



**SEAGOVILLE, TEXAS  
CITY COUNCIL MEETING AGENDA  
MONDAY, OCTOBER 5, 2020**

**City Council Chambers, City Hall  
702 N. Hwy 175  
Seagoville, Texas 75159**

**WORK SESSION – 6:30 P.M.**

**Call to Order**

- A. Discuss regular session agenda items**
- B. Receive an update concerning CoVID Business Grant Update**

**Adjourn**

**REGULAR SESSION - 7:00 P.M.**

**ROUTINE ANNOUNCEMENTS, RECOGNITIONS, and PROCLAMATIONS**

**Call to Order**

**Invocation**

**Pledge of Allegiance**

**Mayor's Report**

**Citizens Public Comment Period-** *This portion of the meeting is to allow each speaker up to six (6) minutes to address the council on items not posted on the current agenda. Council may not discuss these items but may respond with factual data or policy information, or place the item on a future agenda. Citizens wishing to speak on posted agenda items will be called upon at that time. Anyone wishing to speak shall submit a Speaker Request Form to the City Secretary.*

**CONSENT AGENDA-** The Consent Agenda contains items which are routine in nature and will be acted upon in one motion.

- 1. Consider approving City Council Meeting minutes for September 14, 2020 and September 21, 2020 (City Secretary)**
- 2. Consider approving a Resolution of the City of Seagoville, Texas designating the Daily Commercial Record as the official newspaper for the City of Seagoville, Texas; providing for repeal of any and all Resolutions in conflict; providing for severability clause; and providing an effective date (City Secretary)**

**REGULAR AGENDA-**

- 3. First Reading - Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, approving the expenditure by the Seagoville Economic Development Corporation of an amount not to exceed \$600,000.00 plus standard closing costs for the purchase of approximately 0.9853 acres of real property located at 1880 N. Highway 175 Seagoville, Texas and being more particularly described as Lot 3, Block A, Best Western/Seagoville Addition, an Addition to the City of Seagoville, Dallas County, Texas according to the map thereof recorded in volume 99125, page 40, of the map records of Dallas County, Texas as shown on the survey attached hereto and incorporated herein by reference as Exhibit "A" and all improvements located thereon from sellers KH, LLC d/b/a Kelly Harris Company and Allen National Investments, LLC and providing an effective date (City Manager)**
- 4. Discuss and consider the appeal of a decision by the Fire Marshal concerning a permit issued at 2737 North U.S. Highway 175 concerning a fire access road**
- 5. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, TX revising the signatory authority of American National Bank (Finance Director)**
- 6. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas ratifying and authorizing an extension of the City's contract for banking services with American National Bank through November 30, 2020; providing for severability clause; and providing an effective date (Finance Director)**
- 7. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas adopting the ES&S Election Systems and Software for use in all early voting and regular voting on Election Day, November 3, 2020 General and Joint Election and in all future City of Seagoville General and Special Elections; authorizing the City Manager to execute any and all necessary documents; and providing an effective date (City Secretary)**
- 8. Discuss and consider approving a Resolution of the City of Seagoville, Texas, authorizing the Mayor to execute Amendment No. 3 to the Household Hazardous Waste Interlocal Agreement Amendment between the City of Seagoville and Dallas County, said Amendment to be effective from October 1, 2020 until September 30, 2021; and providing an effective date (Director of Health & Code)**
- 9. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas authorizing Anderson Asphalt & Concrete Paving to perform repair work on Ferrell Road, in its entirety, for compensation in an amount not to exceed Ninety One Thousand Four Hundred Ninety Dollars and No Cents (\$91,490.00) as set forth in Exhibit A, attached hereto and incorporated herein: authorizing the City Manager to execute any and all necessary documents; and providing an effective date (Community Development Director)**

**10. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas authorizing Anderson Asphalt & Concrete Paving to perform repair work on Potter Road, in its entirety, for compensation in an amount not to exceed Seventy Thousand Two Hundred Seventy Three Dollars and No Cents (\$70,273.00) as set forth in Exhibit A, attached hereto and incorporated herein: authorizing the City Manager to execute any and all necessary documents; and providing an effective date (Community Development Director)**

**11. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas approving C&M Concrete to perform concrete work at Fire Station #2 for compensation in an amount not to exceed One Hundred Five Thousand Seven Hundred Seventy Four Dollars and Seventy Five Cents (\$105,774.75) as set forth in Exhibit "A"; authorizing the City Manager to execute any documents necessary; providing for a repealing clause; providing for a severability clause; and providing an effective date (Community Development Director)**

**12. Discuss and consider approving a Resolution of the City of Seagoville, Texas, authorizing the purchase of two 2020/2021 Chevrolet Tahoe Police vehicles at a total cost of \$141, 982.00 from Holiday Chevrolet; providing for the repeal of any and all Resolutions in conflict; providing for severability clause; and providing an effective date (Police Chief)**

**13. Second Reading - Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, approving the expenditure by the Seagoville Economic Development Corporation of an amount not to exceed \$600,000.00 plus standard closing costs for the purchase of approximately 0.9853 acres of real property located at 1880 N. Highway 175 Seagoville, Texas and being more particularly described as Lot 3, Block A, Best Western/Seagoville Addition, an Addition to the City of Seagoville, Dallas County, Texas according to the map thereof recorded in volume 99125, page 40, of the map records of Dallas County, Texas as shown on the survey attached hereto and incorporated herein by reference as Exhibit "A" and all improvements located thereon from sellers KH, LLC d/b/a Kelly Harris Company and Allen National Investments, LLC and providing an effective date (City Manager)**

**14. Receive Councilmember Reports/Items of Community Interest - as authorized by Section 551.0415 of the Texas Government Code.**

**15. Future Agenda Items – Council to provide direction to staff regarding future agenda items. These items will not be discussed and no action will be taken at this meeting.**

**16. Recess Into Executive Session**

**Council will recess into Executive Session in compliance with Texas Government Code:**

**A. § 551.071. Consultation with City Attorney: receive legal advice to wit: Planned Development Zoning**

**B. § 551.071. Consultation with City Attorney: receive legal advice regarding Police Department Operations**

**17. Reconvene Into Regular Session**

**Council will reconvene into open session, and take action, if any, on matters discussed in Executive Session.**

**A. § 551.071. Consultation with City Attorney: receive legal advice to wit: Planned Development Zoning**

**B. § 551.071. Consultation with City Attorney: receive legal advice regarding Police Department Operations**

**Adjourn**

Posted Thursday, October 1, 2020 by 5:00 P.M.

*Kandi Jackson*

Kandi Jackson, City Secretary



As authorized by Section 551.071(2) of the Texas Government Code, this meeting may be convened into closed executive session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed herein.

The City of Seagoville does not discriminate on the basis of disability in the admission or access to, or treatment or employment in, its programs or activities. If you have a request for services that will make this program accessible to you, please contact the City of Seagoville at least 72 hours in advance at (972) 287-6819. (TDD access 1-800-RELAY-TX)

**DATES TO REMEMBER**

- **Monday, October 19, 2020 Regular City Council Meeting**
- **Monday, November 2, 2020 Regular City Council Meeting**
- **Monday, November 16, 2020 Regular City Council Meeting**
- **Monday, December 7, 2020 Regular City Council Meeting<sub>1</sub>**

# *Consent Session Agenda Item: 1*

**Meeting Date:    October 5, 2020**

**ITEM DESCRIPTION:**

Consider approving City Council Meeting minutes for September 14, 2020 and September 21, 2020.

**BACKGROUND OF ISSUE:**

Approve City Council Meeting minutes for September 14, 2020 and September 21, 2020.

**FINANCIAL IMPACT:**

N/A

**RECOMMENDATION:**

N/A

**EXHIBITS:**

September 14, 2020 Joint Meeting with SEDC Minutes  
September 14, 2020 Regular Meeting Minutes  
September 21, 2020 Work Session Meeting Minutes  
September 21, 2020 Regular Meeting Minutes



**MINUTES OF CITY COUNCIL  
JOINT WITH SEAGOVILLE ECONOMIC DEVELOPMENT CORPORATION  
EXECUTIVE SESSION  
SEPTEMBER 14, 2020**

**The Regular Session of the Joint Meeting with City Council and the Seagoville Economic Development Corporation of the City of Seagoville, Texas was called to order at 6:30. p.m. on Monday, September 14, 2020, at City Hall, 702 N. Hwy 175, Seagoville, Texas with a quorum present, to wit:**

Dennis Childress	Mayor
Jon Epps	Mayor Pro Tem
Jose Hernandez	Councilmember
Rick Howard	Councilmember
Harold Magill	Councilmember
Mike Fruin	Councilmember
Jose Hernandez	Board Chair
Barbara Sherman	Board Member
Stepper Sebastian	Board Member
Martin Ashley	Board Member
Harold Magill	Vice Chair
Theo Hamilton	Board Member

The following staff members were also present: City Manager Patrick Stallings, Police Chief Ray Calverley, Community Development Director Ladis Barr, City Attorney Victoria Thomas, Water Utilities Director Chris Ryan, Finance Director Patrick Harvey, Assistant Finance Director Gail French, Fire Chief Todd Gilcrease, and City Secretary Kandi Jackson.

**1. City Council and SEDC recessed into Executive Session at 6:31 p.m.**

**City Council and SEDC will recess into Executive Session in compliance with Texas Government Code:**

**A. Section 551.087. Discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the City and with which the City is conducting economic development negotiations, and to deliberate the offer of a financial or other incentive to a business prospect, to wit: JWWIV, LLC**

**2. City Council and SEDC reconvene into Regular Session at 7:01 p.m.**

**City Council and SEDC will reconvene into open session, and take action, if any, on matters discussed in Executive Session.**

**A. Section 551.087. Discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the City and with which the City is conducting economic development negotiations, and to deliberate the offer of a financial or other incentive to a business prospect, to wit: JWWIV, LLC**

*Seagoville Economic Development Corporation, motion to approve and authorize the SEDC Executive Director to negotiate and execute an addendum to both the October 17, 2019 Incentive Agreement and the November 6, 2019 Restriction Agreement with JWWIV to extend the deadlines stated therein for Project Commencement, date to be 6 months from today’s date and all related deadlines set forth in the Agreements also commensurately extended – Dupuis, seconded by Magill; motion passed with all ayes. 7/0*

*City Council, motion to approve and authorize the SEDC Executive Director to negotiate and execute an addendum to both the October 17, 2019 Incentive Agreement and the November 6, 2019 Restriction Agreement with JWWIV to extend the deadlines stated therein for Project Commencement, date to be 6 months from today’s date and all related deadlines set forth in the Agreements also commensurately extended – Hernandez, seconded by Howard; motion passed with all ayes. 5/0*

**SEDC Adjourned at 7:02 p.m.**

**City Council Adjourned at 7:02 p.m.**

**APPROVED:**

\_\_\_\_\_  
Mayor Dennis K. Childress

**ATTEST:**

\_\_\_\_\_  
Kandi Jackson, City Secretary



**MINUTES OF CITY COUNCIL  
REGULAR SESSION  
SEPTEMBER 14, 2020**

**The Regular Session of the City Council of the City of Seagoville, Texas was called to order at 7:06 p.m. on Monday, September 14, 2020, at City Hall, 702 N. Hwy 175, Seagoville, Texas with a quorum present, to wit:**

Dennis Childress	Mayor
Jon Epps	Mayor Pro Tem
Jose Hernandez	Councilmember
Rick Howard	Councilmember
Harold Magill	Councilmember
Mike Fruin	Councilmember

The following staff members were also present: City Manager Patrick Stallings, Police Chief Ray Calverley, Community Development Director Ladis Barr, City Attorney Victoria Thomas, Fire Chief Todd Gilcrease, Water Utilities Director Chris Ryan, Finance Director Patrick Harvey, Assistant Finance Director Gail French, Director of Administrative Services Cindy Brown, and City Secretary Kandi Jackson.

**Invocation** – *Invocation was led by Councilmember Magill.*

**Pledge of Allegiance** – *Pledge of Allegiance was led by Mayor Childress.*

**Mayor's Report** – *Mayor Childress read a Proclamation in support of Law Enforcement.*

**Citizens Public Comment Period**- *This portion of the meeting is to allow each speaker up to six (6) minutes to address the council on items not posted on the current agenda. Council may not discuss these items but may respond with factual data or policy information, or place the item on a future agenda. Citizens wishing to speak on posted agenda items will be called upon at that time. Anyone wishing to speak shall submit a Speaker Request Form to the City Secretary.*

*None.*

**CONSENT AGENDA**- The Consent Agenda contains items which are routine in nature and will be acted upon in one motion.

**3. Consider approving City Council Meeting minutes for August 31, 2020 (City Secretary)**

*Motion to approve City Council Meeting minutes for August 31, 2020 – Fruin, seconded by Magill; motion passed with all ayes. 5/0*

**REGULAR AGENDA-**

**4. Discuss and consider approving an Ordinance of the City Council of the City of Seagoville, Texas, adopting the budget for fiscal year beginning October 1, 2020 and ending September 30, 2021; providing that expenditures for said fiscal year shall be made in accordance with said budget; appropriating and setting aside the necessary funds out of the general and other revenues for said fiscal year for the maintenance and operation of the various departments and for various activities and improvements of the city; providing a repealing clause; providing a severability clause; and providing an effective (Finance Director)**

*City Attorney Thomas stated we are required to conduct a public hearing for the budget before adopting the budget and we are able to do that since the public hearing was advertised as required by the Texas Open Meetings Act.*

*Mayor Childress opened the public hearing at 7:13 p.m.*

*No one spoke for or against.*

*Mayor Childress closed the public hearing at 7:13 p.m.*

*Motion to approve an Ordinance of the City Council of the City of Seagoville, Texas, adopting the budget for fiscal year beginning October 1, 2020 and ending September 30, 2021; providing that expenditures for said fiscal year shall be made in accordance with said budget; appropriating and setting aside the necessary funds out of the general and other revenues for said fiscal year for the maintenance and operation of the various departments and for various activities and improvements of the city; providing a repealing clause; providing a severability clause; and providing an effective – Magill, seconded by Howard. Mayor Childress called for a record vote. (For: Howard, Hernandez, Magill, Fruin, and Epps) Motion passed with all ayes. 5/0*

**5. Discuss and consider approving an Ordinance of the City Council of the City of Seagoville, Texas, adopting and levying ad valorem taxes for the year 2020 (fiscal year 2020-2021) at a rate of \$0.788800 per One Hundred Dollars (\$100) assessed valuation on all taxable property within the corporate limits of the City of Seagoville as of January 1, 2020, to provide revenue for the payment of current expenses; providing for an interest and sinking fund for all outstanding debt of the City of Seagoville; providing for due and delinquent dates together with penalties and interest; providing a severability clause; providing a repealing clause; and providing an effective date (Finance Director)**

*Motion to approve an Ordinance of the City Council of the City of Seagoville, Texas, adopting and levying ad valorem taxes for the year 2020 (fiscal year 2020-2021) at a rate of \$0.788800 per One Hundred Dollars (\$100) assessed valuation on all taxable property within the corporate limits of the City of Seagoville as of January 1, 2020, to provide revenue for the payment of current expenses; providing for an interest and sinking fund for all outstanding debt of the City of Seagoville; providing for due and delinquent dates together with penalties and interest; providing a severability clause; providing a repealing clause; and providing an*

*effective date – Epps, seconded by Magill. Mayor Childress called for a record vote (For: Howard, Hernandez, Magill, Fruin, and Epps) Motion passed with all ayes. 5/0*

**6. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas ratifying the property tax increase reflected in the 2020-2021 fiscal year budget; and providing an effective date (Finance Director)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas ratifying the property tax increase reflected in the 2020-2021 fiscal year budget; and providing an effective date – Magill, seconded by Howard. Mayor Childress called for a record vote (For: Howard, Hernandez, Magill, Fruin, and Epps) Motion passed with all ayes. 5/0*

**7. Discuss and consider approving the City of Seagoville’s Financial Policies for Fiscal Year 2020-2021 (Finance Director)**

*Motion to approve the City of Seagoville’s Financial Policies for Fiscal Year 2020-2021 – Epps, seconded by Fruin; motion passed with all ayes. 5/0*

**8. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, adopting the City’s Investment policy for fiscal year beginning October 1, 2020 and ending September 30, 2021; providing a repealing clause; providing a severability clause; and providing an effective date (Finance Director)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas, adopting the City’s Investment policy for fiscal year beginning October 1, 2020 and ending September 30, 2021; providing a repealing clause; providing a severability clause; and providing an effective date – Hernandez, seconded by Howard; motion passed with all ayes. 5/0*

**9. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, approving the adopted budget for the Seagoville Economic Development Corporation for the fiscal year October 1, 2020 through September 30, 2021; providing that expenditures for said fiscal year shall be made in accordance with that budget; and declaring an effective date (Finance Director)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas, approving the adopted budget for the Seagoville Economic Development Corporation for the fiscal year October 1, 2020 through September 30, 2021; providing that expenditures for said fiscal year shall be made in accordance with that budget; and declaring an effective date – Magill, seconded by Howard; motion passed with all ayes. 5/0*

**10. Discuss and consider approving three (3) Hotel Occupancy Tax Grant Agreements with Seagoville Chamber of Commerce for Mayfest (\$10,500.00); Seagofest (\$10,500.00); and 4th of July Celebration (\$4,000.00) totaling Twenty Five Thousand (\$25,000.00) Dollars for the fiscal year October 1, 2020 through September 30, 2021. Seeking authorization for the City Manager to execute the grant agreements (Finance Director)**

*Motion to approve three (3) Hotel Occupancy Tax Grant Agreements with Seagoville Chamber of Commerce for Mayfest (\$10,500.00); Seagofest (\$10,500.00); and 4th of July Celebration (\$4,000.00) totaling Twenty Five Thousand (\$25,000.00) Dollars for the fiscal year October 1, 2020 through September 30, 2021. Seeking authorization for the City Manager to execute the grant agreements – Magill, seconded by Hernandez; motion passed with all ayes. 5/0*

**11. Conduct interviews with Boards & Commissions Applicant for appointment (City Secretary)**

*City Secretary Jackson stated Places Three (3) and Four (4) on Keep Seagoville Beautiful Commission is vacant. She also stated Diane Marshall applied to fill one of the positions on Keep Seagoville Beautiful and Ms. Marshall passed the background check.*

*Mayor Childress invited Ms. Marshall to speak. Applicant Diane Marshall at 201 Shady Lane stated she is willing to serve on the Keep Seagoville Beautiful Commission.*

*Councilmember Magill and Councilmember Hernandez thanked her for volunteering to serve on the Keep Seagoville Beautiful Commission.*

*Motion to appoint Diane Marshall to Place 3 on the Keep Seagoville Beautiful Commission – Hernandez, seconded by Howard; motion passed with all ayes. 5/0*

**12. Discuss and consider approving a Resolution of the City of Seagoville, Texas approving the terms and conditions of the Agreement for Mobile Intensive Care Ambulance Service between the City of Seagoville and Acadian Ambulance Services, LLC; authorizing the City Manager to execute necessary documents; providing a severability clause; and providing an effective date (Fire Chief)**

*Councilmember Hernandez asked if there is an increase in cost to this Agreement. Fire Chief Gilcrease introduced Acadian Representative Haley Stewart and stated there is no additional cost to the Agreement with Acadian.*

*Fire Chief Gilcrease stated this Resolution approves an Agreement for Mobile Intensive Care Ambulance Service between the City of Seagoville and Acadian Ambulance Services, LLC. He also stated a second ambulance for the City of Seagoville was locked in with no additional price increase.*

*Motion to approve a Resolution of the City of Seagoville, Texas approving the terms and conditions of the Agreement for Mobile Intensive Care Ambulance Service between the City of Seagoville and Acadian Ambulance Services, LLC; authorizing the City Manager to execute necessary documents; providing a severability clause; and providing an effective date – Hernandez, seconded by Magill; motion passed with all ayes. 5/0*

**13. Receive a presentation from Halff Associates on water master plan (Water Utilities Director and Halff Associates)**

*Halff Associates Senior Project Manager Lackey presented the water master plan.*

**14. Discuss and consider approving a Resolution of the City of Seagoville, Texas approving and ratifying the City Manger’s execution of a contract change order for the purchase and installation of two 12” offset bends for the Ard Road Pump Station Upgrades Contract 1, in an amount not to exceed Six Thousand Two Hundred Eighty Dollars and Zero Cents (\$6,280.00); and providing an effective date (Water Utilities Director)**

*Motion to approve a Resolution of the City of Seagoville, Texas approving and ratifying the City Manger’s execution of a contract change order for the purchase and installation of two 12” offset bends for the Ard Road Pump Station Upgrades Contract 1, in an amount not to exceed Six Thousand Two Hundred Eighty Dollars and Zero Cents (\$6,280.00); and providing an effective date – Magill, seconded by Howard; motion passed with all ayes. 5/0*

**15. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas authorizing Anderson Asphalt & Concrete Paving to perform repair work on Cubley Drive, in its entirety, in an amount not to exceed One Hundred Thirty-One Thousand One Hundred Eighty-Two Dollars and No Cents (\$131,182.00) as set forth in Exhibit A, attached hereto and incorporated herein; authorizing the City Manager to execute any and all necessary documents; and providing an effective date (Community Development Director)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas authorizing Anderson Asphalt & Concrete Paving to perform repair work on Cubley Drive, in its entirety, in an amount not to exceed One Hundred Thirty-One Thousand One Hundred Eighty-Two Dollars and No Cents (\$131,182.00) as set forth in Exhibit A, attached hereto and incorporated herein; authorizing the City Manager to execute any and all necessary documents; and providing an effective date – Epps, seconded by Magill; motion passed with all ayes. 5/0*

**16. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, approving an agreement for Professional Engineering Services on a defined scope of services basis ("Agreement") with Halff Associates, Inc. for the Haven Hills Drainage Improvements Phase 2, which is attached hereto as Exhibit "A", in an amount not to exceed \$32,000.00; authorizing the City Manager to execute said Agreement; providing a repealing clause; providing a severability clause; and providing an effective date (Community Development Director)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas, approving an agreement for Professional Engineering Services on a defined scope of services basis ("Agreement") with Halff Associates, Inc. for the Haven Hills Drainage Improvements Phase 2, which is attached hereto as Exhibit "A", in an amount not to exceed \$32,000.00; authorizing the City Manager to execute said Agreement; providing a repealing clause; providing a severability clause; and providing an effective date – Epps, seconded by Hernandez; motion passed with all ayes. 5/0*

**17. Discuss and consider approving a Resolution of the City of Seagoville, Texas, approving the terms and conditions of an Interlocal Cooperation Agreement with Kaufman County, Texas, relating to the Subdivision Platting, Option 1 which is attached hereto as Exhibit “A”; authorizing its execution by the City Manager; and providing an effective date (Community Development Director)**

*Community Development Director Barr stated this Resolution approves an Interlocal Cooperation Agreement with Kaufman County and will allow the City of Seagoville more rights for subdivision regulations concerning platting.*

*Motion to approve a Resolution of the City of Seagoville, Texas, approving the terms and conditions of an Interlocal Cooperation Agreement with Kaufman County, Texas, relating to the Subdivision Platting, Option 1 which is attached hereto as Exhibit “A”; authorizing its execution by the City Manager; and providing an effective date – Hernandez, seconded by Howard; motion passed with all ayes. 5/0*

**18. Discuss and consider casting votes for Places One through Four for the Texas Municipal League Intergovernmental Risk Pool Board of Trustees Election (City Secretary)**

*City Secretary Jackson stated Texas Municipal League Intergovernmental Risk Pool Board of Trustees Election is requesting the City Council of the City of Seagoville’s vote for Places One (1) through Four (4).*

*Motion to cast a vote for Robert T. Herrera – Place 1, John W. Fullen – Place 2, Jeffery Snyder – Place 3, and Robert S. Hauck – Place 4 – Hernandez, seconded by Howard; motion passed with all ayes. 5/0*

**19. Discuss and consider approving a gathering of 10 or more people for the upcoming Movie in The Park Events to be held on Saturday, September 24, 2020 and Saturday, October 24, 2020 (Community Development Director)**

*Motion to approve a gathering of 10 or more people for the upcoming Movie in The Park Events to be held on Saturday, September 24, 2020 and Saturday, October 24, 2020 – Epps, seconded by Magill; motion passed with all ayes. 5/0*

**20. Council recessed into Executive Session at 8:08 p.m.**

**Council will recess into Executive Session in compliance with Texas Government Code:**

- A. Section § 551.074. Personnel, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee to wit: City Manager**

**B. Section § 551.074. Personnel, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee to wit: City Secretary**

**C. Section § 551.074. Personnel, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee to wit: City Attorney**

**21. Council reconvene into Regular Session at 8:32 p.m.**

**Council will reconvene into open session, and take action, if any, on matters discussed in Executive Session.**

**A. Section § 551.074. Personnel, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee to wit: City Manager**

**B. Section § 551.074. Personnel, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee to wit: City Secretary**

**C. Section § 551.074. Personnel, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee to wit: City Attorney**

*No action taken.*

**22. Receive Councilmember Reports/Items of Community Interest – as authorized by Section 551.0415 of the Texas Government Code.**

*None.*

**23. Future Agenda Items – Council to provide direction to staff regarding future agenda items. These items will not be discussed and no action will be taken at this meeting.**

*None.*

**City Council Adjourned at 8:32 p.m.**

**APPROVED:**

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Mayor Dennis K. Childress

**ATTEST:**

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Kandi Jackson, City Secretary



**MINUTES OF CITY COUNCIL  
WORK SESSION  
SEPTEMBER 21, 2020**

**The Work Session of the City Council of the City of Seagoville, Texas was called to order at 6:32 p.m. on Monday, September 21, 2020, at City Hall, 702 N. Hwy 175, Seagoville, Texas with a quorum present, to wit:**

Dennis Childress	Mayor
Jon Epps	Mayor Pro Tem
Jose Hernandez	Councilmember
Rick Howard	Councilmember
Harold Magill	Councilmember Arrived at 6:50 p.m.
Mike Fruin	Councilmember

The following staff members were also present: City Manager Patrick Stallings, Police Chief Ray Calverley, Community Development Director Ladis Barr, City Attorney Victoria Thomas, Finance Director Patrick Harvey, Water Utilities Director Chris Ryan, Health and Code Director Jimmy Stephens, and City Secretary Kandi Jackson.

