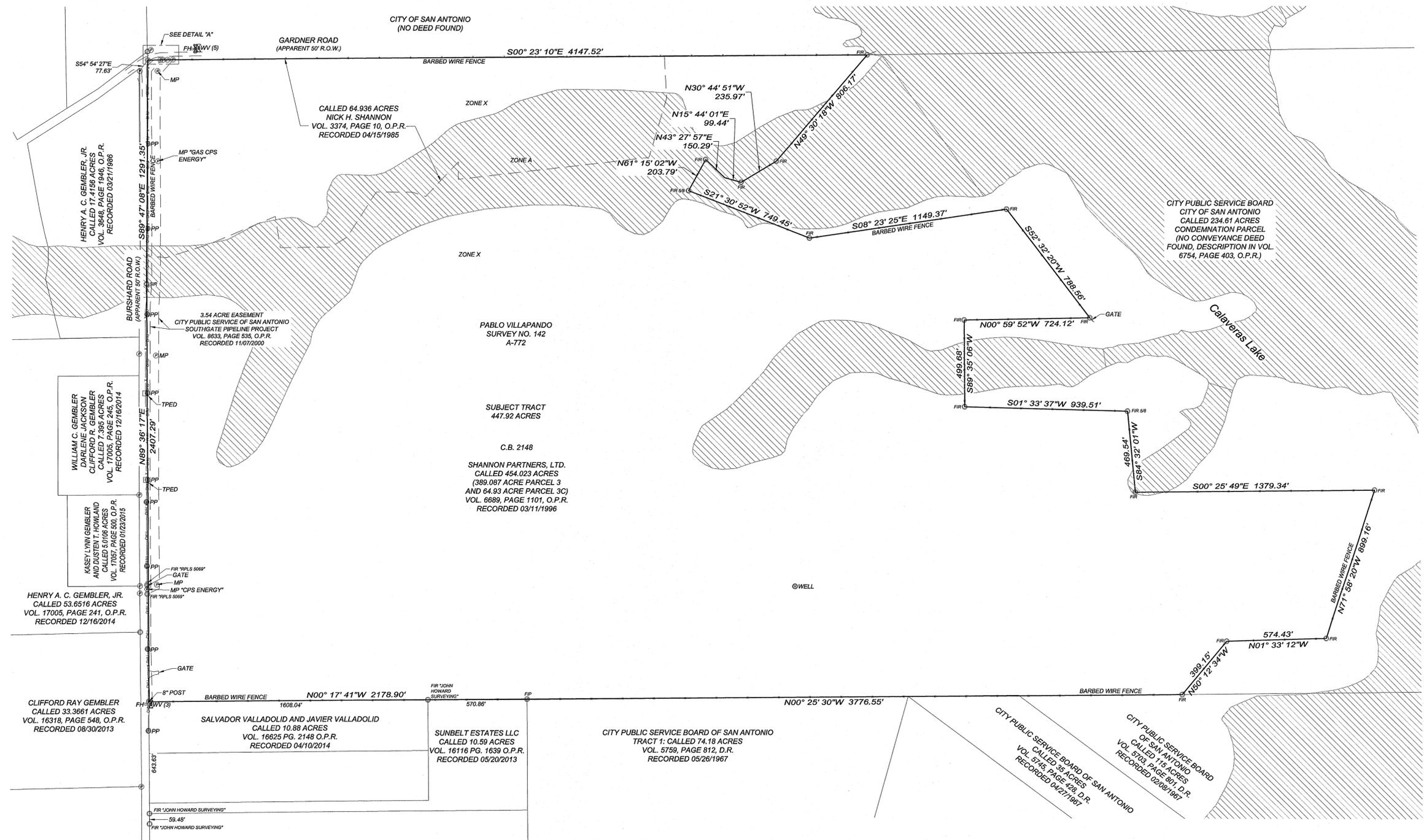


EXHIBIT A:
SURVEY OF DISTRICT PROPERTY

NOTES
 1. BEARINGS ARE BASED ON THE STATE PLANE COORDINATE SYSTEM ESTABLISHED FOR THE TEXAS SOUTH CENTRAL ZONE 4204, NORTH AMERICAN DATUM (NAD) OF 1983.
 2. TITLE COMMITMENT PROVIDED BY CHICAGO TITLE INSURANCE COMPANY, GF NO.: SCT-67-4300121600250-GC, EFFECTIVE DATE OCTOBER 30, 2018, ISSUED DATE NOVEMBER 7, 2018.
 SCHEDULE B:
 10.0 EASEMENT AND RIGHT-OF-WAY AGREEMENT GRANTED TO CITY PUBLIC SERVICE BOARD OF SAN ANTONIO, RECORDED IN VOL. 8633, PAGE 535, O.P.R. AFFECTS PROPERTY AND IS SHOWN.
 3. A PORTION OF THE REFERENCED PROPERTY LIES WITHIN ZONE X, AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN, AND A PORTION LIES WITHIN ZONE A, THE SPECIAL FLOOD HAZARD AREAS SUBJECT TO INUNDATION BY THE 1% ANNUAL CHANCE FLOOD, AS SCALED FROM FEMA FLOOD MAP 805 OF 785, COMMUNITY PANEL NO. 48029C0605F, DATED SEPTEMBER 29, 2010.
 4. THE TRACT SHOWN HEREON IS SUBJECT TO ALL BEXAR COUNTY ORDINANCES AND RESTRICTIONS.
 5. A METES AND BOUNDS WERE PREPARED FOR THIS SURVEY.
 6. SET IRON PINS ARE 1/2" DIAMETER REBAR WITH A BLUE CAP STAMPED "KFW SURVEYING", OR A PK NAIL AND WASHER STAMPED "KFW SURVEYING".
 7. ADJOINERS SHOWN HEREON ARE PER CURRENT BEXAR COUNTY APPRAISAL DISTRICT RECORDS AND OFFICIAL PUBLIC RECORDS OF BEXAR COUNTY, TEXAS.

