

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS AUTHORIZING AND CREATING WALNUT SPRINGS PUBLIC IMPROVEMENT DISTRICT WITHIN THE CORPORATE LIMITS OF THE CITY OF SEGUIN, TEXAS IN ACCORDANCE WITH CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE; AUTHORIZING A DISSOLUTION AGREEMENT; RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Seguin, Texas (the “City”) is authorized by Chapter 372, Texas Local Government Code, as amended (the “Act”) to create a public improvement district within its corporate limits and to levy special assessments against property within the district to pay the costs of public improvement projects that confer a special benefit on property within the district; and

WHEREAS, on December 17, 2024, 2021 FII Walnut, LP, a Texas limited partnership (the “Petitioner”), submitted and filed with the City Secretary of the City (the “City Secretary”) pursuant to the Act a “Petition to Establish the Walnut Springs Public Improvement District” (the “Petition”) requesting the establishment of a public improvement district within the corporate limits of the City, covering approximately 410.87 acres described in the Petition, and is more particularly described by metes and bounds in Exhibit “A” and depicted in Exhibit “B” (the “Property”) each attached hereto and incorporated herein for all purposes, to be known as Walnut Springs Public Improvement District (the “District”); and

WHEREAS, Petitioner represents they constitute (i) the owners of taxable real property representing more than fifty percent (50%) of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located and (ii) the record owners of real property liable for assessment under the proposal who (a) constitute fifty percent (50%) of all record owners of property that are liable for assessment under the proposal in the Petition or (b) owns taxable real property that constitutes more than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the proposal; and

WHEREAS, the Act states that a Petition to create a public improvement district is sufficient if signed by owners of more than fifty percent (50%) of the taxable real property, according to appraised value, and either of the following: more than fifty percent (50%) of the area of all taxable real property liable for assessment under the proposal, or more than fifty percent (50%) of all record owners of property liable for assessment; and

WHEREAS, Petitioner estimates the cost of the proposed public improvements is \$66,796,434.00 (including issuance and other financing costs) and that said cost will be recovered through an assessment against property in the District which will result in each parcel paying its fair share of the costs of public improvements based on the special benefits received by the property; and

WHEREAS, the City Council of Seguin, Texas (the “City Council”), City staff and the consultants of the City have investigated and determined that the facts contained in the Petition are true and correct; and

WHEREAS, after publishing notice in an official newspaper of general circulation in the City and mailing notice of the hearing, all as required by and in conformity with the Act, on January 21, 2025, the City Council opened a public hearing on the advisability of the improvements and services and, after all persons having an interest in the creation of the District were given the opportunity to be heard, the City Council closed the public hearing; and

WHEREAS, the Petition, has been examined, verified, and found to meet the requirements of Section 372.005(b) of the Act and to be sufficient for consideration by the City Council; and

WHEREAS, the City Council has determined that the approval of this Resolution is in the best interests of the City and its residents.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS THAT:

SECTION 1. The City Council hereby approves the recitals contained in the preamble of this Resolution and finds that all the recitals are true and correct and incorporate the same in the body of this Resolution as findings of fact.

SECTION 2. The Petition submitted to the City by the Petitioner was filed with the City Secretary and complies with Section 372.005 of the Act.

SECTION 3. Pursuant to the requirements of the Act, including, without limitation, Sections 372.006, 372.009(a), 372.009(b), and 372.010, the City Council, after considering the Petition and the evidence and testimony presented at the public hearing, hereby finds and declares:

- (a) Advisability of the Authorized Improvements. It is advisable to create the District to provide the Authorized Improvements (as defined below) described in the Petition and this Resolution. The Authorized Improvements will promote the interests of the City and will confer a special benefit on the District.
- (b) General Nature of the Authorized Improvements. The purposes of the District include the design, acquisition, construction, and improvement of public improvement projects authorized by the Act. The general nature of the proposed public improvements to be provided by the District that are necessary for the development of the Property within the District, in phases, may include, without limitation: (i) street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) establishment or improvement of parks and open space, together with the design, construction of any ancillary features or amenities

