

STATE OF TEXAS

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COUNTY OF GUADALUPE

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CHAPTER 43 TEXAS LOCAL GOVERNMENT CODE
DEVELOPMENT AGREEMENT

This Agreement is entered into pursuant to Sections 43.016 and 212.172 of the Texas Local Government Code by and between the City of Seguin, Texas (the “City”) and the undersigned property owner(s) (the “Owner”). The term “Owner” includes all owners of the Property.

WHEREAS, the Owner owns a parcel of real property (the “Property”) in Guadalupe County, Texas, which is more particularly and separately described in the attached Exhibit “A”; and

WHEREAS, the Owner desires to have the Property remain in the City’s extraterritorial jurisdiction, in consideration for which the Owner agrees to enter into this Agreement; and

WHEREAS, the Owner and the City acknowledge that this property was subject to a prior agreement under Section 212.172 of the Texas Local Government Code and could have been annexed under that agreement in accordance with Section 43.016; 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, this Development Agreement is to be recorded in the Real Property Records of Guadalupe County, Texas.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

Section 1. The City guarantees the continuation of the extraterritorial status of the Owner’s Property, its immunity from annexation by the City, and its immunity from City property taxes, for the term of this Agreement, subject to the provisions of this Agreement. Except as provided in this Agreement, the City agrees not to annex the Property, agrees not to involuntarily institute proceedings to annex the Property, and further agrees not to include the Property in a statutory annexation plan for the Term of this Agreement.

Section 2. The Owner covenants and agrees not to use the Property for any use other than the existing use as a welding business, potential agricultural use, and a single residential structure, without the prior written consent of the City.

(a). The Owner covenants and agrees that no later than six (6) months from the date of this agreement he will seek: (1) a building permit from either the City or Guadalupe County for the existing building on the Property; and (2) complete a drainage study and follow the City’s procedure for having the study approved by the city engineer.

(b) The Owner covenants and agrees that within one year from the date of this Agreement he will further screen the building from IH-10 by the installation of screening, that can be either fencing or landscape.

(c) The Owner covenants and agrees that within two years from the date the City approves the drainage plan, the Owner shall construct all items set out in the approved drainage plan and improve all parking and driveway areas with either chip seal, concrete or asphalt.

The Owner covenants and agrees that the Owner will not subdivide or file any type of subdivision plat or related development document for the Property with Guadalupe County or the City until the Property has been annexed into, and zoned by, the City.

During the duration of this Agreement, the Owner covenants and agrees not to construct, or allow to be constructed, any buildings on the Property that would require a building permit if the Property were in the city limits, subject to the exceptions set forth herein. The Owner reserves the right to repair or renovate buildings on the Property that are consistent with its use as a welding business without obtaining a building permit or triggering annexation.

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 Owners who sign 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 acknowledges that if he fails to complete all of the requirements outlined in Section 2, subparagraphs (a) through (c) above, changes the commercial use of the property without prior permission from the City, files any plat or related development document in violation of this Agreement, or if the Owner commences development of the Property in violation of this Agreement, then in addition to the City's other remedies, such act will constitute a petition for voluntary annexation by the Owner, and the Property will be subject to annexation at the discretion of the City Council. The Owner agrees that such annexation shall be voluntary, and the Owner hereby consents to such annexation as though a petition for such annexation had been tendered by the Owner.

If annexation proceedings begin pursuant to this Section, the Owner acknowledges that this Agreement serves as an exception to Local Government Code Sections 43.0505 and 43.052, requiring a municipality to use certain statutory procedures under an annexation plan. 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 virtue of any actions Owner has taken in violation of Section 2 herein.

Section 4. Pursuant to Sections 43.016(b)(1)(B) of the Texas Local Government Code, the City is authorized to enforce all of the City's regulations and planning authority that do not materially interfere with the use of the Property for a welding business, residential purposes or for agriculture, wildlife management, or timber, in the same manner the regulations are enforced within the City's boundaries. The City states and specifically reserves its authority pursuant to Chapter 251 of the Texas Local Government Code to exercise eminent domain over property that is subject to a Chapter 43 and/or Chapter 212 development agreement.

Section 5. In accordance with Texas Local Government Code 212.172(d), the initial term of this Agreement (the "Initial Term") is fifteen (15) years from the date that the City Manager's signature to

this Agreement is acknowledged by a public notary. Unless each party agrees to a subsequent term, the City may commence the annexation of the Property at the end of the Initial Term. In connection with annexation pursuant to this section, the Owners hereby waive any vested rights they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any plat or construction any of the owners may initiate during the time between the expiration of this Agreement and the institution of annexation proceedings by the City.

Section 6. Any person who sells or conveys any portion of the Property shall, prior to such sale or conveyance, give written notice of this Agreement to the prospective purchaser or grantee, and shall give written notice of the sale or conveyance to the City. Furthermore, the Owners and the Owners' heirs, successors, and assigns shall give the City written notice within 14 days of any change in the agricultural exemption status of the Property. A copy of either notice required by this section shall be forwarded to the City at the following address:

City of Seguin
Attn: City Manager
205 N River St.
Seguin, TX 78155

Section 7. This Agreement shall run with the Property and be recorded in the Real Property Records of Guadalupe County, Texas.

Section 8. If a court of competent jurisdiction determines that any covenant of this Agreement is void or unenforceable, including the covenants regarding involuntary annexation, then the remainder of this Agreement shall remain in full force and effect.

Section 9. 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.

Section 10. 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 11. Venue for this Agreement shall be in Guadalupe County, Texas.

Section 12. This Agreement may be separately executed in individual counterparts and, upon execution, shall constitute one and same instrument.

Section 13. This Agreement shall survive its termination to the extent necessary for the implementation of the provisions of Sections 3, 4 and 5 herein.

Entered into this ____ day of July, 2021.

Owner (Signature)

Printed Name: Jessie Milam

THE STATE OF TEXAS §
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COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of July, 2020,
by Jessie Milam, Owner.

Notary Public, State of Texas

Steve Parker, City Manager
City of Seguin, Texas

THE STATE OF TEXAS §
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COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of July, 2021,
by Steve Parker, City Manager, City of Seguin, Texas.

Naomi Manski, Notary Public
in and for the State of Texas