

Persimmon Term Sheet

Adopted 9.20.22

The Buda City Council is willing to continue negotiations regarding the Persimmon Project in accordance with this Term Sheet. While there are many points to address and details to solidify, these points are crucial to continued conversations among the parties on this subject.

City of Buda Requirements

1. **Eminent Domain:** The Development Agreement and other related agreements will not require the use of the City's eminent domain authority for any element of the project, but the City reserves its authority pursuant to Chapter 251 of the Local Government Code over property that is subject to the Development Agreement or related project elements.
2. **Transportation:**
 - a. Garlic Creek Parkway & 1626 Connector – The Developer will construct the Garlic Creek Parkway, full width, to the standards of the City's Buda Moves! Transportation Mobility Master Plan dated December 2020 **or enhanced standards agreed to by Buda City Staff**, from RM 967 to FM 1626. No more than 325 residential lot permits will be issued before the completion and opening (Phase I – 2 lanes) of Garlic Creek Parkway. **These 325 homes may be sold and occupied prior to the completion of Garlic Creek Parkway.** The Developer will construct the 1626 Connector as requested with a multi-use path **on both sides** and **at least 3 lanes based on** an appropriately sized cross-section as defined by a Traffic Impact Analysis.
 - b. Hunt Road (East-West Arterial): The Developer will provide a profile for an economy of scale and buildability analysis of a future bridge. The Developer will be responsible for the cost of the design of Hunt Road up to and including a Garrison intersection.
 - c. Future SH 45 Dedication – The Developer will reserve land for future SH 45 extension across the project site.
 - d. Roundabout – The Developer will complete construction of the roundabout on RM 967 prior to the issuance of any certificates of occupancy.
3. **Non-residential / Commercial Lots:** The Developer will include a minimum of **60-40** acres of developable land in the Buda **ETJ** portion that shall be reserved for non-residential uses including commercial and/or public use space, with at least 3.5 acres to be donated to the City for public uses. **Should Hays CISD elect not to acquire the reserved elementary school site property, it will be developed for residential use and the amount of required non-residential use shall decrease to 25 acres. Note: we do not believe that the traffic generated by approximately 300,000 SF of commercial use will be supported by the community.**

- 4. Residential lots:** The Project shall include a mix of residential lot sizes with a minimum of 30% of the number of lots having a width of at least 60' and a minimum of 30% of the number of lots having a width of at least 80'. No for-rent multi-family lots shall be allowed. For sale single-family attached or townhome style development within a condominium regime may be allowed. **RESPONSE -** Our research shows that the median price point for residents in the community is approximately \$600,000. Larger lots in neighboring communities are currently selling between \$900,000-\$1,200,000. 600 homes in this price range will not be absorbed on any sort of reasonable schedule. For this reason, Milestone cannot agree to this requirement.
- 5. Tree Mitigation:** The project will fully comply with the City's tree mitigation requirements under Subsection 4.04.01 of the Buda UDC. No permits shall be issued on the Armbruster tract until after a tree survey is conducted and submitted to the City. The Developer will reimburse the City for a City Arborist to verify the tree survey as complete and accurate. The City will consider approval of Tree Removal Permits with the Development Agreement provided that the Developer submits the Tree Preservation Plan for the Project with the information listed in Subsection 04.04.01.F.3. **RESPONSE -** The Tree preservation and mitigation plan provided by the applicant for the Bailey Tract has been carefully created and represents the maximum that the applicant will do for that tract. The Tree Mitigation strategy presented for Bailey will enable economically viable development of the tract, enabling the transportation solution being offered, but will also preserve the majority of the trees on the site resulting in a project that continues to be heavily forested with mature trees. For the Armbruster Tract, the applicant proposes that the Development Agreement provide that a tree preservation and mitigation plan be subsequently provided to City Council for review and approval. The Armbruster tree plan will be required to meet the same removal, preservation, and mitigation standards as applicable to the Bailey Tract. If the Armbruster tree plan meets those standards and the Council reasonably determines that the plan for the Armbruster Tract lays out a subdivision that minimizes tree removal allowed under Bailey standards while still achieving the density allowed by the Development Agreement, then Council will approve the tree plan and authorize the removal in accordance therewith. If Council fails to approve such Armbruster Tract tree plan, then the land use and development restrictions set forth in the Development Agreement shall not apply to the Armbruster Tract and the Armbruster Tract will not be annexed. In that event, however, the Armbruster Tract will still be entitled to utility service, and the PID (but not the TIRZ) will still cover the Armbruster Tract.
- 6. Parkland Dedication:** The project will fully comply with the City's UDC parkland dedication requirements under Subsection 4.04.02 of the Buda UDC including the installation of trails along Garlic Creek and other greenbelts.
- 7. Prairie Build:** The City Council will consider the Prairie Build option proposed by City staff. **RESPONSE -** This option will be slightly revised based on conversations with staff

- 8. Annexation:** To the limits allowed, the project shall be voluntarily annexed into the City of Buda concurrent with the approval of the Planned Development (PD) zoning, PID Creation, and execution of the Development Agreement and PID Finance Agreement.
- 9. Requirements for Austin ETJ:** The Developer will continue to support the City of Buda's request to release the ETJ with the City of Austin. If the ETJ release occurs, the conditions of the Development Agreement, including voluntary annexation, will apply to the released Austin ETJ portion.
- 10. Aquifer:** The Developer shall conduct and submit a geological report to the City of Buda documenting any sensitive aquifer recharge features on the property. In the alternative, the Developer shall provide a report demonstrating that no sensitive environmental features exist on the project property.

City Provisions

1. The City will consent to the creation of a PID.
2. The City will consent to the creation of a TIRZ.
3. The City will provide water and wastewater services to the entire project.

Nothing herein shall be construed as a binding obligation on either party. Instead, acceptance of these terms and conditions shall serve as a foundation for continued negotiations and drafting of a Development Agreement and related agreements addressing a PID, TIRZ, Water Service, Wastewater Service, Economic Development, etc. The Council authorizes the City Manager to actively engage in negotiations consistent with these terms. The City of Buda agrees to make a good-faith effort to negotiate a binding agreement based on the framework set forth in this Term Sheet. The Council deems any negotiations inconsistent with these terms to be a low priority for City staff.