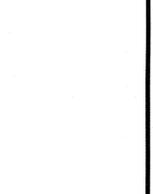


- SYMBOL LEGEND**
- SPK SET PK NAIL WITH WASHER STAMPED "KFW SURVEYING"
 - FIR FOUND 1/2" IRON ROD OR AS NOTED
 - SIR SET 1/2" IRON ROD WITH A BLUE CAP STAMPED "KFW SURVEYING"
 - O.P.R. OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS
 - D.P.R. DEED AND PLAT RECORDS OF BEXAR COUNTY, TEXAS
 - PP POWER POLE
 - WELL MONITORING WELL
 - FIP FOUND IRON PIPE
 - WV WATER VALVE
 - FH FIRE HYDRANT
 - TPED TELEPHONE PEDASTAL
 - MP MARKER POST AS NOTED
 - GATE
 - POST AS NOTED
 - EP EDGE OF PAVEMENT
 - P.O.B. POINT OF BEGINNING
 - ZONE A (AREA SUBJECT TO FLOODING BY THE 1% ANNUAL CHANCE FLOOD AS PER FEMA MAP NUMBER 48029C0605F)
 - OHU OVERHEAD UTILITY LINE
 - BW BARBED WIRE FENCE



KFW SURVEYING
 3421 Pecos Road, Suite 101, San Antonio, TX 78221
 Phone #: (210) 978-8444 • Fax #: (210) 978-8441
 TSP-CIS Form #: 10122500

REVISIONS
 ISSUE DATE



CATEGORY 1A LAND TITLE SURVEY OF
 447.92 ACRE TRACT IN COUNTY BLOCK 2148, SITUATED IN THE
 PABLO VILLAPANDO SURVEY NO. 142, ABSTRACT NO. 772
 BEXAR COUNTY, TEXAS.

STATE OF TEXAS
 COUNTY OF BEXAR

I, TIM C. PAPPAS, DO HEREBY CERTIFY THAT THIS TITLE SURVEY WAS PREPARED FROM AN ACTUAL SURVEY MADE ON THE GROUND BY PERSONS WORKING UNDER MY SUPERVISION AND SUBSTANTIALLY COMPLIES WITH THE CURRENT TEXAS SOCIETY OF PROFESSIONAL SURVEYORS STANDARDS AND SPECIFICATIONS FOR A CATEGORY 1A LAND TITLE SURVEY. THE SURVEY WAS COMPLETED ON 01/10/2019.

11 JAN 20 2019
 TIM C. PAPPAS
 REGISTERED PROFESSIONAL LAND SURVEYOR
 NO. 5543
 EMAIL: TPAPPAS@KFWENGINEERS.COM
 DATE OF SURVEY: 01/11/2019
 PROJECT NO.: 19-001

JOB NO. 19-001
 DATE: 01/11/2019
 DRAWN: OP CHECKED: TCP
 SHEET NUMBER:
 1 of 1

Date: Jan 11, 2019, 3:18pm User ID: operez
 File: S:\Draw_2019\19-001_Calaveras.dwg

ANY COMPLAINTS REGARDING THE SERVICES YOU HAVE RECEIVED CAN BE DIRECTED TO:
 THE TEXAS BOARD OF PROFESSIONAL LAND SURVEYING
 1200 PARK ST. CIRCLE BLDG. A, SUITE 100 MC-250 AUSTIN, TX 78763
 PHONE: 512-239-5283 • FAX: 512-239-5283

EXHIBIT B:
FIELD NOTES OF DISTRICT PROPERTY

**DESCRIPTION OF
A 447.92 ACRE TRACT
C.B. 2148**

A **447.92 acre** tract of land situated in County Block 2148 in the Pablo Villapando Survey No. 142, Abstract No. 772, Bexar County, Texas, and being all of that called 454.023 acre tract of land conveyed to Shannon Partners, Ltd. and described in Volume 6689, Page 1101, recorded March 11, 1996 in the Official Public Records of Bexar County, Texas (O.P.R.), said 447.92 acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a PK nail and washer stamped "KFW SURVEYING" set in asphalt at the intersection of the southerly right-of-way of Burshard Road (apparent 50' wide R.O.W.) with the westerly right-of-way of Gardner Road (apparent 50' wide R.O.W.) for the northeast corner of said 454.023 acre tract of land and the tract described herein, whence a ½" iron rod found in the easterly right-of-way of Gardner Road bears N 88°43'27" E, a distance of 48.48 feet;

THENCE: S 00°23'10" E, along and with the westerly right-of-way line of said Gardner Road and the east line of said 454.023 acre tract of land, a distance of **4147.52 feet** to a ½" iron rod found at the northeast corner of that called 234.61 acre tract of land condemned by the City Public Service Board, City of San Antonio, and described in Volume 6754, Page 403, O.P.R., and for the southeast corner of said 454.023 acre tract of land and the tract described herein;

THENCE: Along and with the northerly lines of said 234.61 acre tract of land and the southerly lines of said 454.023 acre tract of land, the following sixteen (16) courses:

1. **N 49°30'18" W**, a distance of **806.17 feet** to a found ½" iron rod at a fence corner post;
2. **N 30°44'51" W**, a distance of **235.97 feet** to a found ½" iron rod at a fence corner post;
3. **N 15°44'01" E**, a distance of **99.44 feet** to a found ½" iron rod at a fence corner post;
4. **N 43°27'57" E**, a distance of **150.29 feet** to a found ½" iron rod at a fence corner post;
5. **N 61°15'02" W**, a distance of **203.79 feet** to a found 5/8" iron rod at a fence corner post;
6. **S 21°30'52" W**, a distance of **749.45 feet** to a found ½" iron rod at a fence corner post;
7. **S 08°23'25" E**, a distance of **1149.37 feet** to a found ½" iron rod at a fence corner post;
8. **S 52°32'20" W**, a distance of **788.56 feet** to a found ½" iron rod at a fence corner post;
9. **N 00°59'52" W**, a distance of **724.12 feet** to a found ½" iron rod at a fence corner post;
10. **S 89°35'06" W**, a distance of **499.68 feet** to a found ½" iron rod at a fence corner post;
11. **S 01°33'37" W**, a distance of **939.51 feet** to a found 5/8" iron rod at a fence corner post;
12. **S 84°32'01" W**, a distance of **469.54 feet** to a found ½" iron rod at a fence corner post;
13. **S 00°25'49" E**, a distance of **1379.34 feet** to a found ½" iron rod at a fence corner post;
14. **N 71°58'20" W**, a distance of **899.16 feet** to a found ½" iron rod at a fence corner post;
15. **N 01°33'12" W**, a distance of **574.43 feet** to a found ½" iron rod at a fence corner post;
16. **N 50°12'34" W**, a distance of **399.15 feet** to a found ½" iron rod at a fence corner post in the east line of that called 115 acre tract of land conveyed to the City Public Service Board, City of San Antonio and described in Volume 5703, Page 801, recorded February 8, 1967 in the Deed Records of Bexar County, Texas (D.R.), for the northwest corner of said 234.61 acre tract of land and the southwest corner of said 454.023 acre tract of land and the tract described herein,

THENCE: N 00°25'30" W, along and with the east lines of said 115 acre tract of land, that called 35 acre tract of land conveyed to the City Public Service Board, City of San Antonio and described in Volume 5745, Page 428, recorded April 27, 1967 in the D.R., and that called 74.18 acre tract of land conveyed to the City Public Service Board, City of San Antonio and described in Volume 5759, Page 812, recorded May 26, 1967 in the D.R., and the west line of said 454.023 acre tract of land, a distance of **3776.55 feet** to a 1" iron pipe found for the northeast corner of said 74.18 acre tract of land and the southeast corner of that called 10.59 acre tract of land conveyed to Sunbelt Estates, LLC and described in Volume 16116, Page 1639, recorded May 20, 2013 in the O.P.R.;

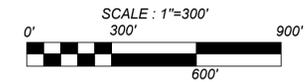
THENCE: N 00°17'41" W, along and with the east line of said 10.59 acre tract of land and the west line of said 454.023 acre tract of land, passing at a distance of 570.86 feet a ½" iron rod with cap stamped "JOHN HOWARD SURVEYING" found at the northeast corner of said 10.59 acre tract of land and the southeast corner of that called 10.88 acre tract of land conveyed to Salvador Valladolid and Javier Valladolid and described in Volume 16625, Page 2148, recorded April 10, 2014 in the O.P.R., and continuing along and with the east line of said 10.88 acre tract of land, a total distance of **2178.90 feet** to a 8" fence corner post found in the southerly right-of-way of said Burchard Road, for the northeast corner of said 10.88 acre tract of land and the northwest corner of said 454.023 acre tract of land and the tract described herein, whence a found ½" iron rod bears S 89°36'17" W, a distance of 643.63 feet;

THENCE: Along and with the southerly right-of-way of said Burshard Road and the north line of said 454.023 acre tract of land, the following two (2) courses:

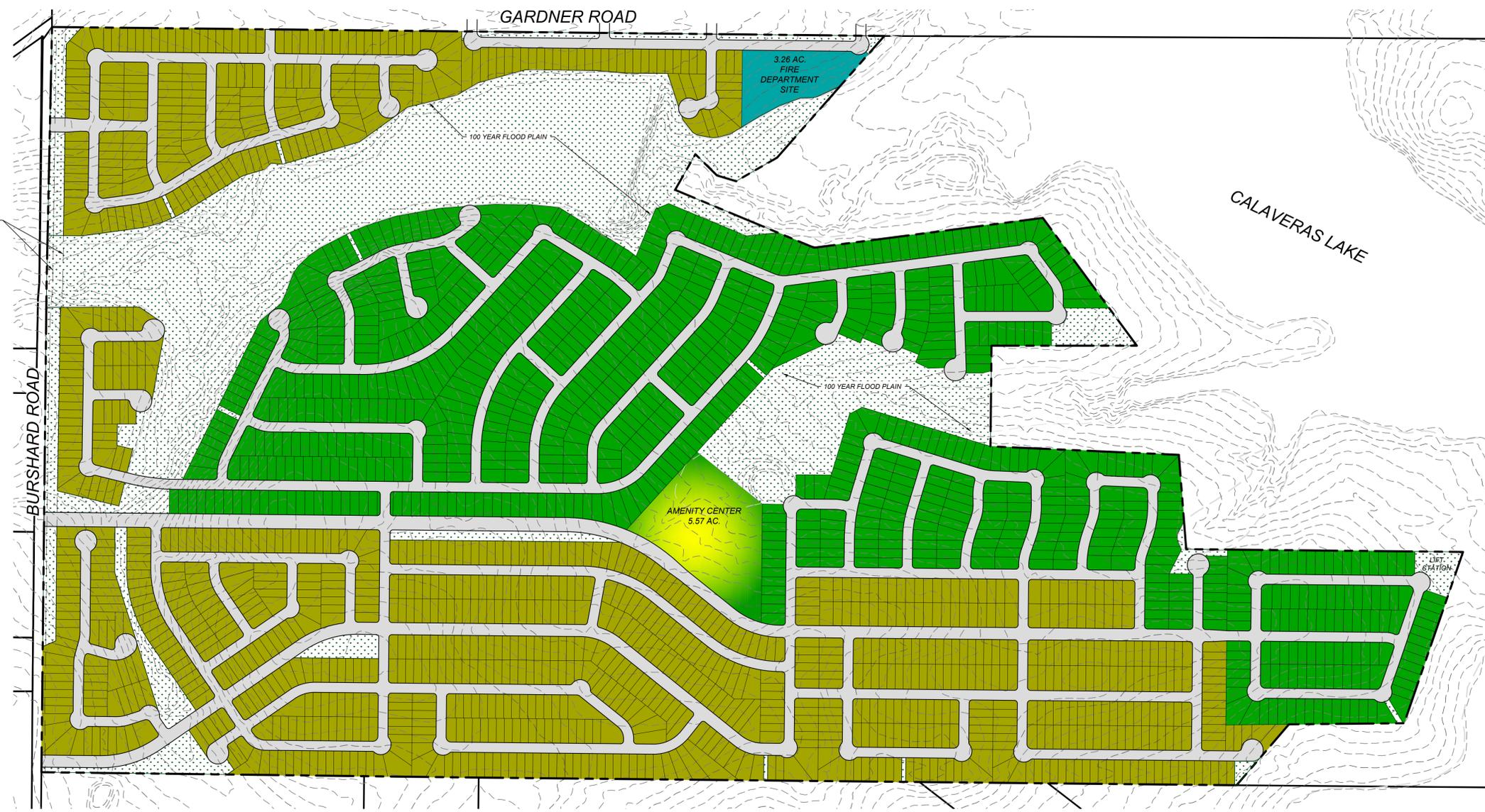
1. **N 89°36'17" E** a distance of **2407.29 feet** to a set ½" iron rod with cap stamped "KFW SURVEYING";
2. **S 89°47'08" E** a distance of **1291.35 feet** to the **POINT OF BEGINNING** and containing **447.92 acres** more or less, in Bexar County, Texas. Said tract being described in accordance with a survey prepared by KFW SURVEYING. Bearings are based on NAD83 Texas State Plane South Central Zone.