such as trails, playgrounds, walkways, lighting and any similar items located therein; (iii) sidewalks and landscaping, including entry monuments and features, fountains, lighting and signage; (iv) acquisition, construction, and improvement of water, wastewater and drainage improvements and facilities; (v) acquisition of real property in connection with the Authorized Improvements (as defined below); (vi) payment of costs, including, without limitation, design, engineering, permitting, legal, required payment, performance and maintenance bonds, bidding, support, construction, construction management, administrative and inspection costs, associated with developing and financing the public improvements listed in (i) through (v) above; (vii) projects similar to those listed in (i) through (v) above or authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; (viii) payment of costs associated with special supplemental services for improvement and promotion of the District as approved by the City including services related to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; and (ix) payment of costs associated with developing and financing the public improvements listed in (i) through (viii) above, as well as the interest, costs of issuance, reserve funds, or credit enhancement of bonds issued for the purposes described in (i) through (viii) above, and costs of establishing, administering and operating the District (the "Authorized Improvements"). These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property within the District.

- (c) Estimated Cost of the Authorized Improvements. The estimated cost to design, acquire and construct the Authorized Improvements is \$66,796,434.00 (including bond issuance and other financing costs). The City will determine what amount or portion of the costs will be paid by assessment of the property owners within the District. Unless otherwise agreed upon by the City, the City will not be obligated to provide any funds to finance the proposed Authorized Improvements, other than from assessments levied on real property within the District. The developer of the Property (the "Developer") may be obligated for the costs of certain specified Authorized Improvements within the District. The City and the Developer may be reimbursed for the costs of certain specified Authorized Improvements from assessments levied within the District. The Developer may also pay certain costs of the Authorized Improvements from other funds available to the Developer.
- (d) District Boundaries. The District is proposed to include approximately 410.87 acres of land in the corporate limits of the City, as more particularly described in Exhibit "A" attached hereto, and as depicted in Exhibit "B" attached hereto.
- (e) Proposed Method of Assessment. The City shall levy an assessment on each parcel within the District to pay the cost of the Authorized Improvements in a manner that results in imposing equal shares of the cost on property similarly benefited. Each assessment may be paid whole or in part at any time (including interest and principal) and certain assessments may be paid in annual installments (including interest and principal). If allowed to be paid in installments,

then the installments must be paid in amounts necessary to meet annual costs for the Authorized Improvements financed by the assessment and must continue for a period necessary to retire the indebtedness incurred to pay the costs of those Authorized Improvements (including interest).

The assessment methodology will result in each parcel paying its fair share of the costs of the Authorized Improvements provided with the assessments based on the special benefits received by the property from the Authorized Improvements and property equally situated paying equal shares of the costs of the Authorized Improvements.

- (f) Proposed Apportionment of Cost between the District and the City. Authorization and creation of the District will not obligate the City to provide any funds to finance the Authorized Improvements. No City property in the District shall be assessed and the City will pay none of the costs of the Authorized Improvements. All of the costs of the Authorized Improvements will be paid from assessments levied on the property within the District and from other funds, if any, available to the District and the Developer. The Developer may also pay certain costs of the Authorized Improvements from other funds available to the Developer.
- (g) Management of the District. The District shall be managed by the City. The City may contract with a consultant or third-party administrator, who shall carry out all or part of the responsibilities of managing the District, including the day-to-day management and administration of the District.
- (h) Advisory Body. The District shall be managed without the creation of an advisory body. The City Council reserves the right to appoint an advisory body in the future.

SECTION 4. Walnut Springs Public Improvement District is hereby authorized and created as a public improvement district under the Act in accordance with the findings as to the advisability of the Authorized Improvements contained in this Resolution, which authorization shall take effect on the date of adoption of this Resolution. The District shall be subject to the terms, conditions, limitations, and reservations contained in the findings of Section 3 of this Resolution. The Authorized Improvements described in the Petition and Section 3 of this Resolution are authorized to be made in accordance with the service and assessment plan for Walnut Springs Public Improvement District to be approved by City Council at a future meeting.