**A. Discuss Regular Session Agenda Items**

**1. Discuss and consider a Resolution of the City Council of the City of Seagoville, Texas, approving a negotiated settlement between the Atmos Cities Steering Committee (“ACSC”) and Atmos Energy Corp., Mid-Tex Division regarding the Company’s 2020 Rate Review Mechanism filings; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the attached settlement tariffs to be just and reasonable and in the public interest; approving an attached exhibit establishing a benchmark for pensions and retiree medical benefits; approving an attached exhibit regarding amortization of regulatory liability; requiring the Company to reimburse ACSC’s reasonable ratemaking expenses; determining that this Resolution was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this Resolution to the Company and the ACSC’s legal counsel (City Manager)**

*City Secretary Jackson stated this Resolution approves the negotiated settlement between the Atmos Cities Steering Committee (“ACSC”) and Atmos Energy Corp., Mid-Tex Division regarding the Company’s 2020 Rate Review Mechanism filings;*

*declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the attached settlement tariffs to be just and reasonable and in the public interest; approving an attached exhibit establishing a benchmark for pensions and retiree medical benefits; approving an attached exhibit regarding amortization of regulatory liability; requiring the Company to reimburse ACSC's reasonable ratemaking expenses.*

**2. Discuss and consider approval for placement of cornerstone on Fire Station #2 by Masonic Lodge (Mike Dupuis)**

*Mike Dupuis presented a picture sample of a cornerstone and explained the process by the Masonic Lodge, should Council approve the placement of the cornerstone at Fire Station#2.*

**3. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas amending the Master Fee Schedule, as amended, by amending the section titled "Library", including the subsections titled "Library Cards", and "Miscellaneous", as set forth on the attached Exhibit "A"; providing a savings clause, providing a severability clause; and providing an effective date (Finance Director)**

*Finance Director Harvey stated this Resolution amends the Master Fee Schedule for the Library.*

**4. Discuss and consider approving an Ordinance of the City of Seagoville, Texas amending Ordinance No. 15-2020 to correct scrivener's errors; providing a repealing clause; providing a severability clause; and providing an effective date (Finance Director)**

*Finance Director Harvey stated this Ordinance corrects a scrivener's error concerning the tax rate. He also stated the debt rate amount was interchanged with the maintenance and operation amount.*

*City Attorney Thomas stated this was an obvious scrivener's error in the Ordinance if compared to the legal publications concerning the budget.*

**5. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas approving an agreement for Professional Engineering Services on a Defined Scope of Services Basis ("Agreement") with Half Associates, Inc. for the purpose of providing a Risk and Resilience Assessment (RRA) and an Emergency Response Plan (ERP); in an amount not to exceed Seventy Four Thousand Two Hundred Dollars and Zero Cents (\$74,200.00); authorizing the City Manager to sign; and providing an effective date (Water Utilities Director)**

*Kimberly Miller with Halff Associates presented the Risk and Resilience Assessment and Emergency Response Plan requirements to City Council.*

**6. Discussion concerning existing fire lanes and new fire lanes in the City of Seagoville (Community Development Director)**

*Community Development Barr stated at 2737 North Highway 175 a cell tower is being constructed and there is an existing fire lane from another property. He stated it is questionable if the existing fire lane meets the requirement of Seventy-Five Thousand to Eighty Thousand (75, 000-80,000) pounds. He also stated Item #7 on the Agenda will help to ensure this requirement is met in the future.*

**7. Discuss and consider approving an Ordinance of the City of Seagoville, Texas amending the Code of Ordinances by amending Chapter 9 “Fire Prevention and Protection”, Article 9.03 “Fire Code”, by amending Section 9.03.003 “Amendments” to provide specific design and construction requirements for fire apparatus access roads; providing a savings clause; providing for a severability clause; providing a penalty of fine not to exceed the sum of Two Thousand Dollars (\$2000.00) for each offense; providing for publication; and providing an effective date (Community Development Director)**

*Community Development Director Barr stated this Ordinance amends the Code of Ordinances by amending Chapter 9 “Fire Prevention and Protection”, Article 9.03 “Fire Code”, by amending Section 9.03.003 “Amendments” to provide specific design and construction requirements for fire apparatus access roads.*

*City Manager Stallings stated this Ordinance clarifies the requirements for fire lanes.*

**8. Discuss and consider approving a Resolution of the City of Seagoville, Texas, approving the terms and conditions of an Interlocal Cooperation Agreement with Dallas County Health and Human Services; authorizing its execution by the City Manager; and providing an effective date (Director of Health and Code)**

*Director of Health and Code Stephens stated this Resolution approves the terms and conditions of an Interlocal Cooperation Agreement with Dallas County Health and Human Services concerning mosquito spraying and inspection services of food establishments. He also stated the inspection of food establishments will only take place during the times he is unavailable.*

**Adjourned at 6:57 p.m.**

**APPROVED:**

---

Mayor Dennis K. Childress

**ATTEST:**

---

Kandi Jackson, City Secretary



**MINUTES OF CITY COUNCIL  
REGULAR SESSION  
SEPTEMBER 21, 2020**

**The Regular Session of the City Council of the City of Seagoville, Texas was called to order at 7:05 p.m. on Monday, September 21, 2020, at City Hall, 702 N. Hwy 175, Seagoville, Texas with a quorum present, to wit:**

Dennis Childress	Mayor
Jon Epps	Mayor Pro Tem
Jose Hernandez	Councilmember
Rick Howard	Councilmember
Harold Magill	Councilmember
Mike Fruin	Councilmember

The following staff members were also present: City Manager Patrick Stallings, Police Chief Ray Calverley, Community Development Director Ladis Barr, City Attorney Victoria Thomas, Health and Code Director Jimmy Stephens, Water Utilities Director Chris Ryan, Finance Director Patrick Harvey, and City Secretary Kandi Jackson.

**Invocation** – *Invocation was led by Mayor Childress.*

**Pledge of Allegiance** – *Pledge of Allegiance was led by Mayor Childress.*

**Mayor's Report** – *None.*

**Citizens Public Comment Period-** *This portion of the meeting is to allow each speaker up to six (6) minutes to address the council on items not posted on the current agenda. Council may not discuss these items but may respond with factual data or policy information, or place the item on a future agenda. Citizens wishing to speak on posted agenda items will be called upon at that time. Anyone wishing to speak shall submit a Speaker Request Form to the City Secretary.*

*None.*

**CONSENT AGENDA-** The Consent Agenda contains items which are routine in nature and will be acted upon in one motion.

**1. Discuss and consider a Resolution of the City Council of the City of Seagoville, Texas, approving a negotiated settlement between the Atmos Cities Steering Committee (“ACSC”) and Atmos Energy Corp., Mid-Tex Division regarding the Company’s 2020 Rate Review Mechanism filings; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the attached settlement tariffs to be just and reasonable and in the public interest; approving an attached exhibit establishing a benchmark for pensions and retiree medical benefits; approving an attached exhibit regarding amortization of regulatory liability; requiring the Company to reimburse ACSC’s reasonable ratemaking expenses; determining that this Resolution was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this Resolution to the Company and the ACSC’s legal counsel (City Manager)**

*Motion to approve consider a Resolution of the City Council of the City of Seagoville, Texas, approving a negotiated settlement between the Atmos Cities Steering Committee (“ACSC”) and Atmos Energy Corp., Mid-Tex Division regarding the Company’s 2020 Rate Review Mechanism filings; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the attached settlement tariffs to be just and reasonable and in the public interest; approving an attached exhibit establishing a benchmark for pensions and retiree medical benefits; approving an attached exhibit regarding amortization of regulatory liability; requiring the Company to reimburse ACSC’s reasonable ratemaking expenses; determining that this Resolution was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this Resolution to the Company and the ACSC’s legal counsel – Fruin, seconded by Magill; motion passed with all ayes. 5/0*

**REGULAR AGENDA-**

**2. Discuss and consider approval for placement of cornerstone on Fire Station #2 by Masonic Lodge (Mike Dupuis)**

*Motion to approve the placement of a cornerstone on Fire Station #2 by the Masonic Lodge – Epps.*

*City Attorney Thomas stated she would like to amend the motion by adding subject to final City Council approval of design.*

*Mayor Pro Tem Epps rescinded his motion.*

*Motion to approve the placement of a cornerstone on Fire Station #2 by Masonic Lodge subject to final City Council approval of design – Epps, seconded by Howard; motion passed. 4/1 (For: Howard, Hernandez, Magill, and Epps; Against: Fruin)*

**3. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas amending the Master Fee Schedule, as amended, by amending the section titled “Library”, including the subsections titled “Library Cards”, and “Miscellaneous”, as set forth on the attached Exhibit “A”; providing a savings clause, providing a severability clause; and providing an effective date (Finance Director)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas amending the Master Fee Schedule, as amended, by amending the section titled “Library”, including the subsections titled “Library Cards”, and “Miscellaneous”, as set forth on the attached Exhibit “A”; providing a savings clause, providing a severability clause; and providing an effective date – Magill, seconded by Epps; motion passed with all ayes. 5/0*

**4. Discuss and consider approving an Ordinance of the City of Seagoville, Texas amending Ordinance No. 15-2020 to correct scrivener’s errors; providing a repealing clause; providing a severability clause; and providing an effective date (Finance Director)**

*Motion to approve an Ordinance of the City of Seagoville, Texas amending Ordinance No. 15-2020 to correct scrivener’s errors; providing a repealing clause; providing a severability clause; and providing an effective date – Hernandez, seconded by Howard; motion passed with all ayes. 5/0*

**5. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas approving an agreement for Professional Engineering Services on a Defined Scope of Services Basis (“Agreement”) with Halff Associates, Inc. for the purpose of providing a Risk and Resilience Assessment (RRA) and an Emergency Response Plan**

**(ERP); in an amount not to exceed Seventy Four Thousand Two Hundred Dollars and Zero Cents (\$74,200.00); authorizing the City Manager to sign; and providing an effective date (Water Utilities Director)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas approving an agreement for Professional Engineering Services on a Defined Scope of Services Basis (“Agreement”) with Halff Associates, Inc. for the purpose of providing a Risk and Resilience Assessment (RRA) and an Emergency Response Plan (ERP); in an amount not to exceed Seventy Four Thousand Two Hundred Dollars and Zero Cents (\$74,200.00); authorizing the City Manager to sign; and providing an effective date – Hernandez, seconded by Howard; motion passed with all ayes. 5/0*

**6. Discussion concerning existing fire lanes and new fire lanes in the City of Seagoville (Community Development Director)**

*Councilmember Hernandez stated this will be a requirement for all future fire lanes.*

**7. Discuss and consider approving an Ordinance of the City of Seagoville, Texas amending the Code of Ordinances by amending Chapter 9 “Fire Prevention and Protection”, Article 9.03 “Fire Code”, by amending Section 9.03.003 “Amendments” to provide specific design and construction requirements for fire apparatus access roads; providing a savings clause; providing for a severability clause; providing a penalty of fine not to exceed the sum of Two Thousand Dollars (\$2000.00) for each offense; providing for publication; and providing an effective date (Community Development Director)**

*Motion to approve an Ordinance of the City of Seagoville, Texas amending the Code of Ordinances by amending Chapter 9 “Fire Prevention and Protection”, Article 9.03 “Fire Code”, by amending Section 9.03.003 “Amendments” to provide specific design and construction requirements for fire apparatus access roads; providing a savings clause; providing for a severability clause; providing a penalty of fine not to exceed the sum of Two Thousand Dollars (\$2000.00) for each offense; providing for publication; and providing an effective date – Magill, seconded by Hernandez; motion passed with all ayes. 5/0*

**8. Discuss and consider approving a Resolution of the City of Seagoville, Texas, approving the terms and conditions of an Interlocal Cooperation Agreement with Dallas County Health and Human Services; authorizing its execution by the City Manager; and providing an effective date (Director of Health and Code)**

*Motion to approve a Resolution of the City of Seagoville, Texas, approving the terms and conditions of an Interlocal Cooperation Agreement with Dallas County Health and Human Services; authorizing its execution by the City Manager; and providing an effective date – Howard, seconded by Magill; motion passed with all ayes. 5/0*

**9. Receive Councilmember Reports/Items of Community Interest** - as authorized by Section 551.0415 of the Texas Government Code.

*None.*

**10. Future Agenda Items** – Council to provide direction to staff regarding future agenda items. These items will not be discussed and no action will be taken at this meeting.

*None.*

**11. Council recessed Into Executive Session at 7:14 p.m.**

**Council will recess into Executive Session in compliance with Texas Government Code:**

**A. § 551.071. Consultation with City Attorney: receive legal advice to wit: potential Crestview sidewalk project**

**12. Council Reconvened Into Regular Session at**

**Council will reconvene into open session, and take action, if any, on matters discussed in Executive Session.**

**A. § 551.071. Consultation with City Attorney: receive legal advice to wit: potential Crestview sidewalk project**

*No action taken.*

**Adjourned at 7:36 p.m.**

**APPROVED:**

---

Mayor Dennis K. Childress

**ATTEST:**

---

Kandi Jackson, City Secretary

## ***Consent Session Agenda Item: 2***

**Meeting Date:     October 5, 2020**

### **ITEM DESCRIPTION:**

Consider approving a Resolution of the City of Seagoville, Texas designating the Daily Commercial Record as the official newspaper for the City of Seagoville, Texas; providing for repeal of any and all Resolutions in conflict; providing for severability clause; and providing an effective date.

### **BACKGROUND OF ISSUE:**

The Charter provides for ordinances imposing any penalty, fine or forfeiture to become effective only after having been published once in its entirety or by caption form after adoption, in a newspaper designated as the official newspaper of the City. In addition, public hearings, bid notices, election notices, etc. are published in this same paper.

For a newspaper to qualify to be considered the municipalities “*official*” newspaper, the following criteria must be met:

- (1.) Devote not less than 25% of its total column lineage to general interest items;
- (2.) Be published at least once each week;
- (3.) Be entered as 2<sup>nd</sup> class postal matter in the county where published; and
- (4.) Have been published regularly and continuous for at least 12 months before the governmental entity or representative publishes notice. Tex. Gov’t Code § 2051.044

The Daily Commercial Record was designated the “*official*” newspaper in April, 2016 due to the Suburbia News no longer being in business.

The Daily Commercial Record is the “*official*” newspaper for the City of Garland, Garland ISD, City of Mesquite, Dallas County and Balch Springs. The Daily Commercial Record has five (5) publications a week which is helpful to staff when scheduling public hearings.

### **FINANCIAL IMPACT:**

Advertisement costs vary each year based on Planning & Zoning activity, volume of Ordinances, number of Elections, etc. Funds are allocated in the City Secretary budget for expenditure.

### **RECOMMENDATION:**

Staff recommends designating Daily Commercial Record as the “*official*” newspaper, if the Council so desires.

### **EXHIBITS:**

Resolution designating Daily Commercial Record as official newspaper

**A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS  
RESOLUTION NO.**

**A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS  
DESIGNATING THE *DAILY COMMERCIAL RECORD* AS  
THE OFFICIAL NEWSPAPER FOR THE CITY OF  
SEAGOVILLE, TEXAS; PROVIDING FOR REPEAL OF  
ANY AND ALL RESOLUTIONS IN CONFLICT;  
PROVIDING FOR SEVERABILITY CLAUSE; AND  
PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Chapter 52, Section 52.004, Texas Local Government Code requires that as soon as practicable after the beginning of each municipal year, the governing body of the municipality shall designate, by ordinance or resolution, a public newspaper to be the municipality's official newspaper until another newspaper is selected; and

**WHEREAS**, the public newspaper serving the City of Seagoville, Texas and the local area that is the most widely read is the *Daily Commercial Record*; and

**WHEREAS**, the *Daily Commercial Record* meets all the requirements for service as the official newspaper of the City:

- (1) Devote not less than 25% of its total column lineage to general interest items;
- (2) Be published at least once each week;
- (3) Be entered as 2<sup>nd</sup> class postal matter in the county where published; and
- (4) Have been published regularly and continuous for at least 12 months before the governmental entity or representative publishes notices.

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS THAT:**

**SECTION 1.** The *Daily Commercial Record* is hereby designated the official newspaper for the City of Seagoville, Texas.

**SECTION 2.** All resolutions of the City of Seagoville heretofore adopted which are in conflict with the provisions of this resolution be, and the same are hereby repealed, and all Resolutions of the City of Seagoville not in conflict with the provisions hereof shall remain in full force and effect.

**SECTION 3.** If any article, paragraph, subdivision, clause or provision of this Resolution, as hereby amended, be adjudged invalid or held unconstitutional for any reason, such judgment or holding shall not affect the validity of this resolution as a whole or any part or provision thereof, as amended hereby, other than the part so declared to be invalid or unconstitutional.

**SECTION 4.** This Resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

**DULY ORDERED** by the City Council of the City of Seagoville, Texas, this the 5<sup>th</sup> day of October, 2020.

**APPROVED:**

---

Dennis K. Childress, Mayor

**ATTEST:**

---

Kandi Jackson, City Secretary

**APPROVED AS TO FORM:**

---

Victoria Thomas, City Attorney

## ***Regular Session Agenda Item: 3***

**Meeting Date:     October 5, 2020**

### **ITEM DESCRIPTION:**

First Reading - Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, approving the expenditure by the Seagoville Economic Development Corporation of an amount not to exceed \$600,000.00 plus standard closing costs for the purchase of approximately 0.9853 acres of real property located at 1880 N. Highway 175 Seagoville, Texas and being more particularly described as Lot 3, Block A, Best Western/Seagoville Addition, an Addition to the City of Seagoville, Dallas County, Texas according to the map thereof recorded in volume 99125, page 40, of the map records of Dallas County, Texas as shown on the survey attached hereto and incorporated herein by reference as Exhibit "A" and all improvements located thereon from sellers KH, LLC d/b/a Kelly Harris Company and Allen National Investments, LLC and providing an effective date.

### **BACKGROUND OF ISSUE:**

The EDC previously granted 0.9853 acres of land located at 1880 N. US 175, Seagoville, Texas to Mr. Kelly Harris KH, LLC D/B/A Kelly Harris Company and Allen National Investments, LLC. Mr. Harris has improved the land by constructing a free standing 5,500 sf retail center. Over the past year Mr. Harris has worked diligently to lease/sell this property to an investor that would carry out the wishes of the EDC for a sit down style restaurant or other retail operation that produces sales tax.

The EDC and City have located a suitable client that owns several restaurants in the North Texas Region. This client is currently working with the EDC and City to obtain space at 1880 N. US 175 to locate a sit down style restaurant. The restaurant owner has requested the EDC and City consider a low/no interest incentive for him to purchase the property at which time, he proposes that he will locate a restaurant at 1880 N. US 175. Staff have visited one of the restaurant owner's restaurants and the results of the visit were extremely favorable.

Staff is requesting the EDC and City authorize the purchase of 1880 N. US 175 by the SEDC and at a later date Staff will request a separate agreement to sell this property to the unnamed restaurant/owner.

Staff received an appraisal indicating the property is valued at \$700,000.00 in its current condition and with additional work its value will increase. Mr. Harris is asking for \$600,000.00 and Staff believes this is a fair market value for the property.

**FINANCIAL IMPACT:**

Initially \$600,000.00 plus closing, attorney and other costs associated with the purchase of this property.

**EXHIBITS:**

Exhibit A. Appraisal

**A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF SEAGOVILLE, TEXAS**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS, APPROVING THE EXPENDITURE BY THE SEAGOVILLE ECONOMIC DEVELOPMENT CORPORATION OF AN AMOUNT NOT TO EXCEED \$600,000.00 PLUS STANDARD CLOSING COSTS FOR THE PURCHASE OF APPROXIMATELY 0.9853 ACRES OF REAL PROPERTY LOCATED AT 1880 N. HIGHWAY 175 SEAGOVILLE, TEXAS AND BEING MORE PARTICULARLY DESCRIBED AS LOT 3, BLOCK A, BEST WESTERN/SEAGOVILLE ADDITION, AN ADDITION TO THE CITY OF SEAGOVILLE, DALLAS COUNTY, TEXAS ACCORDING TO THE MAP THEREOF RECORDED IN VOLUME 99125, PAGE 40, OF THE MAP RECORDS OF DALLAS COUNTY, TEXAS AS SHOWN ON THE SURVEY ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE AS EXHIBIT “A” AND ALL IMPROVEMENTS LOCATED THEREON FROM SELLERS KH, LLC D/B/A KELLY HARRIS COMPANY AND ALLEN NATIONAL INVESTMENTS, LLC AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Seagoville Economic Development Corporation (“Corporation”) has negotiated and desires to purchase approximately 0.9853 acres of real property located at 1880 N. Highway 175 Seagoville, Texas, being more particularly described as Lot 3, Block A, Best Western/Seagoville Addition, an addition to the City of Seagoville, Dallas County, Texas according to the map thereof recorded in Volume 99125, Page 40, of the Map Records of Dallas County, Texas, as shown on the survey attached hereto and incorporated herein by reference as Exhibit “A” and all improvements located thereon (the “Property”) from Sellers KH, LLC d/b/a Kelly Harris Company and Allen National Investments, LLC for a purchase price not to exceed six hundred thousand (\$600,000.00) dollars plus standard closing cost; and

**WHEREAS**, in on September 24, 2020, the Corporation approved the purchase of the Property on said terms and authorized the President/CEO of the Corporation to take such acts as necessary to complete the purchase of the Property including authorizing and making the payment of the purchase price, closing costs, and other expenses from funds currently; and

**WHEREAS**, the Corporation’s by-laws and amended official rules of procedure require City Council approval of expenditures of Corporation funds; and

**WHEREAS**, the City Council has determined that approving the expenditure by the Corporation of the funds for the purchase price for the Property, not to exceed \$600,000.00 plus standard closing costs is in the best interest of the City and will further the purposes for which the Corporation was created and should therefore be approved.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS, THAT:**

**SECTION 1.** The City Council hereby approves the expenditure by the Seagoville Economic Development Corporation of an amount not to exceed \$600,000.00 plus standard closing costs and other expenses for the purchase of approximately 0.9853 acres of real property located at 1880 N. Highway 175 Seagoville, Texas, being more particularly described as Lot 3, Block A, Best Western/Seagoville Addition, an addition to the City of Seagoville, Dallas County, Texas according to the map thereof recorded in Volume 99125, Page 40, of the Map Records of Dallas County, Texas, as shown on the survey attached hereto and incorporated herein by reference as Exhibit "A" and all improvements located thereon (the "Property") from Sellers KH, LLC d/b/a Kelly Harris Company and Allen National Investments, LLC.

**SECTION 2.** This resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Seagoville, Texas, and it is accordingly resolved.