Job No.: 19-001
Prepared by: KFW Surveying
Date: January 11, 2019
File: S:\Draw 2019\19-001 Calaveras\DOCS\19-001 Calaveras description TCP 01112019.doc

EXHIBIT C:
PRELIMINARY MASTER DEVELOPMENT PLAN



LAND USE TABLE						
LOT SIZE	#LOTS	AREA (ACRES)	GREEN SPACE (ACRES)	PARK AREA (ACRES)	LIFT STATION	RESIDENTIAL AREA (ACRES)
40' x 120'	1,172	135.82	7.37	0.00	0.92	127.54
45' x 120'	895	134.60	74.45	5.59	0.00	54.56
TOTAL	2,067	270.42	81.82	5.59	0.92	182.10



3.54 AC. EASEMENT
 C.P.S. OF SAN ANTONIO
 SOUTHGATE PIPELINE PROJECT
 (VOL. 8633, PG. 535 O.P.R.)

CALAVERAS LAKE SUBDIVISION
 LAND USE EXHIBIT

JOB NO. 938-01-01
 DATE: MARCH 2022
 DRAWN: - CHECKED: -

SHEET NUMBER:
1 OF 1

EXHIBIT D:
NORTHLAKE PID STRATEGIC PARTNERSHIP AGREEMENT

STRATEGIC PARTNERSHIP AGREEMENT
BETWEEN THE CITY OF SAN ANTONIO, TEXAS AND
THE NORTHLAKE SPECIAL IMPROVEMENT DISTRICT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This Strategic Partnership Agreement (this “Agreement”) is entered into by and between the City of San Antonio, Texas (the “City”) and the Grace Gardens Special Improvement District (the “District”).

RECITALS

WHEREAS, the City is a home-rule municipal corporation created and existing under the laws of the State of Texas and situated primarily in Bexar County, Texas; and

WHEREAS, the District is a public improvement district created under and subject to the authority, conditions, and restrictions of Section 52, Article III, and Section 59, Article XVI, of the Texas Constitution and Chapter 382 of the Texas Local Government Code, as amended, and operating under Chapter 49 of the Texas Water Code, as amended; and

WHEREAS, the City and the District are individually referred to as a “Party” and collectively as the “Parties”; and

WHEREAS, Section 43.0751 of the Texas Local Government Code (the “Act”) authorizes the City and the District to negotiate and enter this Agreement; and

WHEREAS, the District encompasses approximately 447.92 acres, more or less, located within the extraterritorial jurisdiction of the City as depicted on **Exhibit A** and more fully described on **Exhibit B** attached to this Agreement (the “Development”); and

WHEREAS, the City and the District are authorized and desire to enter into this Agreement to establish the terms and conditions upon which (i) the City will annex the land within the District for limited and full purposes, and (ii) limitations on the District’s ability to incur debt, liabilities, or obligations without prior approval of the municipality; and

WHEREAS, certain areas within the Development may be developed for commercial uses; and

WHEREAS, the City desires to annex the commercial use areas of the Development for the purpose of imposing and collecting sales and use taxes within such areas; and

WHEREAS, subject to the terms and conditions of this Agreement, the District consents to the City’s limited purpose annexation of the commercial use areas of the Development for the purpose of imposing and collecting sales and use taxes within such areas; and

WHEREAS, the District provided notice of two public hearings in accordance with all applicable laws; and

WHEREAS, the board of directors of the District (the “Board”) conducted two public hearings in accordance with all applicable laws at which members of the public who wished to present testimony or evidence regarding this Agreement were given the opportunity to do so; and

WHEREAS, the Board has obtained all necessary consent required from Bexar County to allow the District to adopt this Agreement; and

WHEREAS, the Board approved and adopted this Agreement on _____, 20____, in open session at a meeting held in accordance with all applicable laws; and

WHEREAS, the City provided notice of two public hearings in accordance with all applicable laws; including Section 43.0751 and Section 43.9051(c) of the Texas Local Government Code.