SECTION 5. The District can be terminated as provided by law or as provided in that certain "Agreement Regarding the Dissolution of the Walnut Springs Public Improvement District" dated January 21, 2025 (the "Dissolution Agreement") attached as Exhibit "C" hereto. The Dissolution Agreement is hereby authorized and approved in substantially the form attached hereto, which is incorporated herein as part hereof for all purposes and the Mayor or Mayor Pro-tem is authorized and directed to execute and deliver the Dissolution Agreement with such changes as may be required to carry out the purpose of this Resolution and as approved by the Mayor or Mayor Pro-tem, such approval to be evidenced by the execution thereof. Subject to the last sentence of this Section 5, the power of the City to

continue to levy and collect assessments within the District pursuant to the Act will cease and the District will be dissolved following the date that a petition requesting dissolution is filed with the City Secretary of the City of Seguin and the petition contains signatures of at least the number of property owners in the District to make the petition sufficient for creation of a public improvement district as provided in Section 372.005(b) of the Act, and a public hearing has been held by the City Council as described in Section 372.011 of the Act, and as provided in the Dissolution Agreement. If the District is dissolved, the District shall remain in effect for the purpose of meeting obligations of indebtedness for the Authorized Improvements.

SECTION 6. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 7. If any section, article, paragraph, sentence, clause, phrase or word in this Resolution or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Resolution; and the City Council hereby declares it would have passed such remaining portions of the Resolution despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 8. The City Secretary is directed to give notice of the authorization for the establishment of the District by recording this Resolution in the Official Public Records of Hays County, Texas on or before the seventh day after the passage of this Resolution.

SECTION 9. It is officially found, determined and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 10. This Resolution shall be in full force and effect from and after its passage, and it is accordingly so resolved.

[Signature page follows]

PASSED AND ADOPTED by the City Council of Seguin, Texas, at a regular meeting on the 21st day of January, 2025, at which a quorum was present, and for which due notice was given pursuant to Government Code, Chapter 551.

Donna Dodgen, Mayor

ATTEST:

Kristin Mueller, City Secretary

[CITY SEAL]

EXHIBIT "A"
METES AND BOUNDS DESCRIPTION OF THE PROPERTY

FIELD NOTES FOR A 410.87 ACRE TRACT OF LAND

A **410.87 acre** tract of land, located in the Antonio Maria Esnaurizar Survey, Abstract 20, and the Humphreys Branch Survey Abstract No. 1876, Guadalupe County, Texas, being a portion of a called 300.3 acre tract of land as described in Volume 15, Page 23 of the Deed Records of Guadalupe County, Texas, and a portion of a called 115 acre tract of land as described in Volume 19, Page 462 of the Deed Records of Guadalupe County, Texas. Said **410.87 acre** tract being more particularly described by metes and bounds as follows:

BEGINNING at a found ½” iron rod with orange cap in the east right-of-way line of C.R 105, a.k.a. Huber Road, the east line of a called 1.18 acre tract of land as described in Volume 253, Page 72 of the Deed Records of Guadalupe County, Texas, for the southwest corner of a called 12.504 acre tract of land as described in Document No. 2017005570 of the Official Public Records of Guadalupe County, Texas, and the northwest corner of the tract described herein, from which a found ½” iron rod in the east right-of-way line of Huber Road, at the northwest corner of said 12.504 acre tract and for the northeast corner of said 1.18 acre tract bears, N 00° 34’ 29” W, a distance of 467.60 feet;

THENCE: S 88° 32’ 55” E, departing said right-of-way line, with the south line of said 12.504 acre tract, a distance of **1145.31 feet** to a found 1-1/2” iron pipe for the southwest corner of a called 62.062 acre tract of land, the southeast corner of said 12.504 acre tract, an interior corner in the north line of said 115 acre tract and for an angle of the tract described herein;

THENCE: With the north line of said 115 acre tract and the south lines of said 62.062 acre tract, a called 31.011 acre tract of land as described in Volume 3155, Page 382 of the Official Public Records of Guadalupe County, Texas, a called 100.193 acre tract of land as described in Document No. 2017027385 of the Official Public Records of Guadalupe County, Texas, a called 31.136 acre tract of land as described in Document No. 202199015824 of the Official Public Records of Guadalupe County, Texas, a called 50.315 acre tract of land as described in Document No. 201899008151 of the Official Public Records of Guadalupe County, Texas, and a called 50.232 acre tract of land as described in Document No. 201899008150 of the Official Public Records of Guadalupe County, Texas, the following six (6) courses:

1. **S 88° 35’ 50” E**, a distance of **319.34 feet** to a found ½” iron rod with orange cap for an angle,
2. **S 88° 34’ 44” E**, a distance of **318.32 feet** to a found ½” iron rod for an angle,
3. **S 88° 27’ 59” E**, a distance of **506.59 feet** to a found ½” iron rod for an angle,
4. **S 88° 05’ 44” E**, a distance of **514.11 feet** to a found ½” iron rod for an angle,
5. **S 88° 32’ 12” E**, a distance of **515.89 feet** to a found 1” pipe for an angle, and
6. **S 89° 01’ 41” E**, a distance of **512.41 feet** to a found 1” pipe in the west line of a called 106.19 acre tract of land as described in Document No. 202199029468 of the Official Public Records of Guadalupe County, Texas, the southeast corner of said 50.232 acre tract, the north east corner of said 115 acre and the tract described herein;

THENCE: S 00° 25’ 47” E, with the west line of said 106.19 acre tract, the east line of said 115 acre tract and said 300.0 acre tract, for a distance of **3296.92 feet** to a found 3” iron pipe fence post for the northwest corner of a called 134.03 acre tract of land as described in Document No. 2017013004 of the Official Public Records of Guadalupe County, Texas, at the southwest corner of said 106.19 acre tract and an angle of the tract described herein;

THENCE: S 01° 20’ 01” E, with the west line of said 134.03 acre tract, continuing with the east line of said 300.3 acre tract, a distance of **2084.56 feet** to a found 1-1/2” iron pipe in the north line of a called 39.90 acre tract of land as described in Volume 609, Page 228 of the Deed Records of Guadalupe County, Texas, for the southwest corner of said 134.03 acre tract, the southeast corner of said 300.3 acre tract and the tract described herein;

THENCE: S 89° 13’ 20” W, with the north line of said 39.90 acre tract and the south line of said 300.3 acre tract, a distance of **2516.63 feet** to a found ½” iron rod with orange cap in the east right-of-way line of Huber Road, at the southeast corner of a called 0.5 of one acre tract as described in Volume 253, Page 72 of the Deed Records of Guadalupe County, Texas, at the northwest corner of said 39.90 acre tract and the southwest corner of the tract described herein;

THENCE: N 01° 13' 47" W, with the east right-of-way line of Huber Road and the east line of said 0.5 of one acre, a distance of **2190.87 feet** to a found ½" iron rod at the northeast corner of said 0.5 of one acre, the southeast corner of a called 2.523 acre tract of land as conveyed to the City of Seguin of record in Instrument No. 202199032863 of the Official Public Records of Guadalupe County, Texas and for an angle of the tract described herein,

THENCE: With the easterly and northerly lines of said 2.523 acre tract, the following eight (8) courses:

1. N 00° 40' 09" W, distance of **90.36 feet** to a set ½" iron rod with a red plastic cap stamped "Matkin Hoover Eng. & Surveying" for an interior corner of the tract described herein,
2. S 88° 35' 23" W, a distance of **717.29 feet** to a set ½" iron rod with a red plastic cap stamped "Matkin Hoover Eng. & Surveying" for a point of curvature,
3. With a curve to the right having a radius of **9940.00 feet**, an arc length of **145.84 feet**, a delta angle of **000° 50' 26"** and a chord bears, S 89° 00' 35" W, a distance of **145.84 feet** to a set ½" iron rod with a red plastic cap stamped "Matkin Hoover Eng. & Surveying" for a point of tangency,
4. S 89° 25' 49" W, a distance of **155.02 feet** to a set ½" iron rod with a red plastic cap stamped "Matkin Hoover Eng. & Surveying" for corner,
5. N 00° 34' 11" W, a distance of **31.45 feet** to a set ½" iron rod with a red plastic cap stamped "Matkin Hoover Eng. & Surveying" for corner,
6. S 89° 25' 49" W, a distance of **123.67 feet** to a set ½" iron rod with a red plastic cap stamped "Matkin Hoover Eng. & Surveying" for corner,
7. S 00° 34' 10" E, a distance of **41.45 feet** to a set ½" iron rod with a red plastic cap stamped "Matkin Hoover Eng. & Surveying" for corner, and
8. S 89° 25' 49" W, a distance of **179.25 feet** to a set ½" iron rod with a red plastic cap stamped "Matkin Hoover Eng. & Surveying" in the east right-of-way line of Huber Road, the east line of said 1.18 acre tract, for the northwest corner of said 2.523 acre tract and for the most westerly southwest corner of the tract described herein;