**DULY PASSED** by the City Council of the City of Seagoville, Texas, on the 5<sup>th</sup> day of October, 2020.

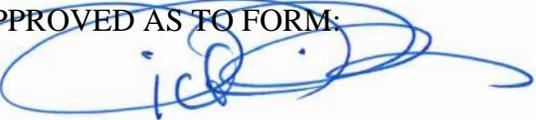
APPROVED:

\_\_\_\_\_  
DENNIS K. CHILDRESS, MAYOR

ATTEST:

\_\_\_\_\_  
KANDI JACKSON, CITY SECRETARY

APPROVED AS TO FORM:

  
\_\_\_\_\_  
VICTORIA W. THOMAS, CITY ATTORNEY  
(092020vwtTM118061)



**APPRAISAL REPORT**

**TRINITY PLAZA RETAIL  
1880 NORTH US HIGHWAY 175  
SEAGOVILLE, DALLAS COUNTY, TEXAS 75159**

**FOR**

**NICHOLS, JACKSON, DILLARD, HAGAR AND SMITH  
500 NORTH AKARD/1800 ROSS TOWER  
DALLAS, TEXAS 75201**



**16910 DALLAS PARKWAY, SUITE 100  
DALLAS, TEXAS 75248**

# PYLES★WHATLEY CORPORATION

Real Estate Consultants

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September 8, 2020

Ms. Victoria Thomas  
Nichols, Jackson, Dillard, Hagar and Smith  
500 North Akard/1800 Ross Tower  
Dallas, Texas 75201

Re: An appraisal of a retail strip center located at 1880 North US Highway 175, Seagoville, Dallas County, Texas 75159.

Dear Ms. Thomas:

At your request, we submit this appraisal report to estimate the market value of the above referenced property. We have made an on-site inspection of the property and considered factors pertinent to and indicative of value including the Seagoville area characteristics, market area data and trends, locational amenities, highest and best use, and other elements of value.

Methodology and terminology used throughout the report can be found in The Appraisal of Real Estate, Fourteenth Edition, as published by the Appraisal Institute. This report conforms to USPAP standards.

This appraisal provides an appraisal report in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP). Our opinions of value for the subject are effective as of August 27, 2020, and the methodology and terminology used throughout the report includes the following:

**Market Value, As Is on the Appraisal Date** – An opinion of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared.

**Prospective Future Value Upon Completion of Construction** – The prospective future value of a property on the date construction is completed, based upon market conditions forecast to exist as of that completion date. The value estimate at this stage of value is stated in current dollars unless stated otherwise.

**Prospective Future Value, Upon Reaching Stabilized Occupancy** – The prospective future value of a property at a point in time when all improvements have been physically constructed and the property has been leased to its optimum level of long-term occupancy. The opinion of value at this stage of value is in current dollars unless stated otherwise.

16910 Dallas Parkway, Suite 100, Dallas, Texas 75248 • P: 214.340.5880 • F: 214.340.5422

Appraisals@pyleswhatley.com

www.PylesWhatley.com

Page 2  
Mr. Victoria Thomas  
September 8, 2020

Our opinions of the market value for the subject are as follows:

**Market Value Opinions**

<b>Fee Simple, As Is, August 27, 2020</b>	<b>\$</b>	<b>700,000</b>
<b>Prospective Value, Upon Completion (December 2020)</b>	<b>\$</b>	<b>995,000</b>
<b>Prospective Value, Upon Stabilization (November 2022)</b>	<b>\$</b>	<b>1,210,000</b>

The following report sets forth a description of the subject property, along with a summary of the market data considered and the conclusions derived from such data. Your attention is directed to the general assumptions and limiting conditions of this appraisal. The as complete value and as stabilized value is the same because the property is currently leased to stabilized occupancy. No discount is required.

**EXTRAORDINARY ASSUMPTIONS**

*The owner provided the construction costs for the improvements. This appraisal assumes that all of the information obtained for analysis is accurate; this information has been verified to the extent possible by the appraisers.*

*As the improvements are under construction, this appraisal is based on the assumption that the subject interior will be constructed as represented to the appraiser at the time of the appraisal, and that all construction and development will proceed in a timely manner and without delay or cost overruns. In addition, it is assumed that the economic conditions projected in this appraisal will not change significantly over the projected absorption period for the subject.*

**HYPOTHETICAL CONDITION**

*At the request of the client and for purposes of this appraisal, the subject is valued as if the improvement construction and associated interior finish-out were completed and available to the market as of the date of the completion, December 2020.*

If you should have questions concerning any portion of this appraisal, please contact our office.

Respectfully submitted,

**PYLES WHATLEY CORPORATION**



**Richard McBride**

State of Texas Certification #TX-1380335-G

## SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

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<b>Subject Property</b>	Trinity Plaza Retail		
<b>Location</b>	1880 North US Highway 175 Seagoville, Dallas County, Texas		
<b>Mapsco</b>	DA-70-Z		
<b>Land Area</b>	42,920 SF	0.985 AC	
<b>Zoning</b>	PD-Commercial		
<b>Gross Building Area</b>	5,340 SF	(per measurements)	
<b>Rentable Building Area</b>	5,340 SF	(per building plans)	
<b>Occupancy</b>	0%		
<b>Year of Construction</b>	2020		
<b>Reasonable Exposure Time</b>	12 months		
<b>Reasonable Marketing Period</b>	12-18 months		
<b>Land Value</b>	\$ 118,000	or	\$2.75 Per SF
<b>Market Value Indicators</b>	<u>As Is</u>	<u>Upon Completion</u>	<u>Upon Stabilization</u>
<b>Cost Approach</b>	\$ 695,000	\$990,000	\$1,205,000
<b>Sales Comparison Approach</b>	\$ 825,000	\$1,120,000	\$1,335,000
<b>Income Capitalization Approach</b>	\$ 700,000	\$995,000	\$1,210,000
<b>Market Value Opinions</b>			
<b>Fee Simple, As Is, August 27, 2020</b>	\$ 700,000		
<b>Prospective Value, Upon Completion (December 2020)</b>	\$ 995,000		
<b>Prospective Value, Upon Stabilization (November 2022)</b>	\$ 1,210,000		
<b>Date of Appraisal Value</b>	August 27, 2020		
<b>Date of Appraisal Value - Upon Completion</b>	December 2020		
<b>Date of Inspection</b>	August 27, 2020		
<b>Date of Appraisal Report</b>	September 8, 2020		

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## TABLE OF CONTENTS

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<b>LETTER OF TRANSMITTAL</b>	
<b>SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS</b>	
	<b><u>PAGE</u></b>
<b>SCOPE OF THE ASSIGNMENT .....</b>	<b>1</b>
<b>DEFINITION OF MARKET VALUE.....</b>	<b>5</b>
<b>GENERAL ASSUMPTIONS AND LIMITING CONDITIONS.....</b>	<b>6</b>
<b>EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS.....</b>	<b>9</b>
<b>DEFINITIONS AND TERMS .....</b>	<b>10</b>
<b>REGIONAL MAP.....</b>	<b>14</b>
<b>SUBJECT AREA ANALYSIS .....</b>	<b>15</b>
<b>LOCATION MAP.....</b>	<b>21</b>
<b>SUBJECT PROPERTY.....</b>	<b>22</b>
<b>REAL ESTATE TAX ANALYSIS .....</b>	<b>26</b>
<b>AERIAL PHOTOGRAPHS.....</b>	<b>27</b>
<b>PARCEL MAP .....</b>	<b>28</b>
<b>ZONING MAP .....</b>	<b>29</b>
<b>FLOOD MAP .....</b>	<b>30</b>
<b>BUILDING SKETCH.....</b>	<b>31</b>
<b>SUBJECT PHOTOGRAPHS .....</b>	<b>33</b>
<b>SUBJECT PHOTOGRAPHS .....</b>	Error! Bookmark not defined.
<b>HIGHEST AND BEST USE .....</b>	<b>35</b>
<b>APPRAISAL PROCEDURE .....</b>	<b>38</b>
<b>REASONABLE EXPOSURE TIME.....</b>	<b>40</b>
<b>LAND VALUATION.....</b>	<b>41</b>
<b>COST APPROACH.....</b>	<b>51</b>
<b>SALES COMPARISON APPROACH .....</b>	<b>56</b>
<b>INCOME CAPITALIZATION APPROACH.....</b>	<b>72</b>
<b>RECONCILIATION .....</b>	<b>99</b>
<b>REASONABLE MARKETING PERIOD.....</b>	<b>101</b>
<b>APPRAISER'S CERTIFICATE .....</b>	<b>102</b>
<b>QUALIFICATIONS OF APPRAISER.....</b>	<b>103</b>

### **ADDENDA**

**TAX INFORMATION**  
**SURVEY**  
**STATE CERTIFICATION**

### **Purpose of the Appraisal**

The purpose of this appraisal is to render an opinion of the market value of the subject property. The report complies with the requirements of the Uniform Standards of Professional Appraisal Practice, the Code of Ethics of the Appraisal Institute, and Texas Real Estate Commission Rules.

All methodology utilized to arrive at the estimate of market value can be found in The Appraisal of Real Estate, Fourteenth Edition, as published by the Appraisal Institute.

### **Effective Date of the Appraisal**

The subject property is being appraised as of August 27, 2020, and is subject to the market influences and economic conditions, which existed on that date. This date is also known as the effective date and is the date of the opinions and conclusions found in this report. The property was also inspected and photographed on August 27, 2020, which included a visual observation of the site and any improvements. The effective date of the 'Prospective Value, Upon Completion' is in December 2020. The effective date of the 'Prospective Value, Upon Stabilization' is in November 2022. The date of this appraisal report is September 8, 2020.

### **Property Rights Appraised**

Three primary property rights may typically be appraised. They are fee simple estate, leased fee estate, and leasehold estate. These rights are defined as follows:

*Fee Simple Estate* - Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the government powers of taxation, eminent domain, police power, and escheat.

*Leased Fee Estate* - An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

*Leasehold Estate* - The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

In this report, we develop a market value opinion of the *fee simple interest* in the real property.

### **Subject Identification & Legal Description**

Property Type:	Retail strip center
Ownership:	Kelly Harris Company and Allen National Investments, LLC
Subject Property Location:	1880 North US Highway 175 Seagoville, Dallas County, Texas
Zip Code:	75159
Legal Description:	Lot 3, Block A, Best Western Seagoville Addition, city of Seagoville, Dallas County, Texas

### **Subject History**

According to the Dallas Central Appraisal District records, the current owner is Kelly Harris Company and Allen National Investments, LLC. The subject land transferred to Kelly Harris Company and Allen National Investments, LLC from the Seagoville Economic Development Corporation on September 28, 2018, as recorded in Document Number 201800247149. The subject transferred under an economic development incentive agreement with the Seagoville Economic Development corporation to develop the land with a retail center. The improvements are currently under construction.

According to public records, there have been no other transfers of the subject property within the past three years.

Please note that this information is included only to satisfy the requirements of USPAP. It is not intended as a guarantee to the chain of title and a title search should be performed by a title company should a definitive abstract be desired.

### **Intended Use, Intended User, and Client**

The intended use of this report is for internal decision-making and analyses for Nichols, Jackson, Dillard, Hagar and Smith, and the City of Seagoville's officers, administrators, employees, lending co-participants (if any), assignees, and appropriate regulatory agencies. The intended users, Nichols, Jackson, Dillard, Hagar and Smith and the City of Seagoville, are also the clients. Any other user or uses are not intended or authorized. Use of this appraisal for any other use or by another user or appraisal date may invalidate the findings and conclusions.

### **Data Researched**

For this report, the subject market was researched for all pertinent data relating to the appraisal problem including: collecting and confirming data through brokers, appraisers, property owners, lessees/lessors, and others familiar with the real estate market. The information provided by these sources is deemed reliable, but is not guaranteed.

In addition, verifiable third party sources were utilized including Costar Realty Information, Roddy Information Services, Loopnet, and the Multiple Listing Service (MLS). Additional market data were extracted from market reports and data circulated and purchased from Robert G. Watts/RealtyRates.com, Real Estate Research Corporation, Price Waterhouse Coopers Korpacz Investor Survey, and M/PF Yieldstar. The information provided by these sources is deemed reliable, but is not guaranteed.

### **Competency**

The appraiser involved in this assignment has considerable experience in appraising this property type. The appraiser is actively engaged in appraisal work in the geographical area of the subject property. The company maintains a database on this area for similar properties. We have adequate knowledge of the property type and location to meet the competency requirements of the Uniform Standards of Professional Appraisal Practice.

In addition, other appraisers in the market would perform similar actions in the appraisal process to fulfill the scope of work in this assignment and the appraisal meets or exceeds the expectations of parties who are regularly intended users for similar assignments.

### Scope of the Appraisal

Richard McBride performed all aspects of this report, which included the following:

- Communicated with Victoria Thomas, of Nichols, Jackson, Dillard, Hagar and Smith and the City of Seagoville regarding the appraisal assignment; a narrative appraisal report meets the client's requirements.
- Communicated with the owner, regarding the history and the condition of the subject.
- Researched the public records for data on the subject property, including zoning, assessments, taxes, acreage, buildings and site improvements, and maps.
- A preliminary search of all available resources was made to determine market trends, influences and other significant factors pertinent to the subject property. The property is identified previously in this report.
- Richard McBride inspected the subject property and subject neighborhood on August 27, 2020; photographs were taken of the subject and the comparable sales and income properties. Although due diligence was exercised while inspecting the property, the appraiser is not an expert in such matters as soils, structural engineering, hazardous waste, etc., and no warranty is given as to these elements. The owner, Kelly Harris, was present during the inspection.
- Research and collection of data (improved sales, escrow sales, listings, and income) were performed as present in the market area and of sufficient quality to express an opinion of value as defined herein. The appraiser examined data from the Costar Realty Information, Roddy Information Services, Loopnet, Multiple Listing Service (MLS), county records, and owner interviews.
- An analysis of the highest and best use was completed.
- Gathered and analyzed the market data to reach an estimate of market value for the fee simple interest of the subject, using the cost, sales comparison, and income capitalization approaches to value.
- Assembled and wrote the narrative report, complete with maps, photos, and supporting addenda.

## **DEFINITION OF MARKET VALUE**

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The definition of market value is:

“The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeable, and for self-interest, and assuming that neither is under undue duress.” \*

\* The Appraisal of Real Estate, 14th Edition, 2013, Appraisal Institute, Chicago, Illinois, p. 58

## **GENERAL ASSUMPTIONS AND LIMITING CONDITIONS**

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The Uniform Standards of Professional Appraisal Practice and the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute require the appraiser to "set forth all assumptions and limiting conditions that affect the analyses, opinions, and conclusions in the report". In compliance therewith, and to assist the reader in interpreting this report, such general assumptions and limiting conditions are set forth below. Specific assumptions, if any, are referred to in the transmittal letter and their location in the report detailed.

Title is assumed to be marketable, free, and clear of all liens and encumbrances, easements, and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.

No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, notwithstanding the fact that such matters may be discussed in the report.

No opinion is expressed on the value of subsurface oil, gas or mineral rights, water rights, or whether the property is subject to surface entry for the exploration or removal of such, except as expressly stated.

The date of value to which the opinions expressed in this report apply is set forth in the letter of transmittal. The appraiser assumes no responsibility for economic or physical factors occurring at some later date, which may affect the opinions herein stated. The opinion of value is considered reliable only as of the date of the appraisal.

The valuation is reported in dollars of U.S. currency prevailing on the date of the appraisal.

Maps, plats, and exhibits included herein are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose unless specifically identified as such.

All information and comments pertaining to this and other properties included in the report represent the personal opinion of the appraiser, formed after examination and study of the subject and other properties. While it is believed the information, estimates and analyses are correct, the appraiser does not guarantee them and assumes no liability for errors in fact, analysis or judgment.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or to the MAI or SRA designation) shall be disseminated to the public through advertising media, public relations media, sales media, or any other public means of communication without written consent and approval of the undersigned.

The appraiser is not required to give testimony or to appear in court by reason of this appraisal, unless prior arrangements have been made.

## **GENERAL ASSUMPTIONS AND LIMITING CONDITIONS**

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The distribution of the total valuation in this report between land and improvements applies only under the existing or proposed/completed program of utilization. The separate valuations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

Certain information concerning market and operating data were obtained from others. This information is verified and checked, where possible, and is used in this appraisal only if it is believed to be accurate and correct. However, such information is not guaranteed.

Opinions of value contained herein are opinions only. There is no guarantee, written or implied, that the subject property will sell for such amounts. Prospective values are based on market conditions as of the effective date of the appraisal. The appraiser is not responsible if unforeseeable events alter market conditions subsequent to the effective date of the appraisal. As a personal opinion, valuation may vary between appraisers based on the same facts.

No responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes can be assumed without provision of specific professional or governmental inspections. While the general conditions of the property were observed, no guarantee can be made concerning the individual components of the structures including but not limited to the heating system, plumbing, electrical services, roof, possible termite damage or building foundation. This appraiser is not qualified to make a complete inspection of any well or septic system, consequently, it was beyond the scope of this report and no statements can be made concerning the adequacy or condition of these or other systems.

No investigation - unless presented in other sections of this report - was made by the appraiser to determine if asbestos, fiberglass, or synthetic mineral fiber products are present in improved properties. The existence of such products, if any, would have to be determined by a qualified inspector. It is assumed that there is no asbestos, fiberglass, synthetic mineral fiber products, nor other contaminants present that would materially affect value.

The Americans with Disabilities Act (ADA) became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

No investigation - unless presented in other sections of this report - was made by the appraiser to determine if any toxic materials are present on the subject tract. The existence of such materials, if any, would have to be determined by a qualified inspector. It is assumed that no toxic materials are present that would materially affect value or development costs.

## **GENERAL ASSUMPTIONS AND LIMITING CONDITIONS**

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A reasonable investigation was made to determine the existence of any underground storage tanks (UST) on the subject site. If USTs are present on the subject site details are provided in other sections of this report.

In the event the appraisal is based upon proposed improvements, it is assumed that the improvements will be completed in substantial conformity with plans and specifications, which have been furnished to the appraiser, and with good materials and workmanship. It is also assumed that the proposed foundation and construction techniques are adequate for the existing sub-soil conditions.

Personal property, fixtures, or intangible items that are not real property, that are included in the appraisal, are identified as Furniture, Fixtures and Equipment, or FF&E.

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## EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

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**Extraordinary Assumptions and Hypothetical Conditions:** The Uniform Standards of Professional Appraisal Practice require the disclosure of hypothetical conditions and extraordinary assumptions when employed in the development of an appraisal. As defined in the Uniform Standards of Professional Appraisal Practice, an extraordinary assumption is “an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.” As defined in the Uniform Standards of Professional Appraisal Practice, a hypothetical condition is “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.” *The following extraordinary assumptions and hypothetical conditions are set forth for appraisal purposes and no legal reasoning is intended. The reader should be aware, that, in the event that any of the assumptions or conditions proves false or improperly applied, the conclusions of this appraisal could be changed or invalidated.*

### **EXTRAORDINARY ASSUMPTIONS**

*The owner provided the construction costs for the improvements. This appraisal assumes that all of the information obtained for analysis is accurate; this information has been verified to the extent possible by the appraisers.*

*As the improvements are under construction, this appraisal is based on the assumption that the subject interior will be constructed as represented to the appraiser at the time of the appraisal, and that all construction and development will proceed in a timely manner and without delay or cost overruns. In addition, it is assumed that the economic conditions projected in this appraisal will not change significantly over the projected absorption period for the subject.*

### **HYPOTHETICAL CONDITION**

*At the request of the client and for purposes of this appraisal, the subject is valued as if the improvement construction and associated interior finish-out were completed and available to the market as of the date of the completion, December 2020.*

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## DEFINITIONS AND TERMS

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Various terms and symbols are used throughout the appraisal report. The following are definitions of the terms and explanations of the symbols used:

**Anticipation** – The perception that value is created by the expectation of benefits to be derived in the future.

**Appreciation** - Increase in value due to increase in cost to reproduce, value over the cost, or value at some specified earlier point in time, brought about by greater demand, improved economic conditions, increasing price levels, reversal of depreciating environmental trends, improved transportation facilities, direction of community or area growth, or other factors.

**Depreciation** - A loss of utility and hence value from any cause. An effect caused by physical deterioration and/or obsolescence.

**Effective Gross Income Multiplier** - The ratio between the sale price (or value) of a property and its effective gross income; a single year's EGI expectancy or an annual average of several years' EGI expectancies.

**Excess Land** - In regard to an improved site, the land not needed to serve or support the existing improvement. In regard to a site considered as though vacant, excess land is the land not needed to accommodate the site's primary highest and best use. Such land may have its own highest and best use or may allow for future expansion of the existing or anticipated improvement. If the excess land is marketable or has value for a future use, its market value as vacant land is added to the opinion of market value of the economic entity.

**Exposure Time** - The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.

**External (Economic) Obsolescence** - Impairment of desirability or useful life arising from factors external to the property, such as economic forces or environmental changes, which affect supply-demand relationships in the market. Loss in the use and value of a property arising from the factors of economic obsolescence is to be distinguished from loss in value from physical deterioration and functional obsolescence, both of which are inherent in the property. Also referred to as Location or Environmental Obsolescence.

**Fee Simple Estate** - Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

**Functional Obsolescence** - Impairment of functional capacity or efficiency. Functional obsolescence reflects the loss in value brought about by such factors as overcapacity, inadequacy, and changes in the art, that affect the property item itself or its relationship with other elements comprising a larger property. The inability of a structure to perform adequately the function for which it is currently employed.

## DEFINITIONS AND TERMS

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**Going-concern value (or business enterprise)** - The value created by a proven property operation; considered a separate entity to be valued with an established business.

**Highest and Best Use** - That reasonable and probable use that will support the highest present value, as defined, as of the effective date of the appraisal.

**Industrial Gross Lease** - Tenant pays electrical usage, for increases in property taxes and insurance over a base year, and a pro-rata share of common area maintenance in some instances.

**Investment Value** - The specific value of an investment to a particular investor or class of investors based on individual investment requirements; distinguished from market value, which is impersonal and detached.

**Leased Fee Estate** - An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

**Leasehold Estate** - The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

**Lessee** - One who has the right to use or occupy a property under a lease agreement; the leaseholder or tenant.

**Lessee's Interest**- See Leasehold Estate

**Lessor** - One who holds property title and conveys the right to use and occupy the property under a lease agreement; the leased fee owner or landlord.

**Market Value** - See Definition of Market Value

**Market Price** - The amount actually paid, or to be paid, for a property in a particular transaction. Differs from market value in that it is an accomplished or historic fact, whereas market value is and remains an estimate until proven. Market price involves no assumption of prudent conduct by the parties, or absence of undue stimulus, or of any other condition basic to the market value concept.

**Market Rent** - The rental income that a property would most probably command on the open market as indicated by current rentals being paid for comparable space as of the effective date of the appraisal.

**Present Value** - The current monetary value. It is the today's cash lump sum, which represents the current value of the right to collect future payments. It is the discounted value of aggregate future payments.

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## DEFINITIONS AND TERMS

**Replacement Cost New (RCN)** – The estimated cost to construct, as of the effective date of the appraisal, a building with utility equivalent to the building being appraised, using contemporary materials, standards, design and layout. When this cost basis is used, some existing obsolescence in the property is assumed to be cured.

**Substitution** – The appraisal principle that states when several similar or commensurate commodities, goods, or services are available, the one with the lowest price will attract the greatest demand and widest distribution. This is the primary principle upon which the cost and sales comparison approaches are based.

**Surplus Land** - In regard to an improved site, the land not necessary to support the highest and best use of the existing improvements, but because of physical limitations, building placement, or neighborhood norms, cannot be sold off separately. Such land may or may not contribute positively to value and may or may not accommodate future expansion of an existing anticipated improvement.

**Utility** – The ability of a product to satisfy a human want, need, or desire.

**Zoning** – The public regulation of the character and extent of real estate use through police power; accomplished by establishing districts or areas with uniform restrictions relating to improvements; structural height, area, and bulk; density of population; and other aspects of the use and development of private property.

### Abbreviations

SF = square feet	PSF or /SF = per square foot	FF = front feet
LF = lineal feet	AC = acres	ROW = right of way
RR = railroad	CBD = central business district	GI = gross income
EGI = effective gross income	NOI = net operating income	PV = present value
OAR or $R_o$ = overall capitalization rate	EDR or $R_E$ = equity dividend rate	UA = usable area
GBA = gross building area	RA = rentable area	$\pm$ = plus, or minus from amount stated

Source of Definitions: The Dictionary of Real Estate Appraisal, Third Edition, Appraisal Institute, Chicago, Illinois, 1993.

### STAGES OF VALUE

During the real estate development process, a property typically progresses from a state of unimproved land to construction of improvements to stabilized occupancy. In general, the market value associated with the property increases during these stages of development. After reaching stabilized occupancy, ongoing forces affect the property during its life, including physical wear and tear, changing market conditions, etc. These factors continually influence the property's market value at any given point in time. Opinions of value are developed on the basis of one or more of the following:

**Market Value, As Is on the Appraisal Date** – An opinion of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared.

**Market Value, As If Complete on the Appraisal Date** – The market value of a property with all construction, conversion, or rehabilitation hypothetically completed, or under other specified hypothetical conditions as of the date of appraisal. With regard to properties wherein anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this opinion of value should reflect the market value of the property as if complete and prepared for occupancy by tenants.