WHEREAS, the City Council of the City (the “City Council”) conducted two public hearings in accordance with all applicable laws at which members of the public who wished to present testimony or evidence were given the opportunity to do so; and

WHEREAS, the City Council approved and adopted this Agreement on _____, 20____, in open session in accordance with all applicable laws, which approval and adoption occurred after the Board approved and adopted this Agreement; and

WHEREAS, all notices, hearings and other procedural requirements imposed by law for the adoption of this Agreement have been met; and

WHEREAS, in accordance with the requirements of Subsection (p)(1) of the Act, this Agreement does not require the District to provide revenue to the City solely for the purpose of obtaining an agreement with the City to forego annexation of the District; and

NOW THEREFORE, for and in consideration of the mutual agreements contained in this Agreement, and for the good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the District and the City agree as follows:

**ARTICLE I.
RECITALS AND DEFINITIONS**

Section 1.1 The recitals set forth above are true and correct and are incorporated herein and made a part hereof as findings for all purposes;

Section 1.2 In addition to the terms defined elsewhere in this Agreement, when used in this Agreement, each of the following terms will have the meaning indicated below:

Agreement means this Strategic Partnership Agreement between the City and the District.

Board means the Board of Directors of the District.

City Council means the City Council of the City.

City Manager means the City Manager of the City or designee

Conversion Date means the date upon which the City Council adopts an ordinance that includes the Land within the full-purpose boundary limits of the City.

Director means the City's Director of Planning or successor.

District means the Northlake Special Improvement District.

Drainage Facilities means any drainage improvements designed and constructed to serve the Project, or that naturally receive and convey drainage through the Project, including water quality and flood mitigation facilities, storm drain systems, drainage ditches, open waterways, and other related facilities that convey or receive drainage.

Effective Date means the date the City ordinance approving this Agreement is effective, which date is _____, 202_.

Full Purpose Annexation Date means the Conversion Date.

Land means the land within the District's boundaries, as those boundaries may be modified from time to time with the consent of the City.

Limited Purpose Annexation means annexation by the City for the limited purposes of planning and zoning, and for the purpose of imposing and collecting sales and use taxes within such areas in accordance with the Act.

Original Limited Purpose Property means that Land designated as commercial on the Preliminary Master Development Plan as depicted on **Exhibit C** attached to this Agreement.

Service Plan means the service plan attached as **Exhibit D** which specifies the municipal services to be provided by the City after the City's full annexation of land within the District.

ARTICLE II. ADOPTION OF AGREEMENT AND LIMITED PURPOSE ANNEXATION OF PROPERTY

Section 2.1 Public Hearings. The Parties acknowledge and agree that prior to the execution of this Agreement, the Board and the City Council conducted public hearings to consider the adoption of this Agreement and that such hearings were noticed and conducted in accordance with all applicable laws.

Section 2.2 Effective Date. The effective date of this Agreement (the “Effective Date”) is the date it is approved and adopted by the City Council.

Section 2.3 Filing in Property Records. This Agreement shall be filed in the Real Property Records of Bexar County, Texas.

Section 2.4 Limited Purpose Annexation of Original Limited Purpose Property. The Parties agree that the City may annex the Original Limited Purpose Property for the sole and limited purpose of collecting sales and use taxes authorized by Chapter 321 of the Texas Tax Code (the “Tax Code”) to be imposed by the City on sales consummated within the Original Limited Purpose Property. The District acknowledges and agrees that the City Council may adopt a limited purpose annexation ordinance applicable to the Original Limited Purpose Property at a meeting conducted in accordance with Chapter 551 of the Texas Government Code and that no further notices, hearings, or other procedures shall be required to adopt such limited purpose annexation ordinance. The City may commence limited purpose annexation of the Original Limited Purpose Property following the first plat application for property within the area identified as commercial on **Exhibit C**. The District shall notify the City within 10 days of filing the first plat application for commercial property. Moreover, within 10 days of filing a plat application for commercial property, the District shall provide the City with a metes and bounds legal description of the commercial property the subject of the plat application.

Section 2.5 Limited Purpose Annexation of Additional Commercial Property. If in the future any non-commercial land within the District as of the Effective Date is converted to any commercial use that contains eligible commercial activities for purposes of imposing sales and use taxes as allowed by the Tax Code, the Parties agree that the City may annex such additional commercial land (the “Additional Limited Purpose Property”) for the sole and exclusive purpose of imposing sales and use taxes pursuant to the Agreement. The District acknowledges and agrees that the City Council may adopt a limited purpose annexation ordinance applicable to the Additional Limited Purpose Property at a meeting conducted in accordance with Chapter 551 of the Texas Government Code and that no further notices, hearings, or other procedures shall be required to adopt such limited purpose annexation ordinance. The District shall notify the Director within 10 days of amending **Exhibit C**.

Section 2.6 Limited Purpose Property and Sales and Use Tax Revenues. For purposes of this Agreement, the Original Limited Purpose Property and Additional Limited Purpose Property, shall collectively be referred to as the “Limited Purpose Property”; and the sales and use taxes collected within the Limited Purpose Property shall be referred to as the “Sales and Use Tax Revenues”.

Section 2.7 Consent to Limited Purpose Annexation. The District hereby requests that the City annex the Limited Purpose Property solely for the purposes provided in this agreement. The District consents to such annexations, from time to time, and to the collection of sales and use tax revenues by the City within the Limited Purpose Property. Such consent shall bind the District.

Section 2.8 Voting. Pursuant to Section 43.130(a) of the Texas Local Government Code, the qualified voters of an area annexed for limited purposes are entitled to vote in municipal

elections regarding the election or recall of members of the governing body of the municipality, the election or recall of the controller, if the office of controller is an elective position of the municipality, and the amendment of the municipal charter. The voters may not vote in any municipal bond election.