THENCE: With the easterly right-of-way line of Huber Road and the east line of said 1.18 acre tract, the following three (3) courses:

1. N 00° 08' 55" W, a distance of **1502.40 feet** to a set ½" iron rod with a red plastic cap stamped "Matkin Hoover Eng. & Surveying" for angle,
2. N 00° 26' 16" W, a distance of **1023.68 feet** to a set ½" iron rod with a red plastic cap stamped "Matkin Hoover Eng. & Surveying" for angle, and
3. N 00° 32' 43" W, a distance of **740.20 feet** to the **POINT OF BEGINNING** and containing **410.87 acres** of land situated in Guadalupe County, Texas.

Note: The basis of bearing was established using the Trimble VRS Network, NAD (83), Texas State Plane Coordinate System, South Central Zone, 4204, US Survey Foot, Grid. A survey plat was prepared by a separate document. Field work performed in May 2021.



Job # 21-4047

Date: November 10, 2021

EXHIBIT "B"
PROPERTY DEPICTION

NOTES

1. THIS SURVEY IS BASED ON THE STATE PLATE COORDINATE SYSTEM ESTABLISHED FOR THE STATE OF TEXAS BY THE TEXAS DEPARTMENT OF AGRICULTURE AND FORESTRY IN 1983.

2. THE SURVEY IS BASED ON THE STATE PLATE COORDINATE SYSTEM ESTABLISHED FOR THE STATE OF TEXAS BY THE TEXAS DEPARTMENT OF AGRICULTURE AND FORESTRY IN 1983.

3. THE TRACT BOUNDARIES ARE SUBJECT TO ALL GUADALUPE COUNTY ORDINANCES AND REGULATIONS.

4. METES AND BOUNDS ARE PREPARED FOR THE SURVEY.

5. THE TRACT BOUNDARIES ARE SUBJECT TO ALL GUADALUPE COUNTY ORDINANCES AND REGULATIONS.

6. THE SUBJECT PROPERTY IS CURRENTLY ZONED "M" (MEDIUM DENSITY RESIDENTIAL) ACCORDING TO THE ZONING ORDINANCES OF THE CITY OF SEGUIN, TEXAS.