**Prospective Future Value Upon Completion of Construction** – The prospective future value of a property on the date construction is completed, based upon market conditions forecast to exist as of that completion date. The value estimate at this stage of value is stated in current dollars unless stated otherwise.

**Prospective Future Value Upon Reaching Stabilized Occupancy** – The prospective future value of a property at a point in time when all improvements have been physically constructed and the property has been leased to its optimum level of long-term occupancy. The opinion of value at this stage of value is in current dollars unless stated otherwise.

**Retrospective Value, As of Appraisal Date** – An opinion of the market value of a property that is likely to have applied as of a specific historic date and as it physically and legally existed without hypothetical conditions, assumptions, or qualifications as of the specific historic date. The opinion of value at this stage of value is in current dollars unless stated otherwise.

The stages of value utilized in this report are as follows: *market value, as is on the appraisal date, prospective future value upon completion, and prospective future value, upon stabilization,*.



A **market area**, as defined in The Dictionary of Real Estate Appraisal, 6<sup>th</sup> Edition, copyrighted 2015, is:

"The geographic region from which a majority of demand comes and in which the majority of competition is located."

When analyzing value influences, the focus is on market area. A market area is defined in terms of the market for a specific category of real estate and thus, is the area in which alternative, similar properties effectively compete with the subject property in the minds of probably, potential purchasers, and users. A market area can encompass one or multiple neighborhoods or districts.

### **MARKET AREA INFLUENCES**

The subject property is located in Seagoville, Texas, situated in Dallas County. Area analyses and subject vicinity are presented in the following pages.

#### **Location**

The subject is located at the northwest corner of US Highway 175 and Cain Street. The subject's market area is suburban in nature and is primarily comprised of the city of Seagoville.

The locale is approximately 20 miles from the Dallas CBD. Adjoining suburban neighborhoods are similar as to make-up and land uses. These include the suburban cities of Balch Springs, Pleasant Grove, and the Crandall area. Properties in the area compete with other similar market areas.

The excellent accessibility and location amenities of the above-delineated general area have been highly significant in its development, redevelopment, and sustenance of commerce in the area. The general area is well serviced by freeways, benefits from high intensity commercial as well as residential development, and is convenient to the Dallas CBD.

#### **Traffic Routes**

The primary thoroughfares through the neighborhood are US Highway 175 a four-lane, bi-directional thoroughfare as it travels northwest to southeast through the area; and Interstate Highway 20, a six-lane, bi-directional thoroughfare as it travels west to east through the area. The area is located in the southeastern section of these two major transportation routes. Interstate Highway 635 (LBJ Freeway) is the primary loop around the city of Dallas as it intersects with Interstate Highway 20 on the south to Interstate Highway 35E on the north.

The primary north-south thoroughfare in the area is Interstate Highway 45. Other north-south roadways in the area are Malloy Bridge Road, Simonds Road, and Belt Line Road. East-west roadways include Seagoville Road, Kaufman Street, and East Farmers Road.

### Area Development

The Southern Dallas sub-district is comprised of a mixture of single-family residences, small retail buildings and strip centers, and industrial warehouses. New development in this area has been slow and most of the improved properties were built in between the 1950's and the 1990's. Commercial-retail and industrial development is primarily located along the major thoroughfares, while residential is generally located on the interior.

The area is estimated to be 70% developed, with land uses estimated to include: residential (50%), and retail and commercial (30%), industrial and office (20%).

### EMPLOYMENT AND ECONOMIC BASE

The aggregate U.S. unemployment rate was 10.2% in July 2020. In comparison, the Bureau of Labor Statistics reported an unemployment rate of 8.2% for the state of Texas, 8.1% for Dallas County, and 8.3% for the city of Dallas. In comparison, the unemployment rate for Dallas County in March 2020 was 4.8% prior to the COVID-10 outbreak.

As of March 2020, the world market has been affected by the Coronavirus Disease 2019 (COVID-19) and the effects on world markets are unknown at this time. This report is based on historical data available and researched up to the date of the report. Although the appraiser has diligently investigated and researched the available data, there is currently insufficient evidence to indicate what effect, if any, the world market will have on the local economy and this report assumes that current conditions will remain unchanged. Should this not be the case, the conclusions and values expressed in this report could change.

### Education

Educational facilities offered by the city of Dallas and the surrounding areas have grown to keep pace with the increasing population. Twenty, four-year colleges and universities, and five community college districts with a combined total 20 campuses are within one hundred miles of the DFW MSA. Several notable institutions of higher education are located within the MSA.

- Southern Methodist University
- University of Texas, Dallas Campus
- University of Dallas
- University of North Texas, Dallas Campus
- University of Texas, Southwestern Medical Center at Dallas

**AREA DEMOGRAPHICS**

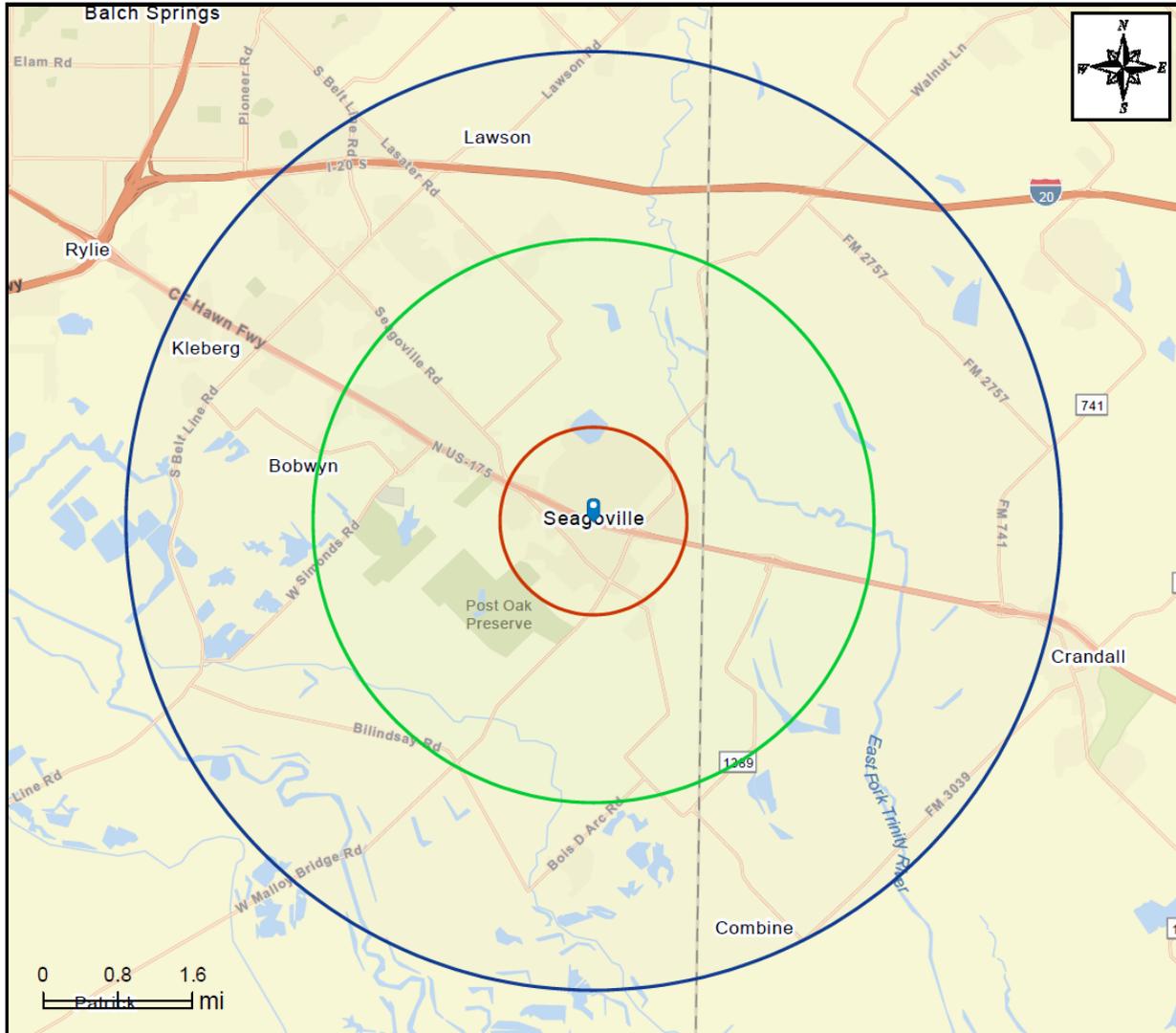
The following Executive Summary provided by Site To Do Business provides demographic and income data for 1-mile, 3-mile, and 5-mile radius centered on the subject area.



**Site Map**

Seagoville, Texas  
Seagoville, Texas  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 32.64892  
Longitude: -96.54165



# SUBJECT AREA ANALYSIS



## Market Profile

Seagoville, Texas  
 Seagoville, Texas  
 Rings: 1, 3, 5 mile radii

Prepared by Esri  
 Latitude: 32.64892  
 Longitude: -96.54165

	1 mile	3 miles	5 miles
<b>Population Summary</b>			
2000 Total Population	4,034	13,510	29,988
2010 Total Population	5,378	16,724	38,263
2020 Total Population	5,861	19,964	48,531
2020 Group Quarters	459	2,416	2,476
2025 Total Population	6,240	21,331	54,898
2020-2025 Annual Rate	1.26%	1.33%	2.50%
2020 Total Daytime Population	6,048	15,095	36,162
Workers	2,440	4,698	9,661
Residents	3,608	10,397	26,501
<b>Household Summary</b>			
2000 Households	1,507	4,218	9,591
2000 Average Household Size	2.48	2.88	2.98
2010 Households	1,857	4,780	11,171
2010 Average Household Size	2.66	3.07	3.24
2020 Households	1,992	5,490	13,614
2020 Average Household Size	2.71	3.20	3.38
2025 Households	2,105	5,843	15,344
2025 Average Household Size	2.75	3.24	3.42
2020-2025 Annual Rate	1.11%	1.25%	2.42%
2010 Families	1,353	3,635	8,748
2010 Average Family Size	3.16	3.50	3.63
2020 Families	1,463	4,223	10,797
2020 Average Family Size	3.21	3.63	3.77
2025 Families	1,555	4,515	12,233
2025 Average Family Size	3.25	3.67	3.80
2020-2025 Annual Rate	1.23%	1.35%	2.53%
<b>Housing Unit Summary</b>			
2000 Housing Units	1,600	4,701	10,768
Owner Occupied Housing Units	70.9%	69.2%	69.1%
Renter Occupied Housing Units	23.3%	20.5%	20.0%
Vacant Housing Units	5.8%	10.3%	10.9%
2010 Housing Units	1,970	5,207	12,233
Owner Occupied Housing Units	64.4%	62.9%	64.6%
Renter Occupied Housing Units	29.9%	28.9%	26.7%
Vacant Housing Units	5.7%	8.2%	8.7%
2020 Housing Units	2,102	5,909	14,669
Owner Occupied Housing Units	61.1%	60.4%	64.3%
Renter Occupied Housing Units	33.6%	32.5%	28.5%
Vacant Housing Units	5.2%	7.1%	7.2%
2025 Housing Units	2,213	6,259	16,432
Owner Occupied Housing Units	62.6%	61.6%	66.9%
Renter Occupied Housing Units	32.5%	31.8%	26.5%
Vacant Housing Units	4.9%	6.6%	6.6%
<b>Median Household Income</b>			
2020	\$49,942	\$47,260	\$51,435
2025	\$53,846	\$51,180	\$54,530
<b>Median Home Value</b>			
2020	\$113,601	\$98,977	\$119,863
2025	\$167,647	\$148,508	\$166,368
<b>Per Capita Income</b>			
2020	\$20,976	\$18,279	\$19,257
2025	\$22,457	\$19,682	\$20,900
<b>Median Age</b>			
2010	33.4	32.6	30.7
2020	34.6	33.7	31.6
2025	34.9	33.9	31.8

**Data Note:** Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025 Esri converted Census 2000 data into 2010 geography.



Market Profile

Seagoville, Texas  
 Seagoville, Texas  
 Rings: 1, 3, 5 mile radii

Prepared by Esri  
 Latitude: 32.64892  
 Longitude: -96.54165

	1 mile	3 miles	5 miles
<b>2020 Households by Income</b>			
Household Income Base	1,992	5,490	13,614
<\$15,000	10.8%	10.8%	9.9%
\$15,000 - \$24,999	9.3%	11.1%	9.9%
\$25,000 - \$34,999	11.7%	13.8%	12.2%
\$35,000 - \$49,999	18.2%	16.7%	16.3%
\$50,000 - \$74,999	17.8%	17.4%	20.3%
\$75,000 - \$99,999	15.0%	13.8%	13.5%
\$100,000 - \$149,999	9.6%	10.0%	11.6%
\$150,000 - \$199,999	4.1%	2.6%	2.7%
\$200,000+	3.5%	3.8%	3.7%
Average Household Income	\$68,030	\$66,027	\$68,148
<b>2025 Households by Income</b>			
Household Income Base	2,105	5,843	15,344
<\$15,000	9.8%	9.8%	9.0%
\$15,000 - \$24,999	8.2%	10.1%	9.1%
\$25,000 - \$34,999	10.9%	12.9%	11.3%
\$35,000 - \$49,999	17.2%	15.9%	15.4%
\$50,000 - \$74,999	18.1%	17.8%	20.5%
\$75,000 - \$99,999	16.2%	15.0%	14.2%
\$100,000 - \$149,999	11.4%	11.6%	13.1%
\$150,000 - \$199,999	4.8%	3.1%	3.4%
\$200,000+	3.4%	3.8%	3.9%
Average Household Income	\$73,911	\$71,593	\$74,420
<b>2020 Owner Occupied Housing Units by Value</b>			
Total	1,285	3,568	9,435
<\$50,000	14.6%	26.5%	25.6%
\$50,000 - \$99,999	31.3%	24.0%	17.9%
\$100,000 - \$149,999	15.0%	15.1%	16.2%
\$150,000 - \$199,999	11.1%	9.1%	13.7%
\$200,000 - \$249,999	6.5%	6.8%	7.6%
\$250,000 - \$299,999	3.4%	4.3%	6.7%
\$300,000 - \$399,999	14.9%	11.9%	9.2%
\$400,000 - \$499,999	0.3%	0.3%	1.2%
\$500,000 - \$749,999	0.6%	0.8%	1.0%
\$750,000 - \$999,999	2.0%	1.1%	0.5%
\$1,000,000 - \$1,499,999	0.2%	0.1%	0.3%
\$1,500,000 - \$1,999,999	0.0%	0.0%	0.0%
\$2,000,000 +	0.0%	0.0%	0.0%
Average Home Value	\$166,563	\$146,014	\$151,484
<b>2025 Owner Occupied Housing Units by Value</b>			
Total	1,385	3,854	10,994
<\$50,000	8.8%	20.4%	20.5%
\$50,000 - \$99,999	23.8%	17.3%	13.0%
\$100,000 - \$149,999	12.1%	12.6%	12.3%
\$150,000 - \$199,999	14.7%	12.4%	13.0%
\$200,000 - \$249,999	4.2%	7.0%	10.2%
\$250,000 - \$299,999	2.6%	3.7%	9.3%
\$300,000 - \$399,999	28.4%	22.0%	16.0%
\$400,000 - \$499,999	0.6%	0.5%	2.2%
\$500,000 - \$749,999	1.3%	2.0%	2.2%
\$750,000 - \$999,999	3.0%	1.7%	0.8%
\$1,000,000 - \$1,499,999	0.3%	0.3%	0.5%
\$1,500,000 - \$1,999,999	0.0%	0.0%	0.0%
\$2,000,000 +	0.0%	0.0%	0.0%
Average Home Value	\$217,865	\$192,396	\$195,139

**Data Note:** Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.

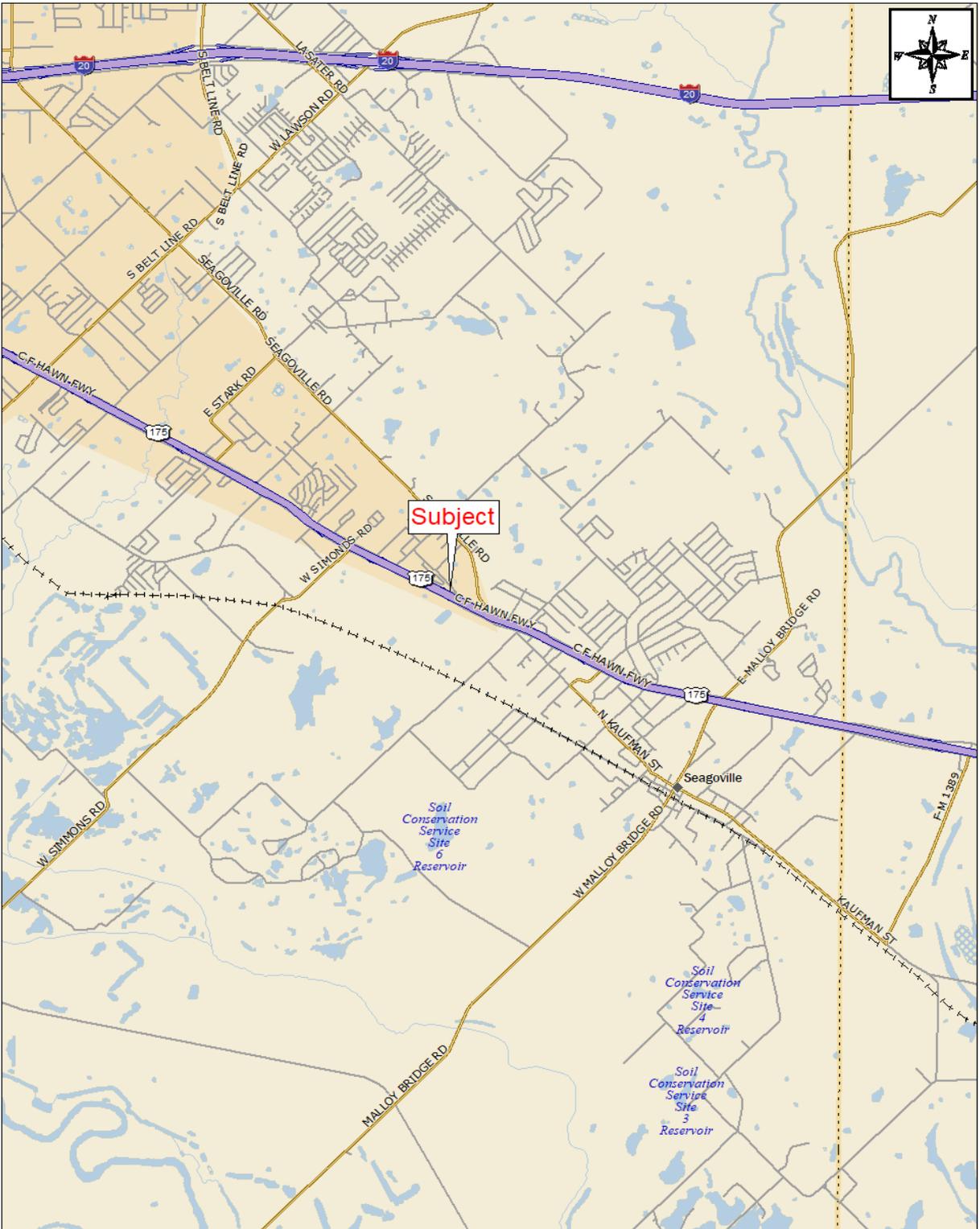
**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025 Esri converted Census 2000 data into 2010 geography.

### **CONCLUSION**

The transportation network in the area is good and surrounding land uses are considered to be compatible and homogenous. The subject area is in a stable phase of development and in proximity to employment centers and quality schools and services with few improvements needing repairs and/or renovations. Consequently, some new construction, as well as renovation of older properties, is more likely to occur within the subject area in the near future. Additionally, there appears to be no detrimental influences upon the area that would inhibit the income-producing capabilities of the improved properties. The long-term prospects for the area and the subject property are positive.

No noticeable nuisances or hazards are in the area and the majority of improvements are in the early to middle stages of economic life, and sufficient area services are accessible to service the community.

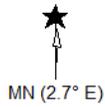
# LOCATION MAP



Data use subject to license.

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www.delorme.com



## **SUBJECT PROPERTY**

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The subject is retail strip center, located at the northwest corner of US Highway 175 and Cain Street, Seagoville, Dallas County, Texas.

### **SITE DATA**

#### **Dimensions/Frontage**

According to Dallas Central Appraisal District records, the subject tract is triangular in shape, and contains 42,920 square feet, or 0.985 acres. The subject fronts the northern line of US Highway 175 for approximately 480 linear feet, and the southwestern line of Cain Street for approximately 472 feet. US Highway 175 is a two-lane, undivided frontage road. Cain Street is a two-lane, undivided street.

#### **Access/Abutting uses**

Access (ingress and egress) to the site is available via one curb cut along the northern line of the US Highway 175 frontage road and one curb cut along the southern line of Cain Street. The subject abuts single-family residential uses across Cain Street to the north, retail uses across Cain Street to the east, US Highway 175 to the south, and a Best Western hotel to the west.

#### **Topography**

The topography of the tract is level and at street grade; the topography is not problematic to development.

#### **Flood Plain**

According to FEMA flood hazard map 48113C0545K dated July 7, 2014, the subject is determined to be outside the 100-year floodplain, being within Zone 'X'. Drainage of the site appears adequate. No guaranty is made that the site will or will not flood. A hydrological study or survey is required for confirmation of flood-designated boundaries. Reference the subsequent exhibits for a copy of the area flood map.

#### **Environmental Hazards**

To our knowledge, a Phase I Environmental Site Assessment has not been completed for the subject property as of the date of inspection. A current Phase I ESA is recommended. The subject is appraised predicated on the absence of detrimental environmental conditions. Should contaminants be present the conclusions in the report would be invalidated.

**Utilities/Community Services**

Water, sewer, electricity, and phone services are available to the subject. Electric services are provided by various service providers, with telecommunication services being provided by various providers. Atmos Energy supplies natural gas services. Water services are provided by the city of Seagoville, and wastewater service is provided by the city of Seagoville. Police protection is provided by the city of Seagoville and fire protection is provided by the city of Seagoville. The property is located within the Dallas Independent School District.

**Zoning**

The site is zoned PD-Commercial by the City of Seagoville. The PD-Commercial district is intended to provide areas for general commercial and retail development. Additionally, the "C" district allows for any use permitted in the 'LR' Local Retail district. The Planned Development zoning will require approval of a site plan prior to development. Retail strip centers are allowed in this zoning district.

**Soils, Development Limitation, and Productivity**

This report assumes the soils are capable of supporting the structures, as numerous improvements are located within the subject area and adjoining area. A study of the development, limitations, and productivity were not completed in this appraisal report, as it is not necessary to the scope of the appraisal.

**Easements**

A survey of the site is available for analysis. This valuation concludes that utility and access easements typical of this property type are present and that no detrimental easement conditions exist. This should not be considered as a guaranty or warranty, however, that adverse easements do not exist. Were the property to have any easements detrimental to the subject, the opinion of value concluded herein may be invalid.

**Deed Restrictions**

To our knowledge, no deed restrictions affect or limit the use of the property; however, this should not be considered as a guaranty or warranty that no such restrictions exist. Deed restrictions are a legal matter: normally discoverable only by a title search by a title attorney. It is recommended that a title search be made if any questions regarding deed restrictions arise.

**Wetlands**

No visual evidence was observed to indicate whether wetlands exist on the subject site. Wetlands, as defined by Section 404 of the Clean Water Act, are those areas that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Swamps, bogs, fens, marshes, and estuaries are subject to federal environmental law.

**SUBJECT IMPROVEMENTS**

**Design/Construction**

The improvements consist of a retail strip center comprising 5,340-square feet. The building features exterior storefronts and is designed for up to five tenants. The interior is currently in shell condition.

The improvements to the property include finishing the interior and demising the potential tenant spaces. The construction is expected to be completed in December 2020 at an estimated cost of \$295,000, rounded, based on a price of \$55.00 per square foot.

**RETAIL STRIP CENTER**

**Exterior**

Year Built	2020
Type	Class C
Building Size - Gross	5,340 square feet (per measurements)
Foundation	Reinforced concrete slab
Walls	Steel frame with brick veneer
Roof	Flat; built-up on steel decking
HVAC	Complete system (roof-mounted)
Quality	Good
Condition	Good

**Interior**

Flooring	Commercial carpet, commercial tile, sealed concrete
Walls	Painted/textured gypsum board
Ceiling	Acoustic tile
Lighting	Standard commercial fixtures
Quality	Good
Condition	Good

**Site Improvements**

Site improvements include concrete paving and drives, pole-mounted LED lighting, building-mounted lighting, building-mounted signage, trash enclosure, two grease traps, irrigation system, and landscaping.

