

RESIDENTIAL DEVELOPMENT INCENTIVE POLICY

EXHIBIT A (Resolution No. R2009-03)

In order to promote and encourage new residential development, the following RESIDENTIAL DEVELOPMENT INCENTIVE POLICY is hereby approved and authorized by the City Council of the City of El Campo, Texas.

ELIGIBILITY REQUIREMENT GUIDELINES:

Said development must be located entirely within the corporate limits of the City of El Campo, or the developer must submit a petition for voluntary annexation into the City.

- (a) Said development must be located within Zone R-1, as defined in the Zoning Ordinance of the City of El Campo;
- (b) Said lot area of development must consist of at least two (2) acres of land;
- (c) In order to receive the incentive funds, the developer shall submit to the City Council at the end of the project, a final plat consistent with actual construction, "as built" plans for all infrastructure improvements and an itemized accounting of actual costs of construction. These costs shall be certified by the project engineer and/or lending agency.

PROVISIONS:

1. Any person who has successfully constructed a residential subdivision, under the guidelines defined above, shall be eligible for a rebate from the City to offset the cost of infrastructure improvements to service the subdivision. These improvements shall include water main construction, sewer main construction, water and sewer service leads to the property line of the lot(s), fire hydrants, other utility appurtenances, street construction and storm sewer construction, where required. Eligible expenses shall be limited to the actual material and labor costs for infrastructure improvements as set forth in Section 5.
2. Costs not eligible under this program shall include engineering fees, survey fees, finance fees including interest to be paid for loans associated with construction, legal fees or any other administrative or professional fees associated with this development.
3. Once the infrastructure improvements have been installed, approved and accepted by the City, the development is eligible for a rebate for a portion of the cost of the improvements made by the developer as set forth in Section 5.
4. The term of this agreement shall be for a stipulated period of 10 years from the date of the final plat recording in the Wharton County Deed Records. Unimproved lots (those lots that are vacant), or homes that have not been approved for occupancy, will not be eligible for this rebate after the expiration of the 10 year period.

5. The City will agree to reimburse the developer the applicable cost of materials and labor for the infrastructure improvements according to the following schedule:
 - a. \$12.50 per linear foot of water improvements
 - b. \$12.50 per linear foot of sewer improvements
 - c. \$25.00 per linear foot of drainage and street improvement (considered as a unit price with curb, gutter and paving)
6. The developer may request for reimbursement at the rate heretofore defined, only after the construction of the residential dwelling, when all final inspections have been completed, and the house is approved for occupancy.
7. This agreement shall only provide rebate for the actual costs at the time of construction and will not provide for the accrual interest or penalty for funds in question. In addition, participation in this program prohibits the use of other incentive programs either in place (homeowner's tax abatement) or to be developed in the future.
8. This program only applies to the actual costs of the infrastructure within the platted subdivision. Expenses incurred for the extension of services to the development and/or the over sizing of utilities, drainage facilities or streets shall be subject to separate negotiations with the City.
9. This agreement shall be between the City and the developer and any reimbursements shall be made only to the developer of record during this period. This agreement is transferable. In the event of sale of property or the creation of a partnership after the date of the beginning of the agreement, the developer shall be responsible for the payment or distribution of reimbursed funds to all or any parties gaining interest in the development.