7. THE TRACT BOUNDARIES ARE SUBJECT TO ALL GUADALUPE COUNTY ORDINANCES AND REGULATIONS.

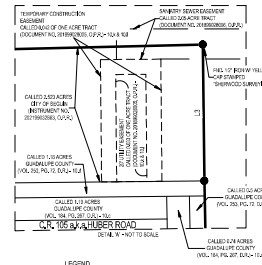
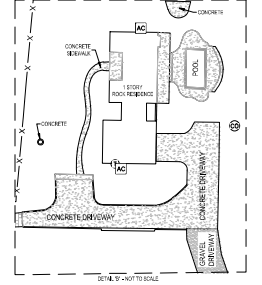
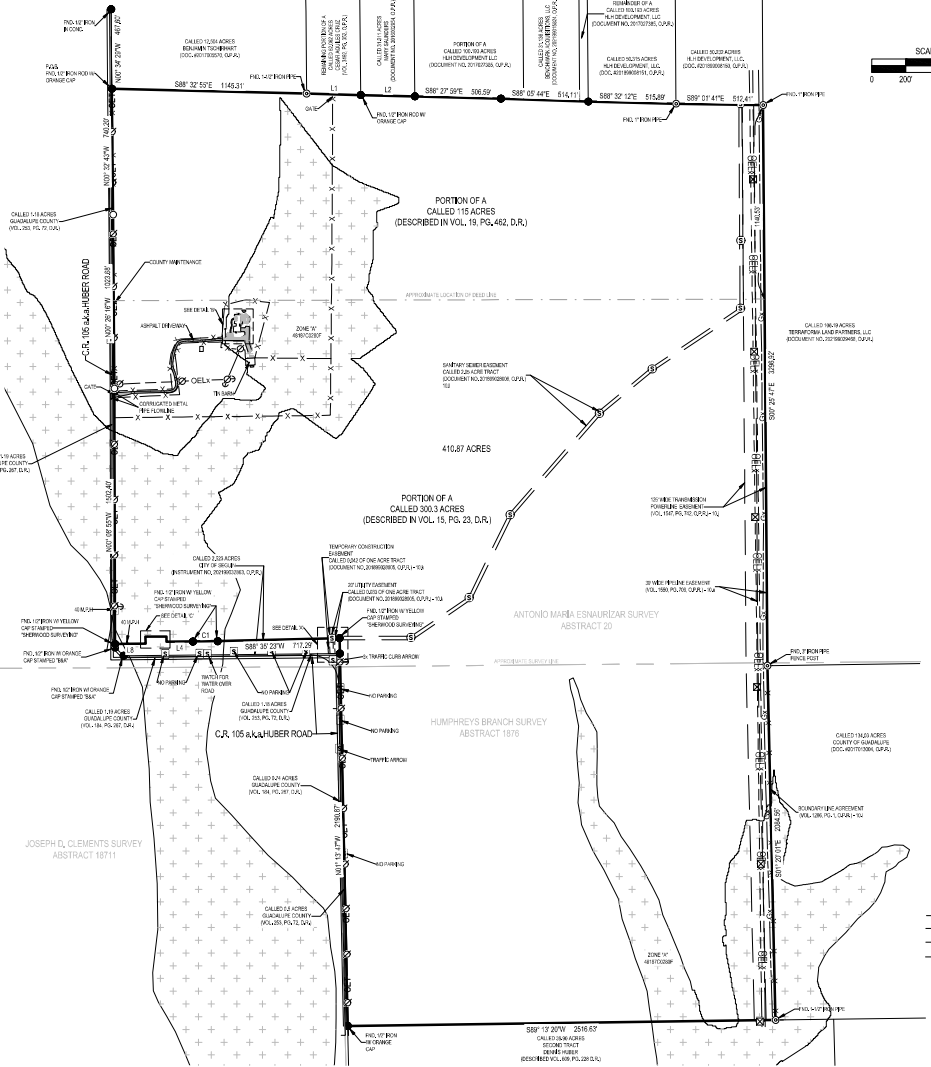
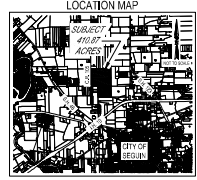
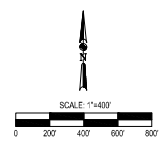
8. THE TRACT BOUNDARIES ARE SUBJECT TO ALL GUADALUPE COUNTY ORDINANCES AND REGULATIONS.

9. THE TRACT BOUNDARIES ARE SUBJECT TO ALL GUADALUPE COUNTY ORDINANCES AND REGULATIONS.

10. THE TRACT BOUNDARIES ARE SUBJECT TO ALL GUADALUPE COUNTY ORDINANCES AND REGULATIONS.

LAND TITLE SURVEY OF

A 410.87 ACRE TRACT OF LAND, LOCATED IN THE ANTONIO MARIA ENSAURIZAR SURVEY, ABSTRACT 20, AND THE HUMPHREYS BRANCH SURVEY, ABSTRACT 1876, GUADALUPE COUNTY, TEXAS, BEING A PORTION OF A CALLED 300.3 ACRE TRACT OF LAND AS DESCRIBED IN VOLUME 15, PAGE 231 OF THE DEED RECORDS OF GUADALUPE COUNTY, TEXAS, AND A PORTION OF A CALLED 115 ACRE TRACT OF LAND AS DESCRIBED IN VOLUME 19, PAGE 462 OF THE DEED RECORDS OF GUADALUPE COUNTY, TEXAS.



LINE	BEARING	DISTANCE
L1	S89° 32' 59\"/>	

CURVE	RADIUS	LENGTH	DELTA	CHORD BEARING	CHORD LENGTH
C1	100.00	1.5708	18.435	S89° 32' 59\"/>	

- LEGEND**
- P.O.B. POINT OF BEGINNING
 - 12\"/>



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EXHIBIT "C"
DISSOLUTION AGREEMENT