**Parking**

The paved parking area comprises 42 striped parking spaces, including two handicapped spaces.

**Physical Condition**

The subject improvements (retail strip center) were built in 2020; the remaining improvements include finishing the interior. Overall, the design and construction quality of the improvements are considered typical of similar buildings of the age of the subject improvements. No items of deferred maintenance were noted at the inspection. No items of deferred maintenance were noted at the inspection.

**Functional Utility**

Defined as the ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards. The subject is retail strip center. The improvements are functionally adequate given the architectural style, design and layout, traffic patterns, and the size and configuration of the improvements for this property type.

**External Obsolescence**

External obsolescence is considered to be the loss in value of the property resulting from an influence of negative forces not inherent with the property. It can be caused by the exertion of detrimental external forces upon the area or property itself. Specific examples are significant fluctuations in the local economy, noise from nearby expressways or airports, excessive taxes, supply and demand imbalances, special assessments or certain other governmental actions, the lack of financial liquidity in the marketplace, or the infiltration of unharmonious groups or land uses. This form of obsolescence is rarely, if ever, curable. The subject regional area is currently experiencing stable rental rates and occupancy levels. Based upon the stable market conditions within the extended area the property does not appear to suffer from external obsolescence.

**CONCLUSIONS**

The subject is retail strip center, with adequate frontage and access via one curb cut along the northern line of the US Highway 175 frontage road and one curb cut along the southern line of Cain Street.

**Marshall Swift Data**

<b>RE Classification</b>	Neighborhood Shopping Center
<b>Class</b>	C
<b>Type</b>	Good
<b>Section</b>	13
<b>Page</b>	33
<b>Life Expectancy</b>	40 years

Please refer to the subsequent exhibits and addenda for additional details.

## REAL ESTATE TAX ANALYSIS

The Texas legislature created a system of centralized appraisal districts for each Texas county so that all real estate within a given county is valued for tax purposes through a standard appraisal process. Property assessments are based on market value. Property valuations under the central appraisal district system became effective in 1982.

In Dallas County, the Dallas Central Appraisal District is responsible for ad valorem tax appraisals of all real estate within the county. Based on the ad valorem tax appraisal, various tax districts levy annual taxes on property located within their respective districts. Typical taxing jurisdictions include assessments from the county, city, and school districts in which the property is located. The total ad valorem tax burden is the sum of the assessments for the various taxing authorities.

The subject property is situated within the city of Seagoville and falls within the taxing jurisdictions of the City of Seagoville, Dallas County, Parkland Hospital, Dallas County College, and the Dallas ISD. Pertinent 2019 tax rates for the subject are detailed below. The 2020 tax rates are not available as of the date of this report.

<b>2019 TAX RATES (per \$100)</b>	
City of Seagoville	\$ 0.788800
Dallas County	\$ 0.253100
Parkland Hospital	\$ 0.269500
Dallas County College	\$ 0.124000
Dallas ISD	\$ 1.310385
<b>Total</b>	<b>\$ 2.745785</b>

The Dallas Central Appraisal District accounts for 2020 are summarized as follows:

Account Number	Land	Improvements	Total
500036000A0030000	\$ 107,300	\$ 612,750	\$ 720,050

Based on the preceding assessed value and pertinent tax rates, the subject's annual tax liability is calculated as follows:

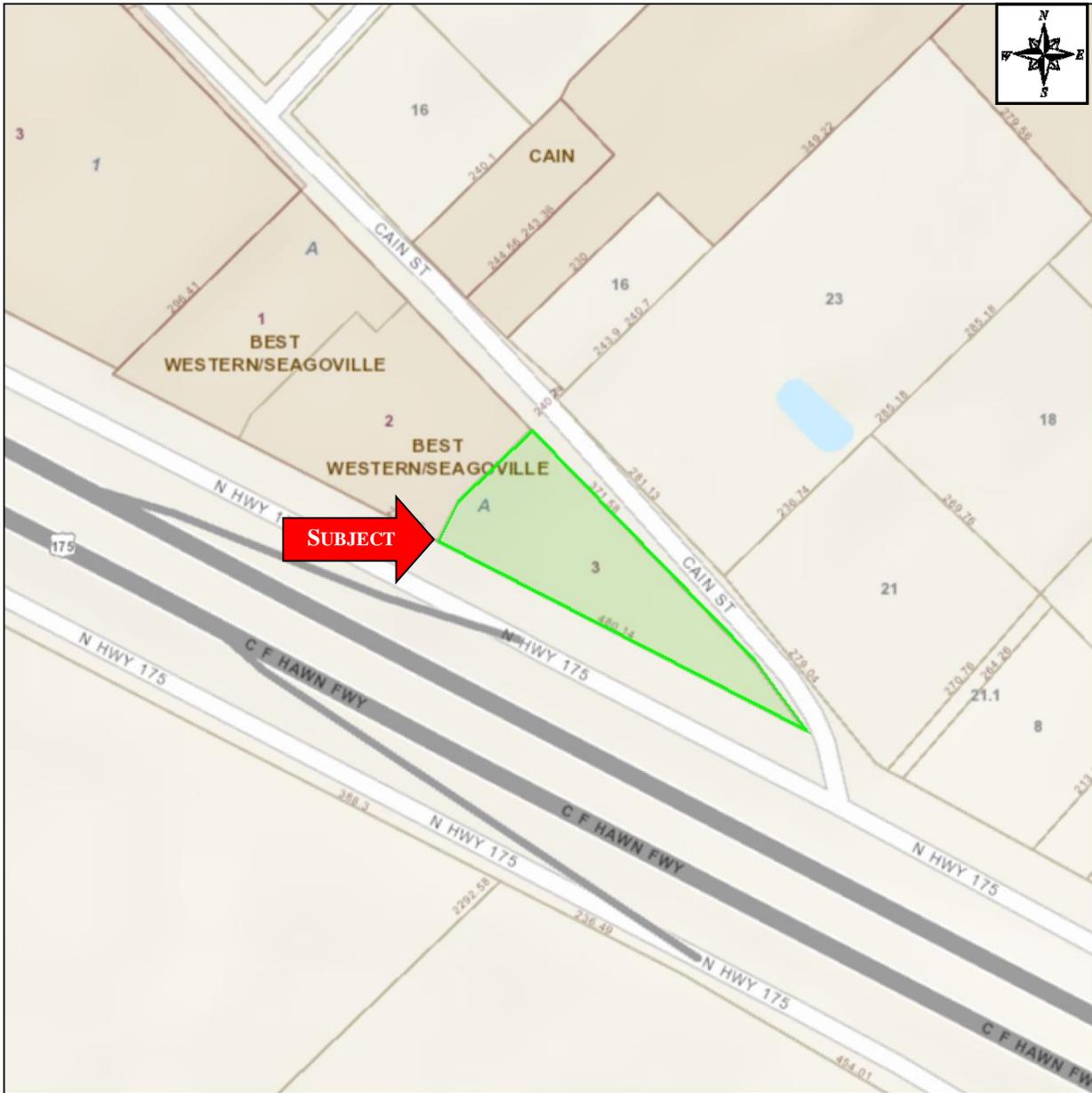
Assessed Value	Tax Rate	Indicated Tax Liability
\$720,050	x \$0.02745785 =	<b>\$ 19,771</b>

The assessed value equates to \$720,050, or \$134.84 per square foot of building area. The assessed value is below the concluded market value in this appraisal. This difference is typically due to the valuation methods of the appraisal district.

# AERIAL PHOTOGRAPHS

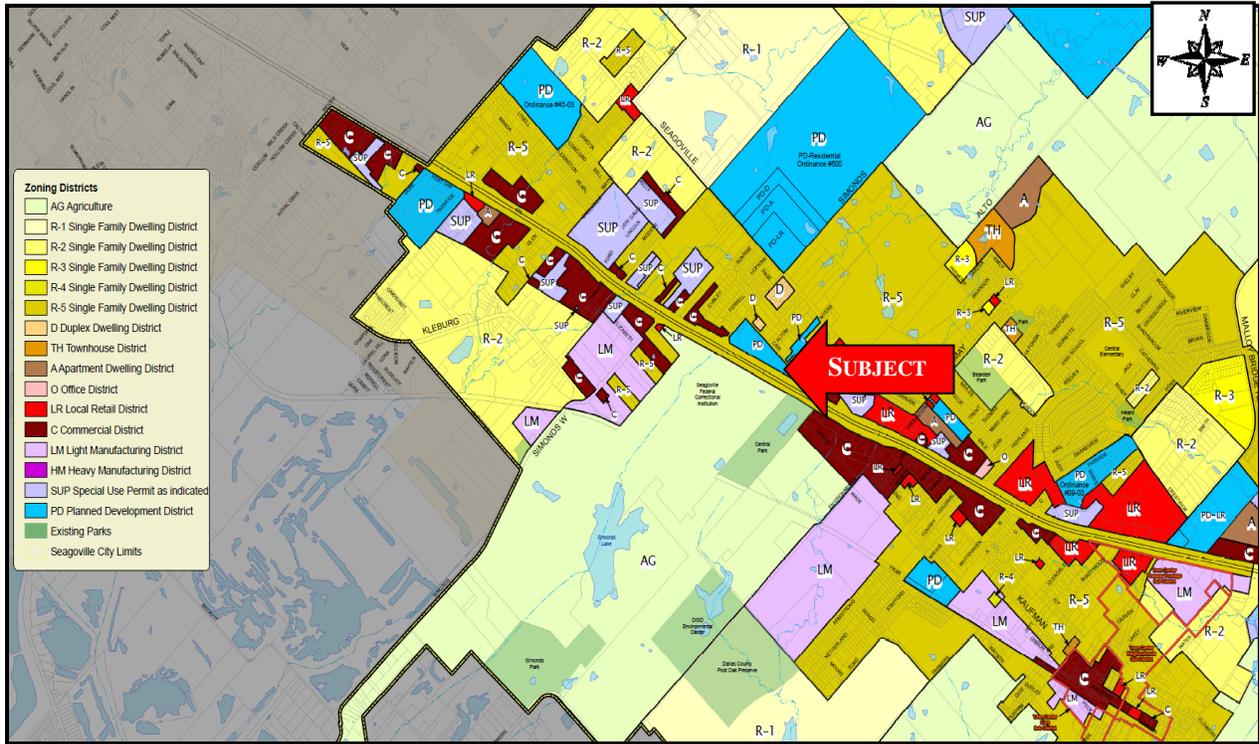


Source: Google Maps

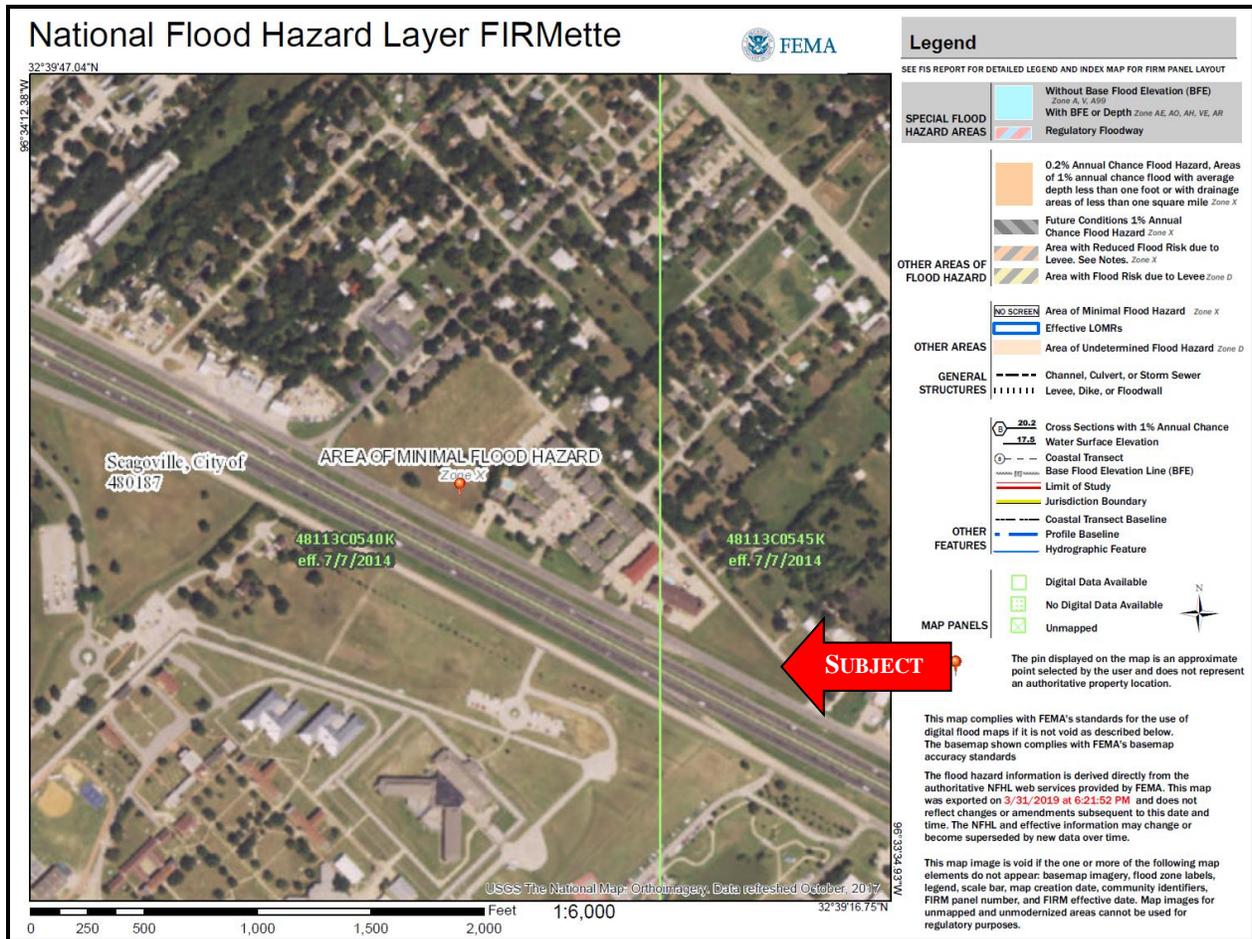


Source: Dallas CAD

# ZONING MAP

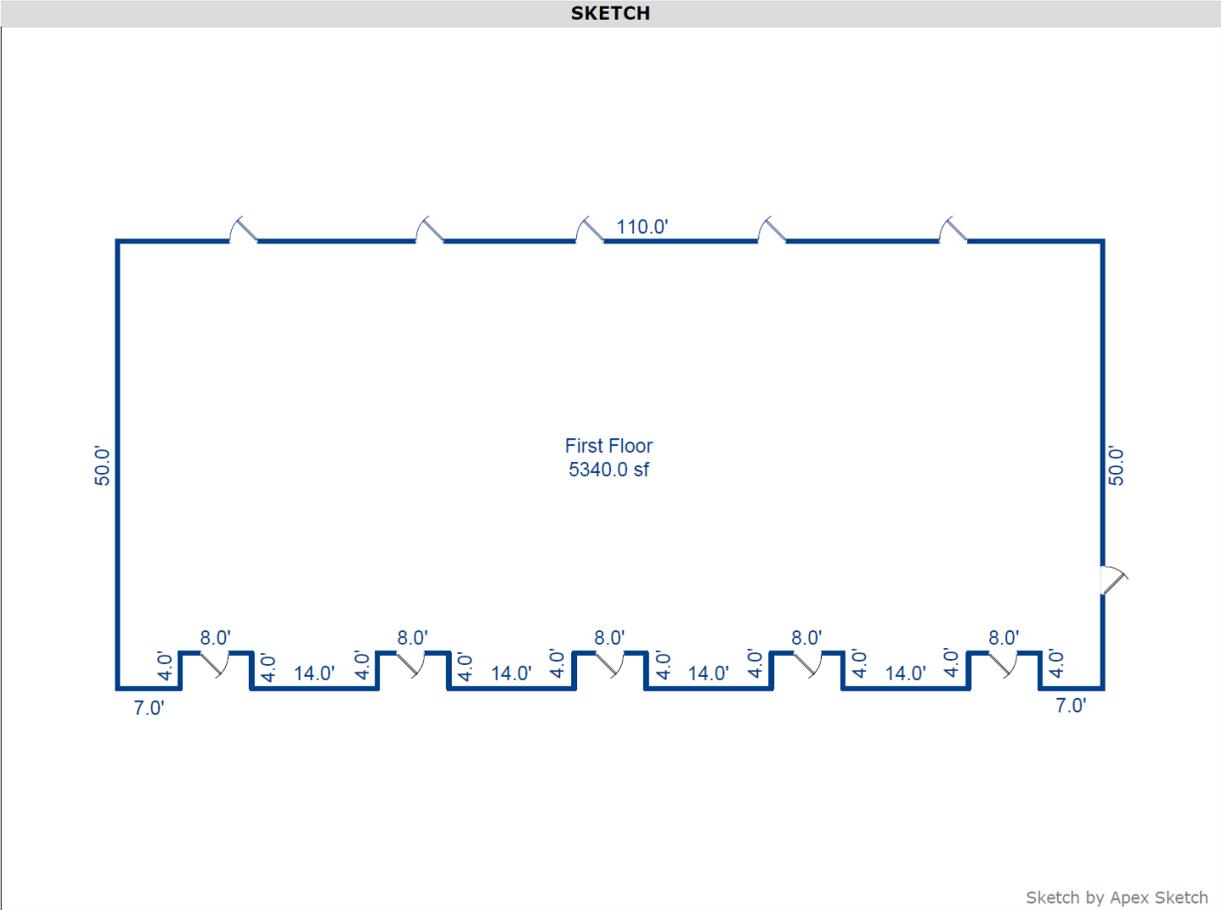


Source: City of Seagoville



# BUILDING SKETCH

SUBJECT INFO			
File No.: 20-608	Parcel No.:		
Property Address: 1880 N. US Highway 175			
City: Seagoville	County: Kaufman	State: TX	ZipCode: 75159
Owner: Kelly Harris Company			
Client:	Client Address:		
Appraiser Name: Pyles Whatley	Inspection Date: 8/27/2020		



AREA CALCULATIONS SUMMARY						AREA CALCULATIONS BREAKDOWN				
Code	Description	Factor	Net Size	Perimeter	Net Totals	Name	Base x	Height x	Width =	Area
GBA1	First Floor	1.0	5340.0	360.0	5340.0	First Floor		14.0 x	4.0 =	56.0
								14.0 x	4.0 =	56.0
								14.0 x	4.0 =	56.0
								14.0 x	4.0 =	56.0
								50.0 x	7.0 =	350.0
								103.0 x	46.0 =	4738.0
								7.0 x	4.0 =	28.0
	Net BUILDING		(rounded)		5,340	7 total items			(rounded)	5,340



**SUBJECT PHOTOGRAPHS**

**PHOTOGRAPHED ON AUGUST 27, 2020**



Viewing easterly at subject.



Viewing northeast at subject property.



Viewing west at rear of the subject.



Viewing southeast at subject parking lot.



Viewing northeast at subject.



Viewing northerly at dumpster enclosure.

**SUBJECT PHOTOGRAPHS**



Interior view of subject building.



Interior view of subject building.



Interior view of subject building.



Interior view of subject building.



Looking northwesterly along US Highway 175, subject is to the right.



Looking southeast along US Highway 175, subject is to the left.

One of the basic elements of real estate valuation is the theory of highest, best, and most profitable use.

As quoted from The Dictionary of Real Estate Appraisal, copyright 1984, highest and best use is defined as that reasonable and probable use that supports the highest present value of vacant land or improved property, as defined, as of the effective date of the appraisal.

Or, as defined in the Appraisal of Real Estate, 14<sup>th</sup> Edition (copyrighted 2013), the reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and which results in highest land value.

These definitions recognize that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

Because the use of land can be limited by the presence of improvements, highest and best use is determined separately for the land or site as though vacant and available to be put to its highest and best use, and for the property as improved.

In appraisal practice, highest and best use analysis not only identifies the use of the property expected to produce the maximum net present value, but also helps the appraiser select comparable properties.

Four basic criteria are examined in estimating the Highest and Best Use of a property both as vacant and as improved. These stages of analysis are as follows:

- a) Possible Use - the uses to which it is physically possible to put on the site in question.
- b) Permissible Use (Legal) - the uses that are permitted by zoning and deed restrictions on the site in question.
- c) Feasible Use - the possible and permissible uses that will produce any net return to the owner of the site.
- d) Highest and Best Use - among the feasible uses, the use that will produce the highest net return on the highest present worth.

The highest and best use of a specific parcel of land is not determined through subjective analysis by the property owner, the developer, or the appraiser; rather, highest and best use is shaped by the competitive forces within the market where the property is located. Therefore, the analysis and interpretation of highest and best use is an economic study of market forces focused on the subject property.

Market forces also shape market value, so the general data that are collected and analyzed to derive an opinion of market value are also used to formulate an opinion of the property's highest and best use as of the appraisal date.

**SITE, AS IF VACANT**

According to the Dallas Central Appraisal District, the subject tract is triangular in shape, and contains 42,920 square feet, or 0.985 acres. The subject fronts the northern line of US Highway 175 for 480 linear feet, and the southwestern line of Cain Street for 472 feet.

The subject abuts single-family residential uses across Cain Street to the north, retail uses across Cain Street to the east, US Highway 175 to the south, and a Best Western hotel to the west.

**Physically Possible**

In arriving at our opinion of highest and best use for the improved subject site, it was first necessary to determine if the physical characteristics of the site - such as soil conditions, topography, shape, and frontage were favorable for development. Soil conditions in the region are adequate for urban development provided appropriate engineering, design, and construction. According to FEMA flood hazard map 48113C0545K, dated July 7, 2014, the subject is determined to be outside the 100-year floodplain, being within Zone 'X'. No guaranty is made that the site will or will not flood. A hydrological study or survey is required for confirmation of flood-designated boundaries. The tract is of sufficient size and shape to be economically adaptable for development and benefits from adequate frontage and accessibility. Thus, the physical characteristics impose no limitations to possible development.

**Legally Permissible**

The site is zoned PD-Commercial by the City of Seagoville. The PD-Commercial district is intended to provide areas for general commercial and retail development. Additionally, the "C" district allows for any use permitted in the 'LR' Local Retail district. The Planned Development zoning will require approval of a site plan prior to development.

**Financially Feasible**

As defined in The Dictionary of Real Estate Appraisal, Sixth Edition, 2015 is “the capability of a physically possible and legal use of property to produce a positive return to the land after considering risk and all costs to create and maintain the use.”

The surrounding properties and land uses are considered for compatibility in determination of feasible use. Based on the land usage pattern of the surrounding area, the layout, location, and frontage/visibility of the site, the most feasible use is considered to be commercial development.

**Maximally Productive**

The financially feasible use of the subject site would be for commercial development. Based upon the location in Seagoville, and nearby commercial tracts, commercial development is considered most logical.

Therefore, the maximally productive use of the subject, as vacant, would be as commercial development.

**SUMMARY OF HIGHEST AND BEST USE, AS VACANT**

The maximally productive use of the subject would be for commercial development.

*Use: commercial development*

*Timing: current*

*Market Participants:*

*User: developer*

*Most Probable Buyer: developer*

**SITE, AS IMPROVED**

The improvements consist of a 5,340-square foot retail strip center. The proposed improvements are interior finish-out and demising the tenant spaces. The improvements will be completed in December 2020 at a cost of \$295,000.

**Physically Possible**

The subject improvements were built in 2020 and intended for use as a retail strip center. The design of the improvements is typical for the area. The physical characteristics and accompanying amenities of the subject improvements are not readily adaptable to other uses and are specific in design for continued use as a retail strip center.

**Legally Permissible**

The site is zoned PD-Commercial by the City of Seagoville. Retail strip centers are allowed in this zoning district.

**Financially Feasible**

Financially feasible uses for the subject property include continued use as a retail strip center. This use will produce a positive return to the subject site.

**Maximally Productive**

The improvements not only add value to the subject site; they also represent the maximally profitable use of the site, as improved.

The preceding analysis indicates the improvements to be feasible based on current market parameters. Thus, it is concluded that the highest and best use of the subject, as improved, is continued use as a retail strip center.

### DATA COLLECTION PROCESS

For purposes of this report, the subject market was researched for all pertinent data relating to the appraisal problem as stated below. This process typically includes collecting and confirming data through local real estate brokers, appraisers, property owners, lessee/lessors, and others familiar with the local real estate market. The information provided by these sources is deemed reliable but is not guaranteed.

The appraisal problem, as applied to the subject, is to determine the market value of the applicable interest in the subject property. In addressing this problem, the principles of utility, substitution, and anticipation are considered in the following valuation.