ARTICLE III. TAXATION

Section 3.1 Collection of Sales and Use Tax Revenues. The City may impose a sales and use tax within the Limited Purpose Property pursuant to Subsection (k) of the Act. The sales and use tax may be imposed on all eligible commercial activities at the rate allowed under the Tax Code. Collection of Sales and Use Tax Revenues shall take effect on the date described in Section 321.102 of the Tax Code. The District agrees not to impose a sales and use tax within the Limited Purpose Property.

Section 3.2 Payment of Sales and Use Tax. The City shall pay to the District an amount equal to 25% of the Sales and Use Tax Revenues collected within the Limited Purpose Property (the “District Share”) commencing upon the effective date of the limited purpose annexation of the Limited Purpose Property and terminating upon the full purpose annexation or disannexation of the Limited Purpose Property. The City shall pay the District Share within 30 days after the City receives the sales tax report reflecting such revenues from the Comptroller of Public Accounts of the State of Texas (the “Comptroller”). Any payment of the District Share not made within such 30-day period shall bear interest calculated in accordance with Section 2251.025 of the Texas Government Code. The City shall retain all Sales and Use Tax Revenues that do not constitute the District Share (the “City Share”).

Section 3.3 Use of the Sales and Use Tax Revenues. The District may use the District Share for the following purposes and in the following order of priority: (i) FIRST, to pay for police, fire, and EMS services within the District; (ii) SECOND, to reimburse owners and developers of land within the District for the cost to design and construct improvements that are otherwise eligible for reimbursement through the issuance of District bonds (“Infrastructure”); (iii) THIRD, to pay for the operation, maintenance, repair, and replacement of Infrastructure; and (iv) LAST, for the retirement of District bonds after the 10th anniversary of issuance. The City may use the City share for any lawful purpose.

Section 3.4 Delivery of Sales Tax Reports to District. The City shall include with each payment of the District Share a condensed version of each sales tax report provided by the Comptroller relating to Sales and Use Tax Revenues within 30 days of the City’s receipt of such sales tax report.

Section 3.5 Notification of Comptroller. The City shall send notice of this Agreement, together with other required documentation, to the Comptroller in the manner provided by Tax Code, Section 321.102, after the City Council annexes the Limited Purpose Property for limited purposes.

Section 3.6 Termination of Sales and Use Tax Sharing. Upon termination of this Agreement, the City shall have no further financial obligation to the District pursuant to this Agreement, and all Sales and Use Tax Revenues shall be retained by the City.

Section 3.7 City Records and District Audit Rights. The District may audit the Sales and Use Tax Revenues to determine whether the District Share has been paid in accordance with this Agreement. The City shall provide reasonable accommodations for the District to perform the audit. Any audit shall be made at the District's sole cost and expense and may be performed at any time during the City's regular business hours on 30 days Notice. For purposes of any such audits, the City shall maintain and make available to the District's representatives all books, records, documents and other evidence of accounting procedures or practices to reflect the amount of Sales and Use Tax Revenues received by the City from within the Limited Purpose Property.

Section 3.8 Commercial Activity Quarterly Reports. The District shall provide four (4) reports ("Quarterly Reports") each year to the City on the status of commercial business operation(s) in the Limited Purpose Property to facilitate budgetary planning in connection with anticipated Sales and Use Tax Revenues. Quarterly Reports shall include any changes to any commercial operation(s) during the previous quarter and details including business location, use/type and name.

The District's Quarterly Reports shall be submitted to the Director of the City's Planning Department and shall begin the quarter following the first plat application for property within the area identified as commercial on **Exhibit C**. Thereafter, Quarterly Reports shall be submitted to the Director of the City's Planning Department as follows:

- (1) for the period from January 1 to March 31, such Quarterly Report shall be due on or before May 1;
- (2) for the period from April 1 to June 30, such Quarterly Report shall be due on or before July 31;
- (3) for the period from July 1 to September 30, such Quarterly Report shall be due on or before October 31; and
- (4) for the period from October 1 to December 31, such Quarterly Report shall be due on or before January 31 of the following year.

ARTICLE IV. FULL PURPOSE ANNEXATION

Section 4.1 The City agrees that it will not annex or attempt to annex the District property for full purposes until on or after December 31, 2052. When the land located within the District is annexed for full purpose annexation status in accordance with this Agreement and as provided by 43.0751 of the Texas Local Government Code, the conversion may be effected by City Council adoption of an ordinance incorporating the Land within full purpose city limits. Except as set out in this Agreement, no additional procedural or substantive requirements of State or local annexation law will apply to such annexation or to the annexation ordinance.

Section 4.2 The District acknowledges that the City may annex the District property for full purposes on or after the Full Purpose Annexation Date pursuant to the terms of the Agreement without the need for further action by the governing body of the municipality, including the procedures prescribed by Subchapters C-3, C-4, and C-5 of Chapter 43 of the Texas Local Government Code.

Section 4.3 The District consents to noncontiguous annexation of the District property by the City.

Section 4.4 Conversion Date-Full Purpose Annexation. Pursuant to Subsection (h) of the Act, the Limited Purpose Property shall be deemed to be within the full-purpose boundary limits of the City upon the Conversion Date without any further action by the City Council. For purposes of this Section 4.4, the Conversion Date is the date upon which the City Council adopts an ordinance that annexes for full purpose the Land within the District, including the Limited Purpose Property. The City may exercise its right to annex the District Property or any portion thereof (the "Annexation Area") in its sole discretion upon default of this Agreement or at the end of the term of this Agreement. The Parties further agree that this Agreement does not obligate the City to annex the entire or any part of the District Property or Annexation Area for limited or full purposes at any time.

