

THE STATE OF TEXAS

COUNTY OF KAUFMAN

**PETITION FOR THE ESTABLISHMENT OF THE
CROSSROADS CENTER PUBLIC IMPROVEMENT DISTRICT ("PETITION")**

TO THE CITY COUNCIL, CITY OF TERRELL, TEXAS:

COMES NOW

Cross Roads at Terrell 2015, L.P a Texas limited partnership of
8350 N. Central Expressway, Suite M1020 Dallas, TX 75206

and

Hiser Lane LLC, a California limited liability company of
4018 South Hempstead Circle, San Diego, CA 92116

and

CFT NV DEVELOPMENTS, LLC, a Nevada limited liability company of
1683 Walnut Grove Avenue, Rosemead, CA 91770

The owners of real property (the "Petitioners"), and pursuant to Section 372.005 of the Texas Local Government Code, who hereby petition the City Council, City of Terrell, Texas ("City"), to conduct a hearing on this Petition, pursuant to Section 372.009 of the Texas Local Government Code, in anticipation of the establishment of a Public Improvement District to be known as the "Crossroads Center Public Improvement District" (hereinafter referred to as the "District").

In support of same, Petitioners would respectfully show the following:

I.

The boundaries of the proposed District are set forth in the survey of approximately 77.23 acres shown in Exhibit "A" ("Property") attached hereto and incorporated by reference herein.

II.

The general purpose and nature of the District will be to repair and maintain common drainage and other common improvements located on the Property, as generally depicted on Exhibit "B" (Public Facilities).

III.

The annualized expenses are estimated to total approximately \$36,000 based on the maintenance program shown in Exhibit "C" ("Maintenance Program"), attached hereto and incorporated by reference herein. The Petitioners acknowledge that expenses of the Maintenance Program will vary based on actual expenses incurred by the District for the Maintenance Program. The Petitioners acknowledge that the work of the

Public Improvement District initiates only after the City accepts as complete such Common Drainage Facilities as may be developed and dedicated to the City by the Petitioner.

IV.

The proposed method of assessment for each parcel within the District is as follows: the governing body of the City will calculate and levy assessments for the actual expenses incurred by the City for the Maintenance Program based on each parcel's percentage of square feet of property as indicated on Exhibit "A". Annually, the City shall determine each respective property owner's share of land area; which shall represent each respective property owner's share of the costs. Property owned by the City and utilized for above ground drainage or stormwater detention shall not be included in the calculation. Property utilized by TxDOT shall not be included in the calculation. The Petitioner acknowledges the City will adjust the allocation of assessments based on changes in ownership and calculating the allocation based upon the size of each parcel's share of the land area, and actual expenses of the Maintenance Program on an as needed basis.

V.

The management of the District will be by the City.

VI.

The persons or entities (through authorized representatives) signing this Petition request or concur with the establishment of the District and for the District to be managed and operated by the City, including, but not limited to:

- 1) Developing a budget for the annual expenses.
- 2) Determining and establishing the annual assessment.
- 3) Procuring all services.
- 4) Assuring timely and quality performance of services.
- 5) Auditing, reporting, and otherwise performing all accounting, oversight, and other management functions.
- 6) All such management and operations to be subject to annual approval by the Terrell City Council.

VII.

It is acknowledged that an Advisory Body will not be established to develop and recommend an "improvement plan" to the City Council of the City regarding the Maintenance Program. The City of Terrell shall not exempt or waive the obligations of this Petition for any land owner, current or future, in the District.

VIII.

The persons or entities (through authorized representatives) signing this Petition are:

- 1) Owners of real property representing more than fifty percent (50%) of the appraised value of the real property liable for assessment under this Petition as determined by the current roll of the appraisal district in which the Property is located; and,

2) Owners of real property liable for assessment under this Petition who (a) constitute more than fifty percent (50%) of all record owners of property that are liable for assessment under this Petition, and (b) own real property that constitutes more than fifty percent (50%) of the area of all real property that is liable for assessment under this Petition.