The rendered opinion of market value of a property that is being appraised is accomplished by the comparison and analysis of as many appraisal techniques as are appropriate. The following approaches are generally used to produce value indications.

**Cost Approach:** The value indication by this approach is accomplished by estimating the Reproduction (or Replacement) Cost New of the improvements and deducting accrued depreciation from all causes, if any. The value of the land (by comparison) is then added to this depreciated cost figure.

The cost approach is based on the premise that the value of a property can be indicated by the current cost to construct a reproduction or replacement for the improvements minus the amount of depreciation evident in the structures from all causes plus the value of the land and entrepreneurial profit. This approach to value is particularly useful for appraising new or nearly new improvements.

**Sales Comparison Approach:** The comparison of similar properties, which have sold in the marketplace, is used to produce an indication of value. The comparison may be either direct or indirect with commonly accepted units or elements of comparison.

The sales comparison approach is founded upon the principle of substitution, which holds that the cost to acquire an equally desirable substitute property without undue delay ordinarily sets the upper limit of value. At any given time, prices paid for comparable properties are construed to reflect the value of the property appraised. The validity of a value indication derived by this approach is heavily dependent upon the availability of data on recent sales of properties similar in location, size, and utility to the appraised property.

**Income Capitalization Approach:** This approach to value is applicable to properties capable of producing a net income stream. The net income stream is translated into a value indication through the capitalization process.

The income capitalization approach is based on the principle of anticipation, which recognizes the present value of the future income benefits to be derived from ownership in a particular property. The income capitalization approach is most applicable to properties that are bought and sold for investment purposes, and is considered very reliable when adequate income and expense data are available. Since income producing real estate is most often purchased by investors, this approach is valid and is generally considered the most applicable when the property being appraised was designed for, or is easily capable of, producing a satisfactory rental income.

The strengths and weaknesses of each approach used are weighed in the final analysis. The approach or approaches offering the greatest quantity and quality of supporting data are typically emphasized, and the final opinion of value is correlated.

Under the parameters of this assignment, the following approaches to value were considered and used in this appraisal:

<b>Approach</b>	<b>Considered</b>	<b>Used</b>
Cost	Yes	Yes
Sales Comparison	Yes	Yes
Income Capitalization	Yes	Yes

A preliminary survey of the property indicates the following:

- Sales of similar land use in the area are required. Sufficient data are available to arrive at an indicated value of the land of the subject by market comparison.
- This report incorporates the cost approach, sales comparison approach and income capitalization approach, and reconciles these approaches into a final opinion of market value.

Secondary sources of market data and investor criteria were utilized including Real Estate Research Corporation's Real Estate Report (RERC), Korpacz Real Estate Investor Survey, Real Estate Investment Services (REIS), M/PF, ALN Systems, Grubb-Ellis Market Reports, Cushman Wakefield Market Reports, Marcus Millichap Market Reports, CB Richard Ellis Market Reports, Insignia Market Reports, Jones Lang LaSalle Market Reports, and other industry publications.

### APPRAISAL PROBLEM

The appraisal problem, as applied to the subject, is to determine the market value of the *fee simple interest* in the subject property. In addressing this problem, the principles of utility, substitution, and anticipation are considered in the following valuation.

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## REASONABLE EXPOSURE TIME

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When the purpose of an assignment is to develop an opinion of market value, the appraiser must also develop an opinion of reasonable exposure time linked to the value opinion.

Reasonable exposure time is one of a series of conditions in most market-value definitions. Exposure time is always presumed to precede the effective date of the appraisal.

Exposure time, as defined by the Uniform Standards of Professional Appraisal Practice, Statement on Appraisal Standards No. 6, is the opinion of the length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. It is a retrospective opinion based upon an analysis of past events assuming a competitive and open market.

The fact that exposure time is always presumed to occur prior to the effective date of the appraisal is substantiated by related facts in the appraisal process, i.e. supply/demand conditions as of the effective date of the appraisal, the use of current cost information, the analysis of historical sales information (sold after exposure and after completion of negotiations between the seller and the buyer), and the analysis of future income expectancy projected from the effective date of the appraisal.

The opinion of the time period for reasonable exposure is not intended to be a prediction of a date of sale or a one-line statement. Instead, it is an integral part of the analyses conducted during the appraisal assignment. The opinion may be expressed as a range and can be based on one or more of the following:

- Statistical information about days on market
- Information gathered through sales verification
- Interviews of market participants

Related information garnered through this process may include the identification of typical buyers and sellers for the type of property involved and typical equity investment levels and/or financing terms.

The reasonable exposure period is a function of price, time, and use, not an isolated opinion of time alone. The answer to the question “what is reasonable exposure time?” should always incorporate the answers to the question “for what kind of property at what value range?” rather than appear as a statement of an isolated time period.

A reasonable exposure time for the subject property at the market value definition and market value conclusion in this appraisal was developed by discussions with local market participants. According to local brokers, appraisers, and informed market participants, the reasonable exposure time for properties similar to the subject, is considered to be 12 months.

Land value is directly related to highest and best use. The relationship between the highest and best use and land value may indicate whether an existing use is the highest and best use of the land.

Land valuation can be accomplished by six procedures. These include sales comparison, allocation, extraction, subdivision development, land residual, and ground rent capitalization.

**Sales Comparison** – Sales of similar, vacant parcels are analyzed, compared, and adjusted to provide a value indication for the land being appraised.

**Allocation** – Either sales of improved properties are analyzed and the prices paid are allocated between the land and the improvements, or comparable sites under development are analyzed and the costs of the finished properties are allocated between the land and improvements.

**Extraction** – Land value is indicated by subtracting the estimated value of the depreciated improvements from the known sale price of the property. This procedure is frequently used when the value of the improvements is relatively low or easily calculated.

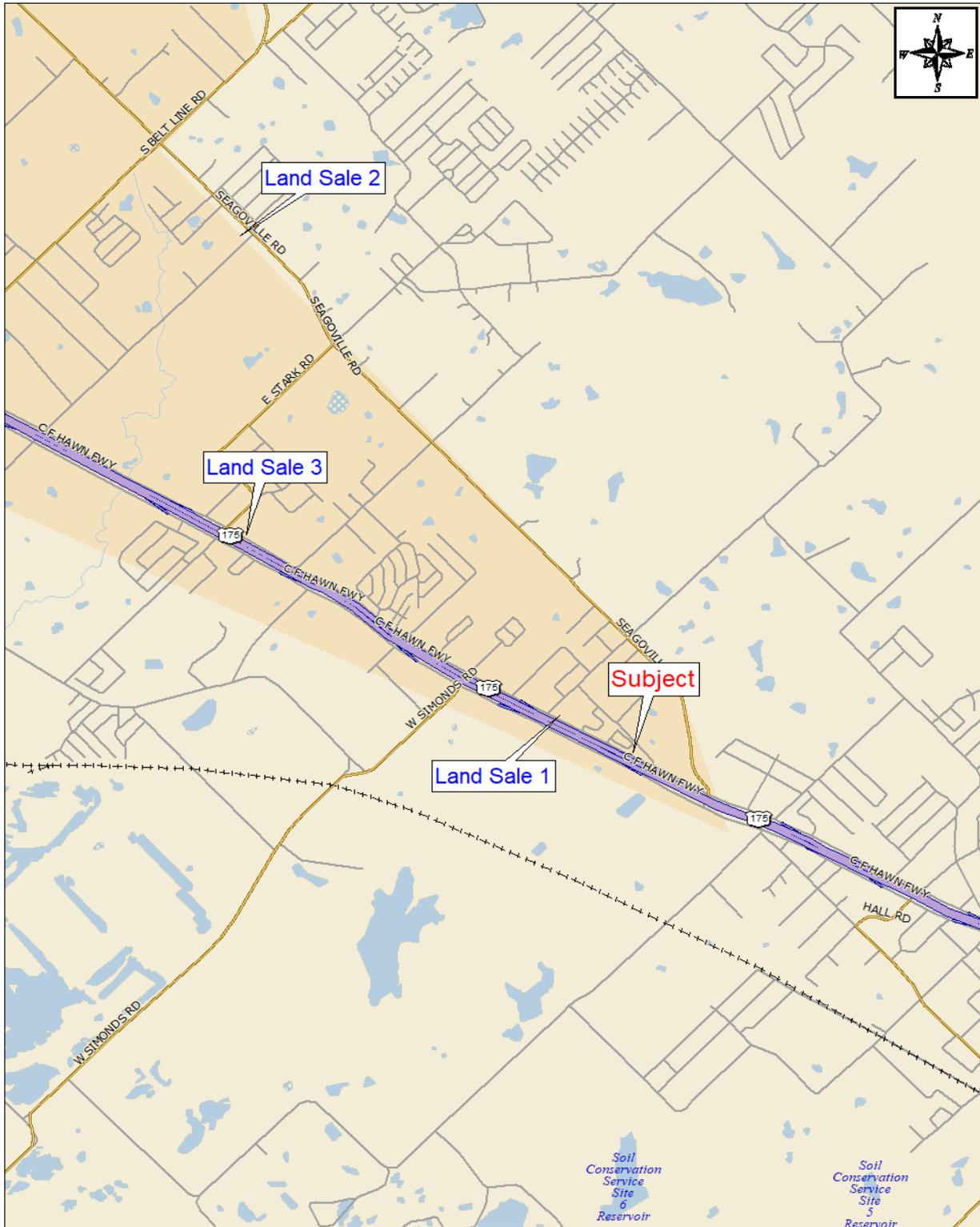
**Subdivision Development** – The total value of undeveloped land is indicated as if the land were subdivided, developed, and sold. Development costs, incentive costs, and carrying charges are subtracted from the estimated proceeds of sale, and the net income projection is discounted over the period required for market absorption of the developed sites.

**Land Residual Technique** – The land is assumed to be improved to its highest and best use. The income attributable to the return *on* and *of* the capital invested in the improvements is deducted from the net operating income. The result is the income attributable to the land. This income is capitalized to derive an opinion of land value.

**Ground Rent Capitalization** – This procedure is used when land rents and land capitalization rates are readily available, e.g., for appraisals in well-developed areas. Net ground rent, the net amount paid for the right to use and occupy the land, is calculated and divided by a land capitalization rate. Either actual or estimated rents can be capitalized using rates that can be supported in the market.

The *sales comparison* method is the best method of developing an opinion of value of the subject. In this method, known sales of similar use land in the market area are compared to the subject to arrive at an indication of value. In arriving at value conclusions, the tracts are compared as to the rights conveyed, financing terms, sale conditions, market conditions, location, and physical characteristics. This approach is used to value land that is vacant or considered vacant for appraisal purposes.

The market was carefully researched for recent sales, leases, listings, or other transactions, which would provide a valid basis for developing an opinion of the market value of the subject by comparison. After reviewing and analyzing the sales, three sales were extracted from this sample and utilized for the land valuation. These sales are detailed on the following pages.



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MN (2.7° E)

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**Land Sale No. 1**

<b>Location</b>	NE/s of US Highway 175 and SW/s of Cain Street Seagoville, Dallas County, Texas
<b>Mapsc0</b>	DA-70-Z
<b>Legal Description</b>	Land situated in the Seagoville Place Addition, Block 1, Lots 1 and 2, Seagoville, Dallas County, Texas
<b>Grantor</b>	Victory Baptist Church of Seagoville
<b>Grantee</b>	Seagoville Economic Development Corporation
<b>Record Data</b>	
Date of Sale	July 26, 2019
Document No.	201900194899
<b>Consideration</b>	\$430,000
<b>Terms of Sale</b>	Cash (or cash equivalent) to the seller
<b>Conditions of Sale</b>	Arm's-length
<b>Land Area</b>	
Acres	5.678
Square Feet	247,324
<b>Price Per SF</b>	\$1.74
<b>Zoning</b>	PD, Commercial
<b>Topography</b>	Mostly level; No floodplain
<b>Utilities</b>	All available
<b>Shape</b>	Irregular
<b>Frontage</b>	±500 LF - US Highway 175 ±395 LF - Cain Street
<b>Comments</b>	The tract is located along US Highway 175, between single-family residential uses and an apartment complex.

---

**Land Sale No. 2**

<b>Location</b>	W/c of Seagoville Road and Woody Road Dallase, Dallas County, Texas
<b>Mapsc0</b>	DA-12-C
<b>Legal Description</b>	Lots 1, 2, and 3, Block 8819, Lowland Park Addition, city of Dallas, Dallas County, Texas
<b>Grantor</b>	Peter Romo and wife, Kathy Romo
<b>Grantee</b>	Edi Monsivais and Benedicto Jaramillo
<b>Record Data</b>	
Date of Sale	January 17, 2019
Document No.	201900015018
<b>Consideration</b>	\$85,000
<b>Terms of Sale</b>	Cash (or cash equivalent) to the seller
<b>Conditions of Sale</b>	Arm's-length
<b>Land Area</b>	
Acres	3.40
Square Feet	47,437
<b>Price Per SF</b>	\$1.79
<b>Zoning</b>	NS(A) - Neighborhood Service
<b>Topography</b>	Mostly level; No floodplain
<b>Utilities</b>	All available
<b>Shape</b>	Rectangular
<b>Frontage</b>	±277 LF - Seagoville Road ±178 LF - Woody Road
<b>Comments</b>	The tract is rectangularly shaped and is located on the western corner of Seagoville Road and Woody Road. The property was purchased for commercial development.

**Land Sale No. 3**

<b>Location</b>	NE/s of US Highway 175, south of Stark Road Seagoville, Dallas County, Texas
<b>Mapsc</b>	DA-70-T
<b>Legal Description</b>	Lot 1, Block 1, Nabors Addition, city of Seagoville, Dallas County, Texas
<b>Grantor</b>	Tao South I-20, LP
<b>Grantee</b>	2806 Hwy 175 Properties, LLC
<b>Record Data</b>	
Date of Sale	May 31, 2017
Document No.	201700153898
<b>Consideration</b>	\$325,000
<b>Terms of Sale</b>	Cash (or cash equivalent) to the seller
<b>Conditions of Sale</b>	Arm's-length
<b>Land Area</b>	
Acres	2.20
Square Feet	95,832
<b>Price Per SF</b>	\$3.39
<b>Zoning</b>	C, Commercial
<b>Topography</b>	Mostly level; No floodplain
<b>Utilities</b>	All available
<b>Shape</b>	Mostly rectangular
<b>Frontage</b>	±360 LF - US Highway 175
<b>Comments</b>	The tract is rectangularly shaped and is located on the northeast side of US Highway 175, south of Stark Road. The property was previously improved with two buildings, which were razed prior to this sale, and the old parking lot and pylon sign remain. The property was purchased for investment hold.

<b>LAND SALES SUMMARY</b>					
<b>Sale No.</b>	<b>Location</b>	<b>Size</b>		<b>Price Per</b>	<b>Date of</b>
		<b>SF</b>	<b>AC</b>	<b>SF</b>	<b>Sale</b>
1	NE/s of US Highway 175 and SW/s of Cain Street	247,324	5.678	\$ 1.74	Jul-19
2	W/c of Seagoville Road and Woody Road	47,437	3.400	\$ 1.79	Jan-19
3	NE/s of US Highway 175, south of Stark Road	95,832	2.200	\$ 3.39	May-17
Subject	1880 North US Highway 175	42,920	0.985		

The sales in the sample were selected from a larger group as being most similar in overall physical characteristics as compared to the subject. The land sales occurred between May 2017 to July 2019, range in size from 2.200 acres to 5.678 acres, and range in price from \$1.74 to \$3.39 per square foot. These sales represent the most recent, similar activity in proximity to the subject.

**ADJUSTMENT DESCRIPTIONS AND ANALYSIS**

The first step in any comparative analysis is to identify which elements of comparison affect property values in the subject market. Each of the basic elements of comparison must be analyzed to determine whether an adjustment is required. If sufficient information is available, a quantitative adjustment can be made.

Adjustments for differences are made to the price of each comparable property to make that property equivalent to the subject in market appeal on the effective date of the opinion of value. The magnitude of the adjustment made for each element of comparison depends on how much that characteristic of the comparable property differs from the subject property. We have considered all appropriate elements of comparison in the following discussions.

In the following analysis, consideration is given for rights conveyed, financing, sale and market conditions, location, and physical characteristics. Property rights conveyed and financing are basic components of sale. Rights conveyed should be identical and financing should be on a cash equivalent basis. Sale conditions require analysis to determine any unusual characteristics. Consideration of market conditions is necessary because of the cyclical nature of the real estate market and continuous economic change. The location adjustment considers factors such as type, compatibility, quality, desirability, and accessibility of area development. Comparison of utility considers such factors as zoning, size, and frontage.

**COMPARITIVE ANALYSIS**

In analyzing the sales, comparative analyses are used to identify differences between the subject and the comparable sales. The difference in selling price is allocated to the elements of comparison, which the market data indicates contribute to different prices. While we have no direct support for these selected adjustments, an analysis of similar properties requires adjustment for these elements to be applied. The following table is a summary of comparable elements and their associated adjustments.

<b>SUMMARY OF SELECTED ADJUSTMENTS</b>	
<b>Adjustment Category</b>	<b>Selected Adjustments</b>
Frontage	5%; for the difference between inferior and superior frontage
Exposure	10%; for the difference between inferior and superior exposure
Size	5%; for adjustment for each doubling/halving in size

These adjustments are not intended as exact measurements, but are used to define accurately the range of values indicated by the market.

## **RIGHTS CONVEYED, FINANCING, SALE, MARKETING CONDITIONS, AND LOCATION**

### **Rights Conveyed**

When property rights are sold, they may be the sole subject of the contract or the contract may include other rights, less than all of the real property rights, or even another property or properties. Before the price of a comparable sale property can be used in sales comparison analysis, the appraiser must first ensure that the sale price of the comparable property applies to property rights that are similar to those being appraised. To do so, adjustments may be required before specific differences in the physical real estate can be compared. The sales were evaluated and no adjustments for rights conveyed are considered necessary.

### **Financing**

The transaction price of one property may differ from that of an identical property due to different financing arrangements. The cost of financing includes the interest rate and any points, discounts, equity participations, or other charges that the lender requires to increase the effective yield of the loan. The cost and availability of credit for real estate financing influence both the quantity and quality of real estate demanded and supplied. Additional financing adjustments could be made based on owner financing, favorable financing terms, or assumptions. The sales were purchased with cash, or third party financing which requires no adjustment.

### **Sale Conditions**

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. Sales where the conditions significantly affect transaction prices are labeled non-arm's length transactions. Any sales that reflect unusual sale conditions are adjusted accordingly and the circumstances of these non-arm's length transactions are detailed on the sale summary pages. The sales were evaluated and no adjustments for sale conditions are considered necessary.

### **Market Conditions**

The sales occurred between May 2017 and July 2019. Adjustments for market conditions are applied if property values have increased or decreased since the transaction dates. Based on our observations and analysis, real estate has appreciated approximately 4% annually. Each sale is adjusted accordingly.

**Location**

An adjustment for location within a market area may be required when the locational characteristics of a comparable property are different from those of the subject property. Most comparable properties in the same market area have similar locational characteristics, but variations may exist within that area of analysis. A property's location is analyzed in relation to the location of other similar properties. All of the sales have similar locational appeal as compared to the subject and are not adjusted.

**PHYSICAL****Access**

Access has significant bearing on real estate in the market. Access is defined as the points, or number of points available for ingress/egress to the subject site or ease of access to the site from abutting roadways. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. The sales have similar access as the subject, with no adjustments.

**Frontage**

Frontage is the number of feet of frontage along the subject roadway or roadways. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. Sale 1 is similar as compared to the subject and no adjustment is applied. Sales 2 and 3 are inferior to the subject and are each adjusted +5% for frontage.

**Exposure**

Exposure is a function of traffic volume or drive-by business potential. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. Sales 1 and 3 are similar as compared to the subject and are not adjusted. Sale 2 is inferior to the subject on exposure and a +10% adjustment is applied.

**Size**

The subject site is comprised of 0.985 acres. The size adjustment is based on the premise that, in general, the larger the tract, the less its selling price on a per unit basis. Recent experience with other properties utilizing a linear regression analysis indicates a 5% - 15% adjustment for each doubling/halving (100%) in size. A 5% adjustment is used for this analysis. The sales are adjusted +13%, +8%, and +6%, respectively for size.

**Zoning**

The site is zoned PD-Commercial by the City of Seagoville. The sales are similar to the subject, with no adjustments.

### **Utilities**

Water, sewer, electricity, and phone services are available to the subject. The sales are similar in the available utilities as compared to the subject and do not warrant adjustment.

### **Topography**

The subject is level and is determined to be outside the 100-year floodplain. The sales are similar in topography as compared to the subject and are not adjusted.

**SUMMARY OF ADJUSTMENTS**

The previously described adjustments are applied in the following table:

<b>LAND SALES ADJUSTMENTS</b>			
<b>Sale No.</b>	<b>1</b>	<b>2</b>	<b>3</b>
No. of Acres	5.678	3.400	2.200
Size SF	247,324	47,437	95,832
Sale Date	Jul-19	Jan-19	May-17
Sale Price	\$430,000	\$85,000	\$325,000
Sale Price Per SF	\$1.74	\$1.79	\$3.39
Rights Conveyed	-0-	-0-	-0-
Financing	-0-	-0-	-0-
Sale Conditions	-0-	-0-	-0-
Market Conditions	4%	6%	13%
Adjusted Price/SF	\$1.81	\$1.90	\$3.83
Location	-0-	-0-	-0-
Access	-0-	-0-	-0-
Frontage	-0-	5%	5%
Exposure	-0-	10%	-0-
Size	13%	8%	6%
Zoning	-0-	-0-	-0-
Utilities	-0-	-0-	-0-
Topography	-0-	-0-	-0-
Net Adjustment	13%	23%	11%
<b>Adjusted Price/SF</b>	<b>\$2.05</b>	<b>\$2.34</b>	<b>\$4.25</b>

**LAND VALUE CONCLUSION**

After adjustments, the comparables range in price from \$2.05 to \$4.25 per square foot, with an average of \$2.88 per square foot and a median of \$2.34 per square foot. The comparable sales are representative of land activity in the area. Considering the adjusted sales, the indicated value of the subject site is \$2.75 per square foot, or \$118,000, rounded.

<b>Total Land Area</b>			
<b>No. of Square Feet</b>		<b>\$/SF</b>	<b>Indicated Value</b>
42,920	x	\$2.75	= \$ 118,030
		Rounded	<b>\$ 118,000</b>

The purpose of the cost approach is to develop an opinion of the cost to construct a reproduction of, or replacement for, the existing structure and then deduct all accrued depreciation in the property being appraised from the cost new of the reproduction or replacement structure. When the value of the land and an entrepreneurial profit, if appropriate, are added to this figure, the result is an indication of the value of the fee simple interest in the property.

When applicable, the cost approach reflects market thinking by recognizing that market participants relate value to cost. Investors tend to judge the value of an existing structure by considering the prices and rents of similar buildings and the cost to create a new building with optimal physical and functional utility. Investors adjust the prices they are willing to pay by estimating the costs to bring an existing structure up to the level of physical and functional utility they desire.

The cost approach is based on the estimated replacement cost of the improvements less depreciation from all causes, to which is added the market value of the land based on comparable sales.

**REPLACEMENT COST**

The cost estimates in the following tables are abstracted from the *Marshall Valuation Service*. The *Marshall Valuation Service* is a national cost index providing cost data for determining replacement costs of buildings and other improvements, and is published by Marshall & Swift, LP.

**CALCULATOR METHOD**

SECTION 13 PAGE 33  
May 2020

**NEIGHBORHOOD SHOPPING CENTERS (412)**

CLASS	TYPE	EXTERIOR WALLS AND FRONTS	INTERIOR FINISH	LIGHTING, PLUMBING AND MECHANICAL	HEAT	Sq. M.	COST Cu. Ft.	Sq. Ft.
<b>C</b>	Good	Stucco or brick on block, light frame, good roof, mansard and storefronts	Drywall, some paneling, good VCT and acoustic tile, carpet	Good lighting and outlets per unit, small restrooms	Package A.C.	1237.85	9.58	115.00
	Average	Good block, tilt-up, bearing or light frame, plain fronts, some trim	Drywall, acoustic tile, VCT, some carpet and masonry partitions	Adequate lighting and outlets per unit, small restrooms	Package A.C.	1027.95	7.96	95.50
	Low cost	Low-cost fronts, block, tilt-up panels, bearing walls	Painted walls, drywall or acoustic tile, asphalt tile, few partitions	Minimum lighting, outlets and plumbing per unit	Forced air	812.67	6.29	75.50
<b>C/MILL</b>	Average	Mill-type construction, heavy brick walls, trusses, good wood sash	Plaster, VCT, wood, some carpet, wainscot and trim	Adequate lighting and outlets per unit, small restrooms	Hot water	1173.27	9.08	109.00
<b>D</b>	Good	Stucco or brick veneer, light frame, good roof, mansard and storefronts	Drywall, some paneling, good VCT and acoustic tile, carpet	Good lighting and outlets per unit, small restrooms	Package A.C.	1162.50	9.00	108.00
	Average	Pipe columns, web or bar joists, stucco or siding, plain fronts	Drywall, acoustic tile, vinyl composition, some carpet and trim	Adequate lighting and outlets per unit, small restrooms	Package A.C.	957.99	7.41	89.00
	Low cost	Low-cost wood or stucco, very plain, small fronts	Low-cost acoustic tile, asphalt tile, few partitions	Minimum lighting, outlets and plumbing per unit	Forced air	753.47	5.83	70.00

For building structure and components, the calculator method is utilized. The improvements most closely resemble a good cost quality Class C Neighborhood Shopping Center, as described in the Marshall Valuation Service Handbook, Section 13, Page 33. To the base cost, various multipliers are applied to reflect local market conditions and changes in construction costs.

