



LA VERNIA, TEXAS

A Community Living, Learning, and Working Together

Land Dedication and Impact Fee Agreement

This Conditional Service Agreement (“Agreement”) is made and entered into as of the _____ day of _____, 2025, by and between the **City of La Vernia, Texas** (the “City”) and **NP Homes, LLC** (the “Developer”), regarding the provision of municipal water service to a proposed subdivision located in the City Limits. .

Recitals

WHEREAS, the Developer proposes to subdivide approximately 45 acres located off U.S. Highway 87 adjacent to H-E-B, currently owned by **NP Homes LLC, Property ID 35213**, according to the Wilson County Appraisal District records as of October 1, 2025; and
WHEREAS, the Developer will provide approximately six (6) acres of land to the city for a Wastewater Treatment Plant in exchange for a discounted sewage impact fee; and

WHEREAS, the City has completed a preliminary review of the proposed subdivision and agrees to provide such agreements listed below **conditional upon compliance with the terms set forth below**;

NOW, THEREFORE, the City and Developer agree as follows:

1. Agreements

- 1.1: A 15' Public Utility Easement is to be provided to the city from the developer along U.S. Highway 87 and FM 1346.
- 1.2: The developer will deed Lot 903 and Lot 951 (~ 6 acres) of land to the City of La Vernia for a new Wastewater Treatment Plant and any additional public infrastructure the city

deems necessary. The developer will also file with Wilson County the required additional buffer zone easement in the detention pond area.

1.3: A 30' utility easement will be granted to the city by the developer on the east side of Lot 904.

1.4: The city will extend a 12" water main on the south side of Highway 87 to a location agreed upon between the city and developer.

(a) Developer is responsible for the bore extension across Highway 87 at the agreed-up on location.

1.5: The developer will tie onto the existing 10" water main on the northside of FM 1346.

1.6: All easements and utility easements must be shown on final plat and recorded before permits are issued to the developer.

1.7: Items 1.1- 1.6 of this agreement have been satisfied as indicated in approved final plat dated November 13, 2025 and furthermore attached hereto in exhibit A.

2. Impact Fees

2.1: All city impact fees shall be assessed and collected at the time of building permit issuance, except as expressly modified by sections 2.2 and 2.3 of this agreement.

2.2: The Developer agrees to pay a lump sum of two hundred thousand dollars (\$200,000) within sixty days (60) days of the execution of this Agreement. This amount will cover the water impact fees of lots 1 – 35. The original cost of water impact fees for lots 1-35 was 209,650 at a rate of 5,990 per lot. By Making this advanced lump sum payment, the Developer receives a reduction of nine thousand six hundred fifty dollars (9,650) from the original total amount due for these lots. All water impact fees for any additional lots shall be assed and paid at the time of permitting in accordance with the City's adopted impact fee schedule. 2.3: In exchange for the land being deeded to the city for a Wastewater Treatment Plant and any additional public infrastructure, the city deems necessary. The city agrees to assess a discounted wastewater impact fee of two thousand eighty-five dollars (\$2,085) per lot for the entire 127 platted lots within the subdivision. The Current standard wastewater impact fee is six thousand eighty five dollars(\$6,085) per lot; thus, the Developer is receiving a credit valued at four thousand dollars (\$4,000) per lot, for a total credit of five hundred eight thousand dollars (\$508,000), in exchange for the land and infrastructure dedication.

(a) The land being deeded to the city is shown on Exhibit B.

(b) The City will construct a masonry wall around the perimeter of the WWTP site as part of Waste Water Treatment Plant project. Masonry material will be agreed upon between the City and the Developer at the time of construction.

2.4: All other applicable City impact fees, assessments, and charges including but not limited to **stormwater drainage impact fees which is calculated as \$50.00 per 1,000sf**, shall be paid in full at the time of permitting in accordance with the City's adopted fee schedule in effect at that time. Except as expressly provided in Sections 2.2 and 2.3 of this Agreement, no discounts, credits, offsets, or waivers shall apply to any other impact fees.

3. Enforcement, Termination & Sunset

3.1: Failure to provide all the easements on the plat approved on November 13th, 2025 to the City shall constitute grounds for termination of this agreement.

3.2: Failure to complete the required infrastructure improvements approved on civil plans approved on November 5th, 2025 to City standards shall constitute grounds for termination of this Agreement.

3.3: Termination of this Agreement shall not preclude the City from pursuing any and all remedies available under Texas law, including recovery of costs incurred by the City due to non-compliance by the Developer.

3.4: Final Plat Governs. Once recorded, the final Plat governs the property and replaces any earlier agreements that conflict with it.

3.5: Sunset Clause. This Agreement shall automatically expire **twenty-four (24) months from the date of execution** unless all required public infrastructure improvements as approved on civil plans approved on November 5th, 2025 and conditions have been fully satisfied and accepted by the City. Extensions may only be granted in writing by the City Administrator. In addition, any impact fees prepaid or assessed under this Agreement shall remain valid for the duration of the construction of the development. However, all lots shall be subject to the City's adopted impact fee schedule then in effect, and any difference in fee amounts shall be paid at the time of permitting. Note: The credit outlined above in section 2.3 shall remain valid throughout the duration of the development.

4. Miscellaneous

4.1 The City reserves the right to withhold, delay, suspend, or terminate water service if the Developer fails to comply with any provision of this Agreement.

4.2 Failure to complete the required infrastructure improvements to the City standards shall constitute grounds for termination of this agreement.

4.3 In the event the Developer or builder fails to pay all impact fees, construct improvements as required, or transfer ownership/easements to the city, the city shall have no obligation to provide service to any lot within the subdivision.

4.4: Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and the United States of America, with the venue being Wilson County, Texas.

4.5: Severability. If any provision of this Agreement is held invalid, the remainder shall remain in full force and effect.

4.6: Entire Agreement. This Agreement constitutes the entire understanding between the parties regarding the subject matter and supersedes all prior negotiations or representations.

4.7: Amendments. This Agreement may only be amended in writing, executed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Conditional Service Agreement as of the date first written above.

CITY OF LA VERNIA, TEXAS

By: _____

Mayor / City Administrator

Date: _____

STATE OF TEXAS **S**

COUNTY OF WILSON **S**

This instrument was acknowledged before me on the _____ day of _____, 2025, by _____, in the capacity of Mayor / City Administrator for the City of La Vernia, Texas, a municipal corporation, on behalf of said municipality.

Notary Public, State of Texas

My Commission Expires: _____

NP Homes, LLC

By: Isaac Flores

Authorized Representative

Date: 12/01/25

STATE OF TEXAS S

COUNTY OF Bexar S

This instrument was acknowledged before me on the 9th day of December, 2025, by

Naideen Karim, in the capacity of OWNER of NP Homes, LLC, a Texas limited liability company, on behalf of said company.

Notary Public, State of Texas

My Commission Expires: May 4th 2026

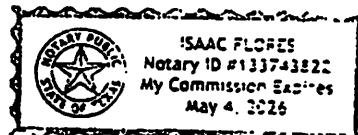


Exhibit A

Exhibit B