IX.

The Exhibits to this Petition are summarized as follows:

Exhibit "A"	Boundary of District
Exhibit "B"	Public Facilities
Exhibit "C"	Maintenance Program

X.

This Petition for the Crossroads Center Public Improvement District will be filed with the City Secretary, City of Terrell, Texas. This Petition shall become effective upon the latest date of execution below.

Cross Roads at Terrell 2015 L.P., a Texas limited partnership

By: Terrell 80/20 GP L.L.C., a Texas limited liability company, its general partner

By: George Allen
George Allen, Manager

10/6/16
Date

HISER LANE LLC, a California limited liability company

By: Michele Serra, Manager 10/24/16
Michele Serra, Manager Date

CFT NV DEVELOPMENTS, LLC, a Nevada limited liability company

By: _____

Name, Title

Exhibit "A"
Retail Property

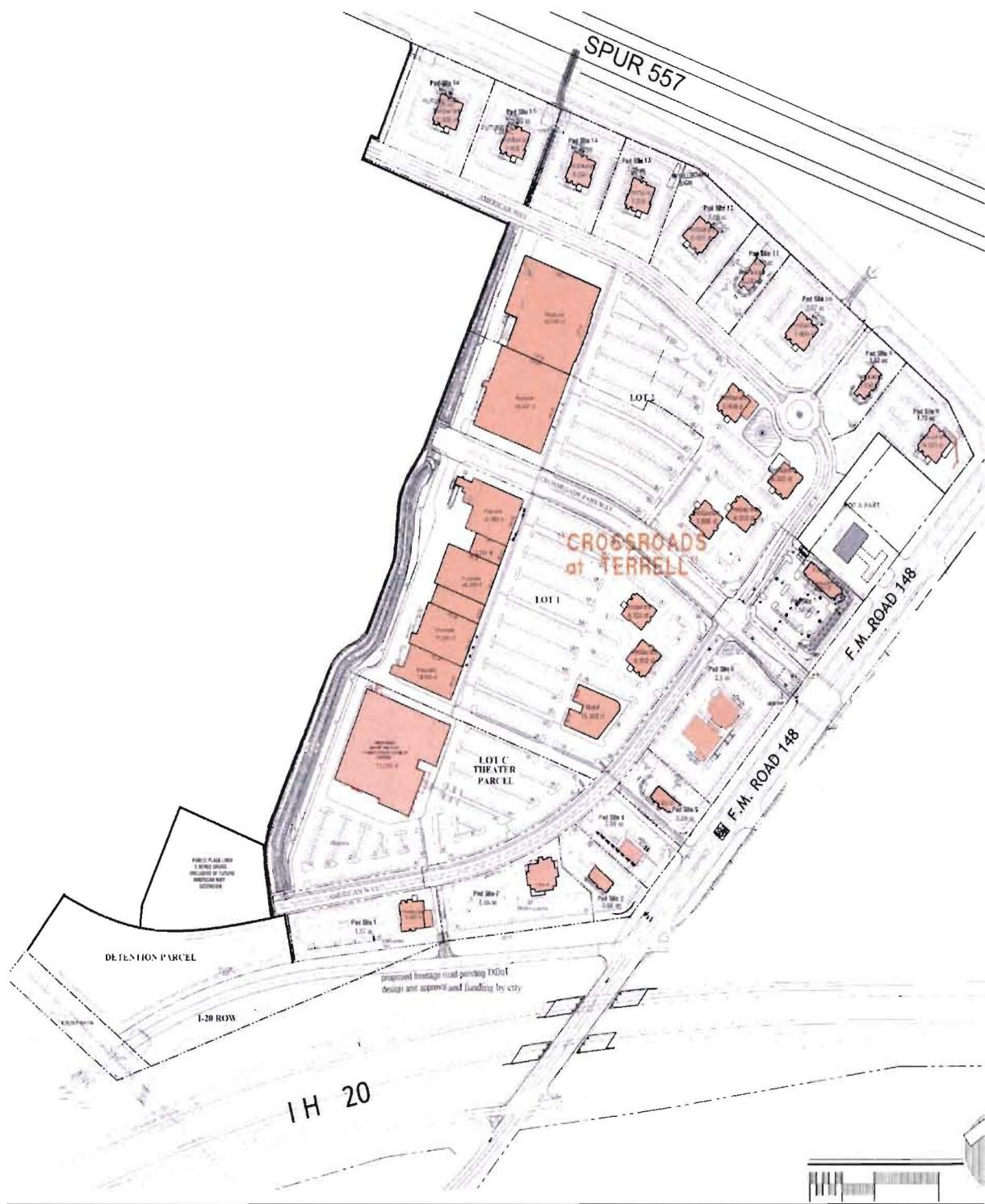


Exhibit "B"
Public Facilities

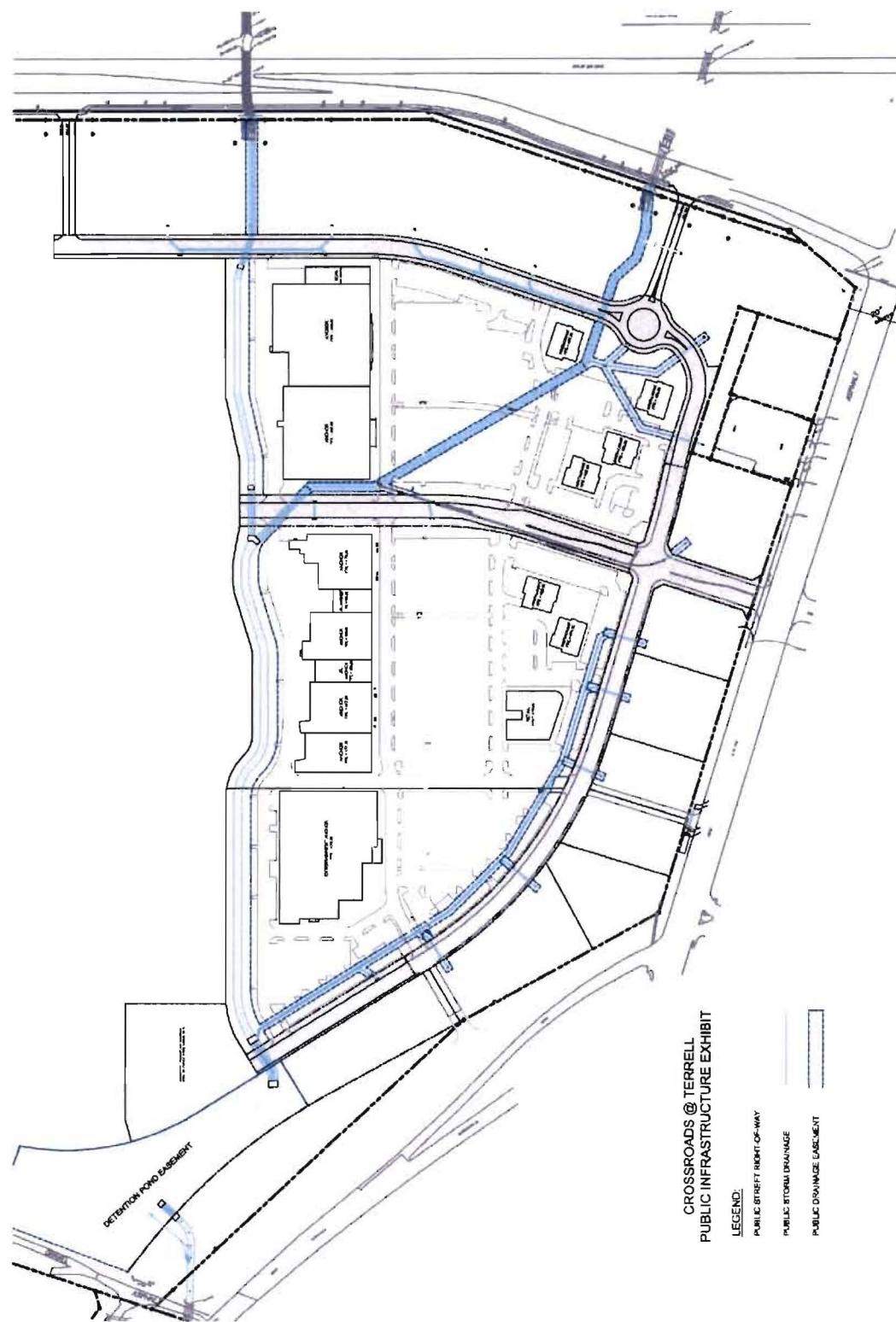


Exhibit "C"

Maintenance Program

Overall Maintenance

1. Maintain detention pond, wetland or drainage facilities dedicated to the City and accepted by the City in good working order; such maintenance will be provided in perpetuity unless and until all parties formally enter into a revised agreement.
2. Remove silt and other debris from any drainage facilities, so as to maintain a proper bottom elevation and proper slopes.
3. Plant and mow grass or maintain a vegetative cover on any slopes surrounding the drainage ponds, wetlands, or drainage facilities.
4. Maintain in good order and repair any inflow or outflow devices in public ownership.
5. Excepting emergency circumstances, maintain the facility during daylight, week day hours.