## COST APPROACH

### DIRECT COSTS

#### Base Building Costs

<u>Component</u>	<u>Area</u>	<u>Base Cost</u>	
Retail strip center	5,340 SF	\$ 115.00	\$ 614,000

**Improvements cost before adjustments for time, location, and perimeter** **\$ 614,000**

<u>Total Base Costs</u>	<u>Multipliers</u>			
	<u>Current</u>	<u>Local</u>	<u>Perimeter</u>	
\$614,000	x 0.98	x 0.90	x 1.00	\$ 542,000

#### Site Improvements

Site Preparation	\$ 25,000
Parking, Drives & Sidewalks	\$ 242,000
Landscaping, Dumpster enclosure & Lighting	\$ 66,000
<b>Total Site Improvements</b>	<b>\$ 333,000</b>

**Total Direct Costs** **\$ 875,000**

### INDIRECT COSTS

Architectural, Legal, Engineering Fees, Permits, etc.	@ 8%	\$ 70,000
<b>Total Indirect Costs</b>		<b>\$ 70,000</b>

**ENTREPRENEURIAL INCENTIVE** **\$ 142,000** @ 15%

**Total Direct and Indirect Costs  
or Total Construction Costs** **\$ 1,087,000**

**Replacement Cost New (RCN)** **\$ 1,087,000**

The total replacement construction costs include contractor profit, architect fees, engineering fees and permits, but exclude land cost, and amount to \$1,087,000 or \$203.56 per square foot. Entrepreneurial profit is estimated at ten percent of the direct and indirect cost of \$142,000. This cost is within the range for good to excellent quality construction costs for neighborhood shopping center, as estimated by the Marshall and Swift Cost Valuation Service Cost Manual, Section 13, Page 33 (after adjustment for time and location).

**DEPRECIATION**

Appropriate items of depreciation must be deducted from the cost to replace the subject improvements as estimated above. Depreciation in this case is defined as "a loss in value from any cause". The accrued depreciation applicable is typically broken down as follows:

a. Physical Depreciation

Curable - refers to items of deferred maintenance.

Incurable - deterioration that is not practical or economically feasible to correct.

b. Functional Obsolescence - adverse effect on value resulting from defects in design, can also be caused by changes that, over time, have made some aspects of a structure, material, or design obsolete by current standards.

Curable - to be curable the cost must be at least offset by the anticipated increase in value.

Incurable - deficiencies or superadequacies not economically feasible to correct.

c. External (Economic) Obsolescence - result of diminished utility of a structure due to negative influences from outside the site and is always incurable. The total loss in value due to such influences is allocated between the land and the improvements with only that portion attributable to the improvements deducted from the current replacement cost.

**Curable Physical**

No items of deferred maintenance were noted at the inspection.

**Incurable Physical**

A property suffers from deterioration as a result of the aging process. The method of estimating accrued depreciation utilized here is the modified economic age-life method. Briefly, this method consists of first estimating the cost to cure all curable items, deducting that figure from the replacement cost, and then applying to the remainder the deduction based on the ratio of effective age to total economic life.

**External and Functional Obsolescence**

The subject regional area is currently experiencing stable rental rates and occupancy levels. Based upon the stable market conditions within the extended area the property does not appear to suffer from external obsolescence.

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## COST APPROACH

### DEPRECIATION

Replacement Costs	\$ 1,087,000
Less: Curable Items	<u>\$ -</u>
Value of Improvements	\$ 1,087,000

Total Economic Life	40 years
Remaining Economic Life	40 years
Effective Age	0 years

#### Depreciation Percentage

Applied Percentage - M&S, Sec. 97, Pg. 24 ≈ 0%

Less: Incurable Items				<u>\$ -</u>
	\$1,087,000	x	0.0%	
Value				\$ 1,087,000

### COST APPROACH SUMMARY

Estimated Total Construction Costs	\$ 1,087,000
Less: Curable Items	\$ -
Less: Depreciation	<u>\$ -</u>
Total Value of Improvements	\$ 1,087,000
Plus: Indicated Value of Land	\$ 118,000
<b>Final Opinion of Value via the Cost Approach</b>	<b>\$ 1,205,000</b>
<b>Rounded</b>	<b>\$ 1,205,000</b>

### COST SUMMARY

As the subject consists of a retail strip center (totaling 5,340 square feet), the costs are applied to this property. Overall, the subject's physical condition is average and the effective age is estimated at 0 years, as the improvements are new construction. The estimated costs of the entire property, including land, and improvements as if complete are \$1,205,000.

Subtracting the income loss of \$215,000 (as calculated in the income capitalization approach) from the "Prospective Future Value, Upon Stabilized" results in an "Prospective Future Value, Upon Completion" by the sales comparison approach of \$990,000.

Prospective Future Value, As Stabilized	\$ 1,205,000
Less: Income Shortfall	<u>\$ 215,000</u>
Prospective Future Value, Upon Completion	\$ 990,000

**Construction Summary**

The subject is a 5,340-square foot, retail strip center. The construction costs, provided by the owner, are considered reasonable and are used in this analysis. These costs equate to \$791,100, or \$792,000 (rounded). According to the construction estimate, these costs do not include a contingency; a contingency of 10% is applied to these costs (calculated at \$79,000). An estimated 15% is applied to the total costs for entrepreneurial incentive of \$119,000. The total construction costs are estimated at \$990,000 (rounded). These costs are in line with the previous estimates calculated using Marshall and Swift.

**ACTUAL CONSTRUCTION COSTS**

Direct Construction Costs	
Building Costs	\$ 733,000
Indirect Construction Costs - ± 8% of hard costs	\$ 59,000
Contingency @ 10%	\$ 79,000
Entrepreneurial Incentive @ 15%	<u>\$ 119,000</u>
Total Construction Costs	\$ 990,000

Based on the construction costs of \$990,000, the contributory value of the interior finish-out to the subject is estimated at \$295,000. This contributory value is 30% of the total construction costs.

Subtracting the construction costs of the interior finish-out of \$295,000 from the “Prospective Future Value, Upon Completion” results in an ‘As Is’ value of \$695,000.

Prospective Future Value, Upon Completion	\$ 990,000
Less: Construction costs	<u>\$ 295,000</u>
Fee Simple, As Is	\$ 695,000

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## SALES COMPARISON APPROACH

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The sales comparison approach is a method of estimating market value whereby a property is compared with similar properties that have sold recently. One premise of the sales comparison approach is that the market will determine a price for the property being appraised in the same manner that it determines the price of comparable, competitive properties. The principle of substitution is basic in this approach as it implies that a prudent person will not pay more for a property than an acceptable alternative available in the market.

The steps of the sales comparison approach are outlined as follows:

- (a) Research the market to obtain information about sales, listings, and offerings of properties similar to the subject property.
- (b) Ascertain the nature of the conditions of sale, including the price, terms, motivating forces, and its bona fide nature.
- (c) Determine relevant units of comparison, e.g. sales price per square foot and develop a comparative analysis for each unit.
- (d) Compare each of the comparable properties' important attributes to the corresponding ones of the property being appraised, under the general categories of time, location, physical characteristics, and conditions of sale.

Consider all dissimilarities and their probable effect on the price of each sale property to derive individual market indications for the property being appraised.

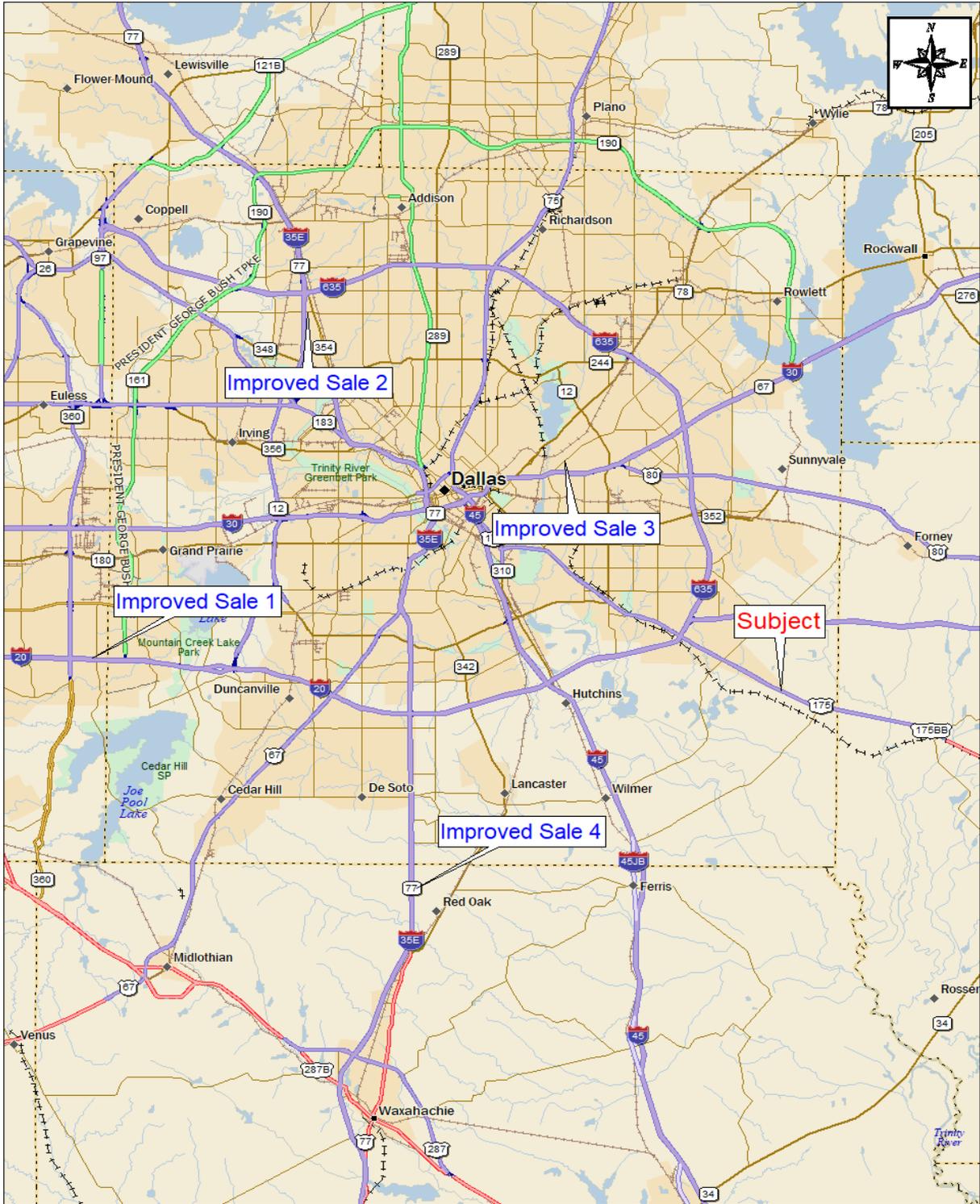
- (e) Formulate, in light of the comparison thus made, an opinion of the relative value of the subject property as a whole, or where appropriate, by applicable units, compared with each of the similar properties.

In the sales comparison approach, the property appraised is compared with known prices paid for similar properties in the open market. Typically, for most properties, the most common units of comparison used are the overall price paid per unit and sales price per square foot.

Knowledgeable investors usually consider these methods, as rules of thumb, to establish a value range. To produce a highly meaningful answer, the comparable properties should be as highly similar in age and condition, operating expense ratio, and land value as possible.

The following summary information on improved sales judged to be comparable to the property appraised is included herein, establishing the probable value of the subject property by the sales comparison approach.

IMPROVED SALES MAP



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MN (2.8° E)

0 2 4 6 8 10 mi  
Data Zoom 9-2

## Improved Sale No. 1



<b>Location</b>	2620 West IH-20 Grand Prairie, Tarrant County, Texas
<b>Mapsc</b>	FW-98-R
<b>Grantor</b>	TPS Family, LP
<b>Grantee</b>	Lake June, LP
<b>Record Data</b>	
Date	January 16, 2020
Document No.	D220021030
<b>Consideration</b>	\$2,250,000
<b>Sale Price/SF</b>	\$375.00
<b>Conditions of Sale</b>	Cash (or cash equivalent) to the seller

### Physical Description

Land Area	
Acres	0.89 AC
Square Feet	38,908 SF
Building Coverage	15.42%
Gross Building Area	6,000 SF
Year Built	2016
Occupancy @ Sale	100%
Description	Retail Center
Quality	Good

<b>Comments</b>	The property is located at the northwest quadrant of Interstate Highway 20 and Great Southwest Parkway. The tenants include Cricket Wireless, Dallas Gold & Silver, and Rio Bravo restaurant.
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## SALES COMPARISON APPROACH

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### Improved Sale No. 1 (Continued)

Pro-Forma Operating Statement - Sale No. 1			
Income Data	Total		\$/SF
Gross Rental Income	\$	168,000	\$ 28.00
Expense Reimbursement	\$	36,000	\$ 6.00
Less: Vacancy @ 2%	\$	4,080	\$ 0.68
Effective Gross Income	<b>\$</b>	<b>199,920</b>	<b>\$ 33.32</b>
Total Expenses	\$	42,480	\$ 7.08
Net Operating Income	<b>\$</b>	<b>157,440</b>	<b>\$ 26.24</b>

*Source: Appraiser's estimate and grantor's data*

Units of Comparison	
Overall Rate (Ro)	7.00%
Sales Price/SF	\$375.00
NOI/EGI Ratio	78.75%

**Improved Sale No. 2**



<b>Location</b>	2502 Royal Lane Dallas, Dallas County, Texas
<b>Mapsc0</b>	DA-22-H
<b>Grantor</b>	Texas Tozee, LLC
<b>Grantee</b>	Hodol Enterprise, LLC
<b>Record Data</b>	
Date	January 3, 2020
Document No.	202000004280
<b>Consideration</b>	\$2,300,000
<b>Sale Price/SF</b>	\$287.43
<b>Conditions of Sale</b>	Cash (or cash equivalent) to the seller
<b>Physical Description</b>	
Land Area	
Acres	0.62 AC
Square Feet	26,985 SF
Building Coverage	29.65%
Gross Building Area	8,002 SF
Year Built	1987
Occupancy @ Sale	100%
Description	Retail Center
Quality	Good
<b>Comments</b>	The property is located at the southeast corner of Royal Lane and Reeder Road. The tenants include Seoul Garden and 7 Eleven, which includes two gas pumps.

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## SALES COMPARISON APPROACH

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### Improved Sale No. 2 (Continued)

Pro-Forma Operating Statement - Sale No. 2			
Income Data		Total	\$/SF
Gross Rental Income	\$	152,038	\$ 19.00
Expense Reimbursement	\$	74,019	\$ 9.25
Less: Vacancy @ 2%	\$	4,521	\$ 0.57
Effective Gross Income	\$	<b>221,535</b>	<b>\$ 27.69</b>
Total Expenses	\$	80,020	\$ 10.00
Net Operating Income	\$	<b>141,515</b>	<b>\$ 17.69</b>

*Source: Grantor's data*

Units of Comparison	
Overall Rate (Ro)	6.15%
Sales Price/SF	\$287.43
NOI/EGI Ratio	63.88%

Improved Sale No. 3



<b>Location</b>	8003 Ferguson Road Dallas, Dallas County, Texas
<b>Mapsc</b>	DA-47-D
<b>Grantor</b>	FFZ Corporation
<b>Grantee</b>	Ferguson International, Inc.
<b>Record Data</b>	
Date	March 6, 2019
Document No.	20190058512
<b>Consideration</b>	\$1,200,000
<b>Sale Price/SF</b>	\$357
<b>Conditions of Sale</b>	Cash (or cash equivalent) to the seller
<b>Physical Description</b>	
Land Area	
Acres	0.35 AC
Square Feet	15,246 SF
Building Coverage	22.04%
Gross Building Area	3,360 SF
Year Built	1982
Occupancy @ Sale	100%
Description	Retail center
Quality	Good
<b>Comments</b>	The property is located at the northwest corner of Ferguson Road and Highland Road. The building was renovated and expanded to add 850 square feet in 2014. The tenants include Joy Donuts and Hippo Mart.

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## SALES COMPARISON APPROACH

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### Improved Sale No. 3 (Continued)

Pro-Forma Operating Statement - Sale No. 3			
Income Data	Total		\$/SF
Gross Rental Income	\$	89,880	\$ 26.75
Expense Reimbursement	\$	24,024	\$ 7.15
Less: Vacancy @ 2%	\$	2,278	\$ 0.68
Effective Gross Income	<b>\$</b>	<b>111,626</b>	<b>\$ 33.22</b>
Total Expenses	\$	26,880	\$ 8.00
Net Operating Income	<b>\$</b>	<b>84,746</b>	<b>\$ 25.22</b>

*Source: Appraiser's estimate and grantee's data*

Units of Comparison	
Overall Rate (Ro)	7.06%
Sales Price/SF	\$357.14
NOI/EGI Ratio	75.92%

Improved Sale No. 4



<b>Location</b>	102 East Ovilla Road Red Oak, Ellis County, Texas
<b>Mapsco</b>	N/A
<b>Grantor</b>	TCC Red Oak, LLC
<b>Grantee</b>	HG Properties, LLC
<b>Record Data</b>	
Date	January 31, 2019
Document No.	1902970
<b>Consideration</b>	\$3,020,000
<b>Sale Price/SF</b>	\$354.38
<b>Conditions of Sale</b>	Cash (or cash equivalent) to the seller
<b>Physical Description</b>	
Land Area	
Acres	1.18 AC
Square Feet	51,357 SF
Building Coverage	16.59%
Gross Building Area	8,522 SF
Year Built	2015
Occupancy @ Sale	100%
Description	Retail Center
Quality	Good
<b>Comments</b>	The property is located at the northeast quadrant of Interstate Highway 35 and East Ovilla Road. The tenants include Palio's Pizza, Wingstop, Sprint, and Red Oak Nails.

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## SALES COMPARISON APPROACH

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### Improved Sale No. 4 (Continued)

<b>Pro-Forma Operating Statement - Sale No. 4</b>			
<b>Income Data</b>	<b>Total</b>		<b>\$/SF</b>
Gross Rental Income	\$	209,556	\$ 24.59
Expense Reimbursement	\$	59,228	\$ 6.95
Less: Vacancy @ 2%	\$	5,376	\$ 0.63
Effective Gross Income	<b>\$</b>	<b>263,408</b>	<b>\$ 30.91</b>
Total Expenses	\$	67,239	\$ 7.89
Net Operating Income	<b>\$</b>	<b>196,170</b>	<b>\$ 23.02</b>

*Source: Broker provided data*

Units of Comparison	
Overall Rate (Ro)	6.50%
Sales Price/SF	\$354.38
NOI/EGI Ratio	74.47%

## SALES COMPARISON APPROACH

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Summary of Improved Sales					
Sale No.	Address	YOC	Size SF	Price/SF	Date of Sale
1	2620 West IH-20 Grand Prairie, Tarrant County, Texas	2016	6,000	\$375.00	Jan-2020
2	2502 Royal Lane Dallas, Dallas County, Texas	1987	8,002	\$287.43	Jan-2020
3	8003 Ferguson Road Dallas, Dallas County, Texas	1982	3,360	\$357.14	Mar-2019
4	102 East Ovilla Road Red Oak, Ellis County, Texas	2015	8,522	\$354.38	Jan-2019

The sales in the sample were selected from a larger group as being most similar in overall physical characteristics as compared to the subject. The sale sample ranges in price from \$287.43 to \$375.00 per square foot, range in size from 3,360 square feet to 8,522 square feet, and were constructed between 1982 and 2016.

### ADJUSTMENT DESCRIPTIONS AND ANALYSIS

The first step in any comparative analysis is to identify which elements of comparison affect property values in the subject market. Each of the basic elements of comparison must be analyzed to determine whether an adjustment is required. If sufficient information is available, a quantitative adjustment can be made.

Adjustments for differences are made to the price of each comparable property to make that property equivalent to the subject in market appeal on the effective date of the opinion of value. The magnitude of the adjustment made for each element of comparison depends on how much that characteristic of the comparable property differs from the subject property. We have considered all appropriate elements of comparison in the following discussions.

In the following analysis, consideration is given for rights conveyed, financing, sale and market conditions, location, and physical characteristics. Property rights conveyed and financing are basic components of sale. Rights conveyed should be identical and financing should be on a cash equivalent basis. Sale conditions require analysis to determine any unusual characteristics. Consideration of market conditions is necessary because of the cyclical nature of the real estate market and continuous economic change. The location adjustment considers factors such as type, compatibility, quality, desirability, and accessibility of area development. Comparison of utility considers such factors as zoning, size, and frontage.

### COMPARATIVE ANALYSIS

In analyzing the sales, comparative analyses are used to identify differences between the subject and the comparable sales. The difference in selling price is allocated to the elements of comparison, which the market data indicates contribute to different prices. While we have no direct support for these selected adjustments, an analysis of similar properties requires adjustment for these elements to be applied. The following table is a summary of comparable elements and their associated adjustments.

These adjustments are not intended as exact measurements, but are used to define accurately the range of values indicated by the market.

### RIGHTS CONVEYED, FINANCING, SALE, EXPENDITURES, MARKET CONDITIONS, AND LOCATION

#### Rights Conveyed

When property rights are sold, they may be the sole subject of the contract or the contract may include other rights, less than all of the real property rights, or even another property or properties. Before the price of a comparable sale property can be used in sales comparison analysis, the appraiser must first ensure that the sale price of the comparable property applies to property rights that are similar to those being appraised. To do so, adjustments may be required before specific differences in the physical real estate can be compared. No adjustment is required. Adjustments for differences in occupancy or net operating income are not warranted.

#### Financing

The transaction price of one property may differ from that of an identical property due to different financing arrangements. The cost of financing includes the interest rate and any points, discounts, equity participations, or other charges that the lender requires to increase the effective yield of the loan. The cost and availability of credit for real estate financing influence both the quantity and quality of real estate demanded and supplied. Additional financing adjustments could be made based on owner financing, favorable financing terms, or assumptions. The comparable sales were purchased with cash, or third party financing which requires no adjustment.

#### Sale Conditions

Sale condition adjustments account for factors such as buyer or seller motivation, which affect the purchase price. The sales were evaluated and no adjustments for sale conditions are considered necessary.

#### Expenditures Made Immediately After Purchase

A knowledgeable buyer considers expenditures that will have to be made upon purchase of a property because these costs affect the price the buyer agrees to pay. The anticipated costs are estimated, unless specific expenditure data are available. The sales were evaluated and no adjustments for expenditures are considered necessary.

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## SALES COMPARISON APPROACH

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### Market Conditions

The sales occurred between January 2019 and January 2020. Adjustments for market conditions are applied if property values have increased or decreased since the transaction dates. Based on our observations and analysis, real estate has appreciated approximately 4% annually. Each sale is adjusted accordingly.

### Location

Location adjustments account for differences in desirability in terms of general location, as well as specific locational attributes such as access, street frontage, and corner influence. All of the sales are superior in location as compared to the subject and are adjusted accordingly.

## PHYSICAL CHARACTERISTICS

### Access

Access has significant bearing on real estate in the market. Access is defined as the points, or number of points available for ingress/egress to the subject site or ease of access to the site from abutting roadways. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. The sales are similar in access as compared to the subject, with no adjustment.

### Exposure

Exposure is a function of traffic volume or drive-by business potential. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. Sales 2, 3, and 4 are similar to the subject and are not adjusted. Sale 1 is superior to the subject and is adjusted -10% for exposure.