Section 4.5 Service Plan. Following the Conversion Date, the City will provide additional municipal services within the District in accordance with the Service Plan attached in **Exhibit D** which will be the Service Plan for the District. The District affirms that the Service Plan is sufficient, and no further negotiations or public hearings are required for the adoption of the Service Plan. The District agrees that it will not contest the Service Plan.

Section 4.6 Authority of the City Upon Full Purpose Annexation. Upon the Conversion Date, the City will have all of the authority and power within the Land that the City has in all other areas within the City's incorporated city limits, including the power to levy and collect ad valorem property taxes and sales taxes.

Section 4.7 Rights of District Residents upon Full Purpose Annexation. Following the Conversion Date, the residents of the Land will be citizens of the City for all purposes and will have all of the rights, privileges, and responsibilities accorded to citizens residing in all other areas within the City's incorporated city limits.

ARTICLE V. TERM

Section 5.1 This Agreement commences and binds the Parties on the Effective Date and continues until such time the City has annexed the Land for full purposes and the District is dissolved in accordance with Section 382.201(b) of the Local Government Code; or the City may unilaterally terminate this Agreement for convenience, with 90 days' notice to the District.

Section 5.2 On the Effective Date, the City will record this Agreement in the Official Public Records of Bexar County, Texas, and the terms of this Agreement will constitute covenants running with the land and will become binding on each current and future owner of any real property included within the Land. If, in the future, additional property is annexed to the District, then, upon the effective date of such annexation, the terms of this Agreement will become applicable to that additional property in the same manner and to the same extent as if the additional property had originally been included within the Land.

**ARTICLE VI.
DISTRICT ASSETS, LIABILITIES, AND OBLIGATIONS**

Section 6.1. Upon the Conversion Date the City shall assume all of the District's assets, but the City will not be liable for the District's debt or other obligations pursuant to Section 382.201(a) of the Texas Local Government Code.

Section 6.2. Transfer of Certain Easements and Real Property to City. Within 90 days after the Conversion Date, the District will convey to the City, at no cost to the City, any real property and/or easements owned or held by the District. All conveyances will be by appropriate instrument, acceptable in form and substance to the City and the District. If any necessary transfer of title is not accomplished, for any reason, by the Conversion Date, the District agrees that the City will be authorized to finalize such conveyances as the District's successor-in-interest.

Section 6.3. Limitation on Debt. The District may not incur any debt, liability, or other obligation that extends past December 31, 2052, or sell or otherwise transfer property, without the prior approval of the City.

**ARTICLE VII.
BREACH, NOTICE AND REMEDIES**

Section 7.1 Notification of Breach. If either Party commits a breach of this Agreement, the non-breaching Party shall give Notice, as detailed in Section 8.2 of this Agreement, to the breaching Party that describes the breach in reasonable detail.

Section 7.2 Cure of Breach. The breaching Party shall commence curing the breach within 15 calendar days after receipt of the Notice of the breach and shall complete the cure within 30 days from the date of commencement of the cure; however, if the breach is not reasonably susceptible to cure within such 30-day period, the non-breaching Party shall not bring any action so long as the breaching Party has commenced to cure within such 30-day period and diligently completes the work within a reasonable time without unreasonable cessation.

Section 7.3 Remedies for Breach. If the breaching Party does not substantially cure the breach within the stated period of time, the non-breaching Party may, in its sole discretion, and without prejudice to any other right under this Agreement, law, or equity, seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act, specific performance, mandamus and injunctive relief; provided, however, that the non-

breaching Party shall not be entitled to terminate this Agreement. Damages, if any, to which any non-breaching Party may be entitled shall be limited to actual damages and shall not include special or consequential damages.

**ARTICLE VIII.
ADDITIONAL PROVISIONS**

Section 8.2 Notices. Any notices, certifications, approvals, or other communications (a “Notice”) required to be given by one Party to another under this Agreement shall be given in writing addressed to the Party to be notified at the address set forth below and shall be deemed given: (i) when the Notice is delivered in person to the person to whose attention the Notice is addressed; (ii) 10 business days after the Notice is deposited in the United States Mail, certified or registered mail, return receipt requested, postage prepaid; (iii) when the Notice is delivered by Federal Express, UPS, or another nationally recognized courier service with evidence of delivery signed by any person at the delivery address; or (iv) 10 business days after the Notice is sent by FAX (with electronic confirmation by the sending FAX machine) with a confirming copy sent by United States mail within 48 hours after the FAX is sent. If any date or 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 the Saturday, Sunday, or legal holiday. For the purpose of giving any Notice, the addresses of the Parties are set forth below. The Parties may change the information set forth below by sending Notice of such change to the other Party as provided in this Section 8.2.

To the City: City of San Antonio
 Attn: Director of the Department of Planning
 P.O. Box 839966
 San Antonio, Texas 78283-3966

To the District: Northlake Special Improvement District
 Attn: _____

Section 8.3 No Waiver. Any failure by a Party to insist upon strict performance by the other Party of any provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all of the provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purpose for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

Section 8.4 Governing Law and Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas, as they apply to contracts performed within the State of Texas and without regard to any choice of law rules or principles to the contrary. The Parties acknowledge that this Agreement is performable in Bexar County, Texas and hereby

submit to the jurisdiction of the courts of Bexar County, Texas and hereby agree that any such court shall be a proper forum for the determination of any dispute arising hereunder.

Section 8.5 Authority to Execute. The City represents and warrants to the District that the execution of this Agreement has been duly authorized by the City Council and that the person executing this Agreement on behalf of the City has been duly authorized to do so by the City Council. The District represents and warrants to the City that the execution of this Agreement has been duly authorized by the Board and that the person executing this Agreement on behalf of the District has been duly authorized to do so by the Board.