6. Maintain public landscape areas on Crossroads Parkway and American Way and other public access way in the PID.
7. Keep records detailing inspection and maintenance activity and these records shall be made available to the City upon request.
8. Routine maintenance of Crossroads Parkway, American Way, other public access ways, including striping, joint sealing, and street light operations. Patching, repair, resurfacing, and reconstruction are specifically excluded. Striping and joint sealing costs incurred above \$30,000 per calendar year shall be completed at no cost to the District.
9. The PID provides no maintenance of any parking area or private land.

Routine Maintenance

1. Mowing of the bank slopes and areas owned by the City on a twice per month basis during the growing season or more frequently and as needed during the cooler months.
2. Inspect outfall structures monthly for debris which could inhibit the proper flow of discharge; any debris will be removed immediately and disposed of or placed in a location to prevent future maintenance and to not cause impact up or downstream of the drainage areas.
3. Remove trash from around detention ponds, wetlands, and drainage facilities. Remove trash from the public areas along Crossroads Parkway, American Way, and other public

access ways to prevent trash from entering drainage areas. Generally, the area owned by the public should be kept free of loose trash, which could be carried off site by wind or rain.

4. If needed, inspect all structures and facilities for non-routine maintenance needs.
5. Maintain all public drainage in a structurally sound condition so that it satisfies the drainage function for which it was intended; maintain all public drainage in a clean and safe condition so as not to constitute a hazard or nuisance to the public; and, to maintain all elements in accordance with all rules, standards and regulations applicable thereto as may from time to time be enacted by any governmental agency or authority, including the City.
6. Mow, edge, trim public landscape areas on Crossroads Parkway, American Way, and other public access ways on a weekly basis during the growing season and as needed during cooler months.
7. Maintain dedicated public park improvements in a high quality manner.
8. Maintain wetland areas consistent with applicable U.S.A.C.E. permit requirements or best practices.

Cyclical Maintenance of Detention Ponds / Drainage Ways

1. Monthly or after every one (1)-inch rainfall, whichever comes first:
 - a. Remove trash and debris.
 - b. Clear trash and debris from outlet pipes.
 - c. Check slopes and contributing areas owned by the City; repair any eroded areas owned by the City before the next rainfall.
 - d. Check inlet and outlet pipes, grass swales and inlet/outlet dissipaters.
 - e. Replace any rip rap that is eroded, undermined or choked with sediment.
2. Annually
 - a. Check facility depth at various locations. Remove sediment to restore original design capacity before 10% of original design capacity is lost.
 - b. Check the condition of the slopes owned by the City for erosion, transverse or longitudinal cracks, sinkholes, woody vegetation, signs of rodent infestation or other such problems.