Section 8.6 Severability. The provisions of this Agreement are severable and, in the event any word, phrase, clause, sentence, paragraph, section, or other provision of this Agreement, or the application thereof to any person or circumstance, shall ever be held or determined to be invalid, illegal, or unenforceable for any reason, and the extent of such invalidity or unenforceability does not cause substantial deviation from the underlying intent of the Parties as expressed in this Agreement, then such provision shall be deemed severed from this Agreement with respect to such person, entity or circumstance, without invalidating the remainder of this Agreement or the application of such provision to other persons, entities or circumstances, and a new provision shall be deemed substituted in lieu of the provision so severed which new provision shall, to the extent possible, accomplish the intent of the Parties as evidenced by the provision so severed.

Section 8.7 Changes in State or Federal Laws. If any state or federal law changes so as to make it impossible for the City or the District to perform its obligations under this Agreement, the parties will cooperate to amend this Agreement in such a manner that is most consistent with the original intent of this Agreement as legally possible.

Section 8.8 Additional Documents and Acts. The Parties agree that at any time after execution of this Agreement, they will, upon request of the other Party, execute and/or exchange any other documents necessary to effectuate the terms of this Agreement and perform any further acts or things as the other Party may reasonably request to effectuate the terms of this Agreement.

Section 8.9 Assignment. This Agreement shall not be assignable without the other Party's written consent. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective representatives, successors, and assigns as permitted by this Agreement.

Section 8.10 Amendment. This Agreement may be amended only with the written consent of the Parties and with approval of the governing bodies of the City and the District.

Section 8.11 Interpretation. This Agreement has been negotiated by the Parties, each of which has been represented by counsel; consequently, the rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

Section 8.12 No Third Party Beneficiaries. This Agreement is solely for the benefit of the City and the District, and neither the City nor the District intends by any provision of this Agreement to create any rights in any third-party beneficiaries or to confer any benefit or enforceable rights under this Agreement or otherwise upon anyone other than the City and the District.

Section 8.13 Governmental Powers. Neither Party waives or surrenders any of its respective governmental powers, immunities or rights, except as specifically waived pursuant in this Section 9.13. Each Party waives its respective governmental immunity from suit and liability only as to any action brought by the other party to pursue the remedies available under this Agreement. Nothing in this Section 9.13 shall waive any claims, defenses, or immunities that either Party has with respect to suits against them by persons or entities not a party to this Agreement.

Section 8.14 Incorporation of Exhibits by References. All exhibits attached to this Agreement are incorporated into this Agreement by reference for the purposes set forth herein, as follows:

- | | |
|-----------|--|
| Exhibit A | Depiction of the Development |
| Exhibit B | Legal Description of the Development |
| Exhibit C | Depiction of the Original Limited Purpose Property |
| Exhibit D | Service Plan |

Section 8.15 Counterpart Originals. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO
ON _____, 20__.

ATTEST:

CITY OF SAN ANTONIO

City Clerk

By: _____
Printed Name: _____
Title: _____

**APPROVED AS TO FORM AND
LEGALITY:**

City Attorney

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on _____, 20__
by _____, the _____ of the City of San Antonio,
Texas, on behalf of the City.

Notary Public, State of Texas

APPROVED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE NORTHLAKE SPECIAL IMPROVEMENT DISTRICT ON _____, 20__.

NORTHLAKE SPECIAL IMPROVEMENT DISTRICT

By: _____

Printed Name: _____

Title: President, Northlake Special Improvement District Board of Directors

STATE OF TEXAS §

§

COUNTY OF BEXAR §

This instrument was acknowledged before me on _____, 20__ by _____, President, Board of Directors of the Northlake Special Improvement District on behalf of the District.

Notary Public, State of Texas

**EXHIBIT A TO STRATEGIC PARTNERSHIP AGREEMENT:
DEPICTION OF THE DEVELOPMENT**

**EXHIBIT B TO STRATEGIC PARTNERSHIP AGREEMENT:
LEGAL DESCRIPTION OF THE DEVELOPMENT**

**EXHIBIT C TO STRATEGIC PARTNERSHIP AGREEMENT:
DEPICTION OF THE LIMITED PURPOSE PROPERTY**

**EXHIBIT D TO STRATEGIC PARTNERSHIP AGREEMENT:
SERVICE PLAN**

EXHIBIT E:
TEXAS LOCAL GOVERNMENT CODE SECTION 212.172 (b-1) NOTICE

**NOTICE REQUIRED BY TEXAS LOCAL GOVERNMENT CODE, SECTION 212.172
(b-1)**

1. Owners are not required to enter into this Agreement
2. At the termination of this Agreement or in the event of a default of the Agreement by Owners, the City may annex the Property within the District pursuant to section 212.172 of the Texas Local Government Code, as amended, and the terms provided in this Agreement.
3. The Property may also be annexed for limited or full purposes by the City pursuant to a Strategic Partnership Agreement (SPA) entered into between the City and the District in accordance with the terms of the SPA and the authority under section 43.0751 of the Local Government Code, as amended.
4. In the event of annexation of the Property by the City, the procedures for the annexation shall be as follows:
 - a. The City will notify the Owners and/or the District's Board of Directors that the City is exercising its rights under the Agreement and/or the SPA to annex the Property.
 - b. The City will schedule a public hearing on the City's annexation of the Property.
 - c. The City will adopt an ordinance annexing the Property and set an effective date for the annexation.
 - d. Services to be provided within the areas annexed by the City shall be in accordance with the terms of the Agreement and SPA.
5. The authority to annex the Property and the procedures for the annexation shall be deemed to be with the consent of the Owners, District and individual lot owners within the District, pursuant to the terms of the Agreement and SPA. The City will not be required or obligated to obtain further consent of the Owners, District or individual lot owners within the District in order to annex the Property.
6. Pursuant to section 212.172 (i) of the Local Government Code, the City's immunity from suit is waived for the purpose of adjudicating a claim for breach of contract with respect to the Agreement.