Improved Sales - Traffic Exposure		
Sale No.	Location	Vehicle Count
1	2620 West IH-20	117,200
2	2502 Royal Lane	30,000
3	8003 Ferguson Road	30,300
4	102 East Ovilla Road	26,600
<i>Subject</i>	<i>1880 North US Highway 175</i>	<i>60,300</i>

### Size

This adjustment accounts for the impact of size on value. Typically, a larger property will sell for less on a per square foot basis than a smaller property, assuming all other factors are relatively equal. The sales are considered similar in size as compared to the subject and are not adjusted.

### **Age**

Sales 1, 2, 3, and 4 were constructed in 2016, 1987, 1982, and 2015, and have effective ages of 4 years, 10 years, 10 years, and 5 years, respectively. The subject improvements were built in 2020 and the effective age is estimated at 0 years, as the improvements are new. Each of the sales is adjusted based on its effective age as compared to the subject's effective age; each comparable is adjusted 1% for each 3 years of difference in effective age.

### **Condition**

The subject is adequately maintained in good condition. The sales are in similar condition to the subject; the sales are not adjusted.

### **Quality**

Inherent in this adjustment is recognition of the aesthetic appeal of each property, quality, and interior finish. The required adjustments could not be extracted from the available indicators and were therefore based on reasonable estimates of differences in overall appeal between the subject and selected transactions. The subject is good quality construction. The sales are similar in quality and are not adjusted.

### **Amenity**

The subject is a typical retail strip center in design and construction. Sales 1, 3, and 4 are similar to the subject and are not adjusted. Sale 2 includes two fuel pumps, superior as compared to the subject, and is adjusted -15%.

## SALES COMPARISON APPROACH

### ADJUSTMENTS

The following grid summarizes the adjustment process.

<b>IMPROVED SALES ADJUSTMENTS</b>				
<b>Sale No.</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Year Built	2016	1987	1982	2015
Size SF	6,000	8,002	3,360	8,522
Sale Date	Jan-20	Jan-20	Mar-19	Jan-19
Sale Price	\$2,250,000	\$2,300,000	\$1,200,000	\$3,020,000
Sale Price Per SF	\$375.00	\$287.43	\$357.14	\$354.38
Rights Conveyed	-0-	-0-	-0-	-0-
Financing	-0-	-0-	-0-	-0-
Sale Conditions	-0-	-0-	-0-	-0-
Immediate Expenditures	-0-	-0-	-0-	-0-
Market Conditions	2%	2%	6%	6%
Adjusted Price	\$382.50	\$293.18	\$378.57	\$375.64
Location	-15%	-10%	-15%	-15%
Access	-0-	-0-	-0-	-0-
Exposure	-10%	-0-	-0-	-0-
Size	-0-	-0-	-0-	-0-
Age	1%	3%	3%	2%
Condition	-0-	-0-	-0-	-0-
Quality	-0-	-0-	-0-	-0-
Amenity	-0-	-15%	-0-	-0-
Net Adjustment	-24%	-22%	-12%	-13%
<b>Adjusted Price/SF</b>	<b>\$290.70</b>	<b>\$228.68</b>	<b>\$333.14</b>	<b>\$326.81</b>

### SALES COMPARABLE CONCLUSION

The sales used in this valuation are the most recent available and were selected to accurately reflect the value range of properties similar to the subject. The direct sales comparison method indicates a range from \$228.68 to \$333.14 per square foot, with an average of \$294.83 per square foot and a median of \$308.76 per square foot.

## SALES COMPARISON APPROACH

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Based on the comparables, considering the size, condition, layout, and location of the subject, the indicated value, as stabilized, is estimated to be \$250.00 per square foot, or \$1,335,000.

VALUE INDICATED BY THE SALES PRICE PER			SQUARE FOOT METHOD		
<u>Size SF</u>		<u>\$/SF</u>		<u>Indicated Value</u>	
5,340	x	\$250.00	=	\$1,335,000	
<b>Value by Sales Comparison</b>				<b>\$1,335,000</b>	

Subtracting the income loss of \$215,000 (as calculated in the income capitalization approach) from the “Prospective Future Value, Upon Stabilized” results in an “Prospective Future Value, Upon Completion” by the sales comparison approach of \$1,120,000.

Prospective Future Value, As Stabilized	\$ 1,335,000
Less: Income Shortfall	\$ 215,000
Prospective Future Value, Upon Completion	\$ 1,120,000

Subtracting the construction costs of the interior finish-out of \$295,000 from the “Prospective Future Value, Upon Completion” results in an ‘As Is’ value of \$825,000.

Prospective Future Value, Upon Completion	\$ 1,120,000
Less: Construction costs	\$ 295,000
Fee Simple, As Is	\$ 825,000

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## INCOME CAPITALIZATION APPROACH

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The premise of the income capitalization approach is that an indication of value can be derived by capitalizing the net income a property will produce - under prudent management - at an appropriate rate which reflects the current market conditions, trends, and investor requirements. The approach is based on the principle of anticipation of future benefits, foremost of which is the stream of annual net income for a holding period plus a capital sum at the end of that period. The mechanism by which these benefits are translated to value i.e., present worth, is the capitalization process.

The income capitalization approach consists of the following steps:

- Market Analysis:** Research the market to determine relevant income parameters i.e., rental rate, vacancy rates, absorption trends, escalations, allowances, and other factors.
- Estimate of Operations:** Estimate potential gross income. Then, deduct a vacancy and collection loss allowance to derive effective gross income. Finally, estimate and deduct expenses of operation to derive net operating income.
- Capitalization:** Select an applicable capitalization method and technique. Develop the appropriate rate or rates and capitalize the net operating income or income stream to derive an indication of value.

### MARKET ANALYSIS

As described above, the analysis of the market includes thorough research of the market to determine relevant income parameters i.e., rental rate, vacancy rates, absorption trends, escalations, allowances, and other factors.

The *CB Richard Ellis – MarketView* and the *CoStar Retail Sub-market Report* were consulted for Dallas/Fort Worth market data. A summary of competing properties in the subject neighborhood is also included the following pages.



MARKETVIEW

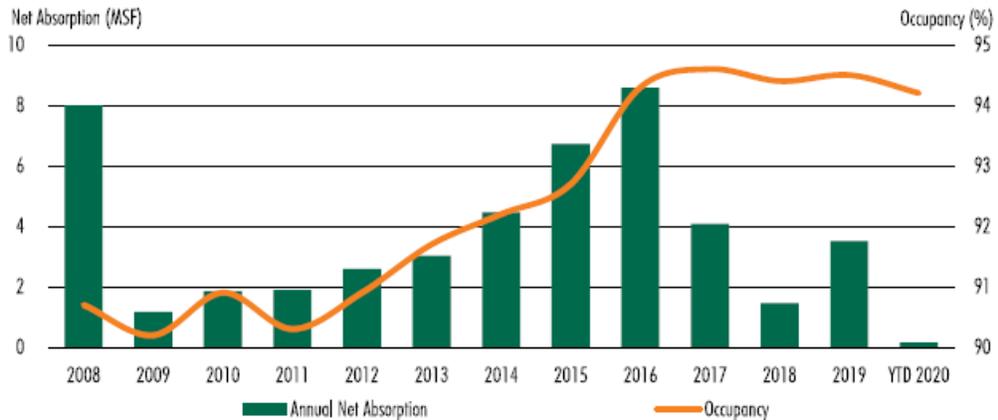
Dallas/Fort Worth Retail, Q1 2020

# Leasing activity tapers amid COVID-19 fears

▼ Occupancy 94.2%
▲ Under Construction 3,969,488 SF
▼ Completions 530,892 SF
▼ Net Absorption 166,425 SF

Figure 1: Net Absorption and Market Occupancy

\*Arrows indicate trend from previous quarter.



Source: CBRE Research, Q1 2020.

**COVID-19 SENDS U.S. ECONOMY INTO RECESSION**

The COVID-19 pandemic has forced some state governments to impose strict stay-at-home orders that are adversely affecting many industries. This is leading the U.S. economy into a recession that will result in very sharp declines in GDP for H1 2020 and in job losses, particularly in the retail, food & beverage and transportation sectors. Office-using employment may be less negatively affected than in recent recessions.

The growing amount of COVID-19 cases in Texas, as well as an oil price crash, have caused the state's economy to slow down in Q1 2020. After seeing a low unemployment rate of 3.5% in January, Comptroller Glenn Haggard stated that this metric is on track to double as the virus continues to spread, but the unique nature of this downturn should result in an unusually swift recovery that could begin as early as Q3 2020.

Assuming the coronavirus peaks this summer in the U.S.—mirroring China's experience—the U.S. government's fiscal and monetary stimulus will begin to bear fruit. This will be paired with pent-up private demand that could help the U.S. economy return to growth by year-end and drive stronger than previously expected growth in 2021.

**RETAIL LEASING ACTIVITY SLOWS IN Q1 2020**

After several quarters of strong leasing activity, DFW finally saw leasing velocity start to fall this quarter. In total, DFW saw 166,425 sq. ft. of positive absorption this quarter, with smaller leases of 15,000 sq. ft. and below driving positive absorption. Occupancy fell slightly to 94.2% as deliveries outpaced absorption with only 42% of new retail product leased at the end of the quarter.

**LANDLORDS STEP UP IN TIME OF NEED FOR DFW SMALL BUSINESS OWNERS**

Small businesses are among the retailers most affected by the rapid spread of COVID-19. Nearly half of the private workforce in Texas is employed by small businesses. Since the outbreak of the coronavirus in the U.S. at the beginning of March, small businesses have seen revenue decline 15% to 80% and are coming to terms with how they will make ends meet in the months ahead. However, many DFW landlords have stepped up in this time of crisis to mitigate stress for local small businesses by allowing tenants to hold off on paying April rent or asking them to only pay the triple net expenses for the time being.



## MARKETVIEW DALLAS/FORT WORTH RETAIL

Figure 2: Retail Total Quarterly Market Summary

Area	Inventory Total (SF)	Vacancy Total (%)	Net Absorption (SF)		Construction (SF)	
			Qtr. Total	YTD 2020 Total	Qtr. Deliveries	YTD 2020 Deliveries
Dallas CBD	1,079,223	4.1	3,374	3,374	-	-
Lakewood	3,325,743	4.2	(1,733)	(1,733)	-	-
Loveland/West Dallas	8,279,891	3.5	(27,672)	(27,672)	-	-
Uptown	1,535,473	2.2	455	455	-	-
<b>Central Dallas Total</b>	<b>14,220,330</b>	<b>3.6</b>	<b>(25,576)</b>	<b>(25,576)</b>	-	-
East Dallas Outlying	435,342	5.0	4,817	4,817	-	-
Rockwall	3,359,513	2.7	(3,293)	(3,293)	-	-
<b>East Dallas Outlying Total</b>	<b>3,794,855</b>	<b>3.0</b>	<b>1,524</b>	<b>1,524</b>	-	-
Allen	6,650,981	4.6	(10,278)	(10,278)	50,124	50,124
Central Plano	12,494,510	7.5	1,921	1,921	-	-
Far North Dallas	6,605,353	5.8	5,045	5,045	-	-
Garland	10,908,486	6.0	13,881	13,881	-	-
McKinney	7,283,442	5.6	388	388	20,123	20,123
Murphy/Wylie	2,242,725	1.8	(6,211)	(6,211)	-	-
North Collin County Outlying	1,616,835	8.4	22,151	22,151	53,279	53,279
Richardson	5,672,015	9.8	(7,362)	(7,362)	14,600	14,600
Sachse/Rowlett	2,044,040	5.1	(1,259)	(1,259)	24,700	24,700
<b>Far North Dallas Total</b>	<b>55,518,387</b>	<b>6.3</b>	<b>18,276</b>	<b>18,276</b>	<b>162,826</b>	<b>162,826</b>
North Dallas	3,853,821	3.6	(17,945)	(17,945)	-	-
Northeast Dallas	4,846,511	8.6	26,411	26,411	-	-
Northwest Dallas	5,987,205	4.7	(18,040)	(18,040)	-	-
Park Cities	1,604,213	2.3	9,702	9,702	-	-
Upper Greenville	4,901,052	5.6	(853)	(853)	-	-
<b>Near North Dallas Total</b>	<b>21,192,802</b>	<b>5.4</b>	<b>(725)</b>	<b>(725)</b>	-	-
Addison	2,283,792	8.6	(11,086)	(11,086)	-	-
East Lewisville	1,315,285	2.6	(6,000)	(6,000)	18,000	18,000
Farmers Branch	1,897,262	7.9	20,867	20,867	40,000	40,000
Frisco	8,108,282	6.1	34,697	34,697	13,112	13,112
Northeast Denton Outlying	155,415	0.9	1,480	1,480	-	-
North Carrollton	6,506,955	3.0	1,784	1,784	13,950	13,950
South Carrollton	2,831,384	9.7	6,472	6,472	-	-
West Frisco	4,089,830	7.3	48,749	48,749	70,307	70,307
West Plano	8,176,136	4.8	(24,854)	(24,854)	-	-
<b>North Central Dallas Total</b>	<b>35,364,341</b>	<b>5.8</b>	<b>72,109</b>	<b>72,109</b>	<b>155,369</b>	<b>155,369</b>
Mesquite	1,922,977	10.4	(7,752)	(7,752)	-	-
Pleasant Grove/Southeast Dallas	4,674,760	4.2	(9,518)	(9,518)	-	-
Southeast Outlying	715,267	5.5	-	-	-	-
Town East	6,554,089	4.6	21,362	21,362	-	-
<b>Southeast Dallas Total</b>	<b>13,867,093</b>	<b>5.3</b>	<b>4,092</b>	<b>4,092</b>	-	-
Cedar Hill/Duncanville/Desoto	6,830,801	6.3	18,543	18,543	-	-
Lancaster	1,247,416	7.4	(1,905)	(1,905)	-	-
Southwest Dallas County	10,205,329	6.5	66,189	66,189	-	-
<b>Southwest Dallas Total</b>	<b>18,283,546</b>	<b>6.5</b>	<b>82,827</b>	<b>82,827</b>	-	-
Coppell	3,087,451	7.1	(6,579)	(6,579)	-	-
DFW Airport	364,250	-	0	0	-	-
Irving	7,513,477	4.7	(4,149)	(4,149)	-	-
Las Colinas	2,622,695	3.8	(1,744)	(1,744)	-	-
Lewisville	14,533,370	6.7	(14,150)	(14,150)	20,520	20,520
North Grand Prairie	5,212,879	3.7	(48,107)	(48,107)	48,000	48,000
<b>West Dallas Total</b>	<b>33,334,122</b>	<b>5.5</b>	<b>(74,729)</b>	<b>(74,729)</b>	<b>68,520</b>	<b>68,520</b>

Source: CBRE Research, Q1 2020.



## MARKETVIEW DALLAS/FORT WORTH RETAIL

Figure 2: Retail Total Quarterly Market Summary

Area	Inventory Total (SF)	Vacancy Total (%)	Net Absorption (SF)		Construction (SF)	
			Qtr. Total	YTD 2020 Total	Qtr. Deliveries	YTD 2020 Deliveries
East Fort Worth	2,692,900	7.3	(2,240)	(2,240)	-	-
Fort Worth CBD	732,558	1.1	0	0	-	-
Fort Worth Southwest Quadrant	3,079,053	11.4	(19,408)	(19,408)	-	-
Haltom City	2,008,269	9.2	(5,800)	(5,800)	-	-
North Fort Worth	2,726,624	6.5	1,417	1,417	-	-
Southeast Fort Worth	2,142,146	2.7	(1,200)	(1,200)	-	-
West Fort Worth	12,112,228	6.7	51,746	51,746	-	-
<b>Central Fort Worth Total</b>	<b>25,493,778</b>	<b>7.0</b>	<b>24,515</b>	<b>24,515</b>	-	-
Denton	6,680,788	5.1	11,404	11,404	15,946	15,946
Flower Mound	188,086	6.0	7,057	7,057	-	-
Grapevine/Colleyville	5,920,103	3.9	(9,726)	(9,726)	-	-
Hurst/Euless/Bedford	10,129,556	6.1	(24,208)	(24,208)	12,734	12,734
North Arlington	3,528,895	10.5	3,440	3,440	-	-
Richland Hills	1,464,679	13.7	2,594	2,594	-	-
Southeast Outlying Tarrant	5,440,577	3.4	(7,776)	(7,776)	10,100	10,100
South Arlington	14,289,263	6.3	17,675	17,675	-	-
South Grand Prairie	1,490,188	7.4	(24)	(24)	-	-
Southlake	3,377,329	5.3	12,904	12,904	-	-
Trophy/Roanoke/WestLake	1,185,822	12.0	30,497	30,497	59,900	59,900
<b>Mid-Cities Total</b>	<b>53,695,286</b>	<b>6.1</b>	<b>43,837</b>	<b>43,837</b>	<b>98,680</b>	<b>98,680</b>
Crowley/Burleson	2,090,156	4.1	(8,900)	(8,900)	18,000	18,000
Northwest Fort Worth	7,286,645	3.4	11,143	11,143	27,497	27,497
Southwest Fort Worth	6,922,044	4.5	35,223	35,223	-	-
Watauga/Kelley/North Richland Hills	7,327,844	7.6	(19,891)	(19,891)	-	-
White Settlement	2,108,520	4.1	2,700	2,700	-	-
<b>Suburban Fort Worth Total</b>	<b>25,735,209</b>	<b>5.0</b>	<b>20,275</b>	<b>20,275</b>	<b>45,497</b>	<b>45,497</b>
<b>Dallas Total</b>	<b>195,575,476</b>	<b>5.7</b>	<b>77,798</b>	<b>77,798</b>	<b>397,715</b>	<b>386,715</b>
<b>Fort Worth Total</b>	<b>104,924,273</b>	<b>6.1</b>	<b>88,627</b>	<b>88,627</b>	<b>144,177</b>	<b>144,177</b>
<b>DPW Total</b>	<b>300,499,749</b>	<b>5.8</b>	<b>166,425</b>	<b>166,425</b>	<b>541,892</b>	<b>530,892</b>

Source: CBRE Research, Q1 2020.

Figure 3: Historical Market Summary

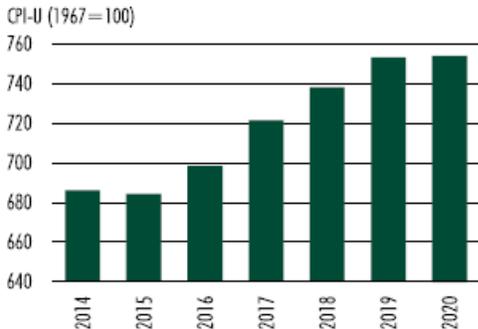
	2014	2015	2016	2017	2018	2019	Q1 2020
<b>DALLAS TOTAL</b>							
Absorption (Net, SF)	2,389,167	4,022,612	5,703,153	3,114,680	1,165,413	2,095,695	77,798
Delivered Construction (SF)	1,033,553	2,017,656	2,974,655	2,683,370	1,427,163	1,128,430	386,715
Rentable Building Area (RBA)	177,535,528	181,192,999	188,204,340	191,031,109	194,074,656	194,902,258	195,575,476
Occupancy Rate (%)	92	93.6	94.2	94.6	94.4	94.6	94.3
<b>FORT WORTH TOTAL</b>							
Absorption (Net, SF)	2,206,396	2,695,558	2,885,492	958,637	302,895	1,509,629	88,627
Delivered Construction (SF)	1,089,605	1,914,914	1,468,513	1,005,725	932,137	670,471	144,177
Rentable Building Area (RBA)	95,875,460	97,955,117	98,754,515	102,006,739	104,173,420	104,593,444	104,924,273
Occupancy Rate (%)	92.7	93.4	94.6	94.8	94.4	94.2	93.9
<b>DPW MARKET TOTAL</b>							
Absorption (Net, SF)	4,595,563	6,718,170	8,588,645	4,073,317	1,468,308	3,605,324	166,425
Delivered Construction (SF)	2,123,158	3,932,570	4,443,168	3,689,095	2,359,300	1,798,901	530,892
Rentable Building Area (RBA)	273,410,988	279,148,116	286,958,855	293,037,848	298,248,076	299,495,702	300,499,749
Occupancy Rate (%)	92.2	92.7	94.3	94.6	94.4	94.5	94.2

Source: CBRE Research, Q1 2020.



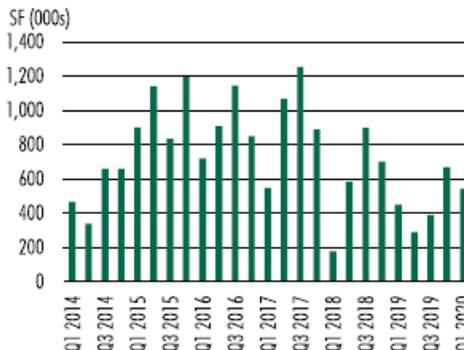
## MARKETVIEW DALLAS/FORT WORTH RETAIL

**Figure 4: DFW Consumer Price Index**



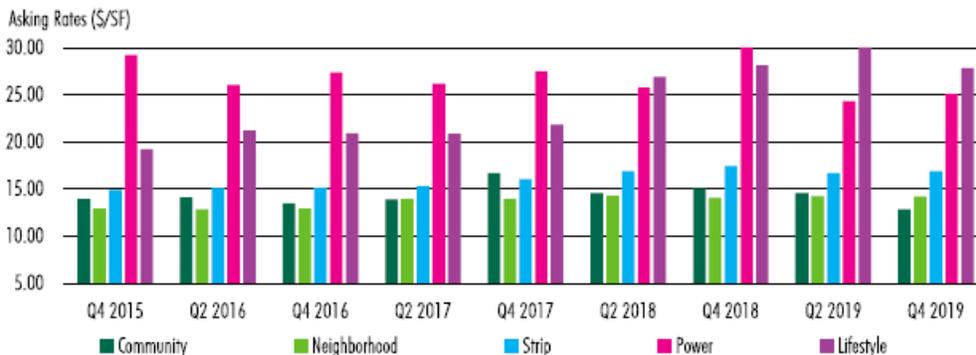
Source: Bureau of Labor Statistics, Q1 2020.

**Figure 5: Deliveries**



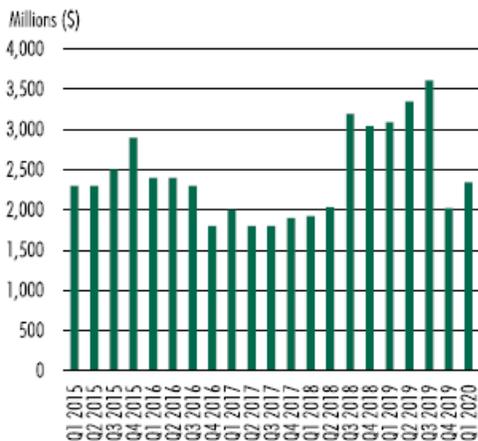
Source: CBRE Research, Q1 2020.

**Figure 6: Asking Annual Rents by Center Type, NNN Avg.**



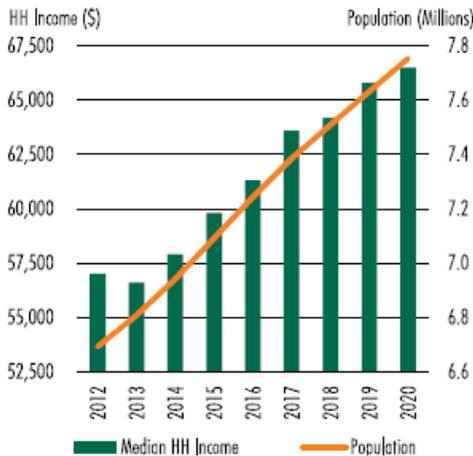
Source: CBRE Research, Q1 2020.

**Figure 7: Dallas Retail Investment Sales Volume**



Source: Real Capital Analytics, Q1 2020.

**Figure 8: DFW Population Growth and Household Income**



Source: Oxford Economics, Q1 2020.

# INCOME CAPITALIZATION APPROACH

## Overview

### Southeast Outlying Retail

12 Mo Deliveries in SF

**42.7 K**

12 Mo Net Absorption in SF

**31.6 K**

Vacancy Rate

**2.7%**

12 Mo Rent Growth

**1.4%**

Retail vacancies in Southeast Outlying were roughly in line with the five-year average during the third quarter, and they were essentially unchanged from this time last year. The rate also comes in below the region's average. Meanwhile, retail rents have risen by 1.4% in the past 12 months.

As for the pipeline, development has been relatively steady over the past few years in Southeast Outlying, and that trend has continued in the third quarter.

Retail properties trade with regularity in Southeast

Outlying, and this past year proved no different, as investors remained just as engaged in the submarket. At the same time, market pricing of \$214/SF falls below the region's average.

However, the pandemic has led to heightened uncertainty in commercial real estate, and retailers, in particular, may be the most susceptible to continued turbulence in the coming months. Its effects are likely to linger for the foreseeable future, impacting demand, rent growth, and the capital markets in the process.

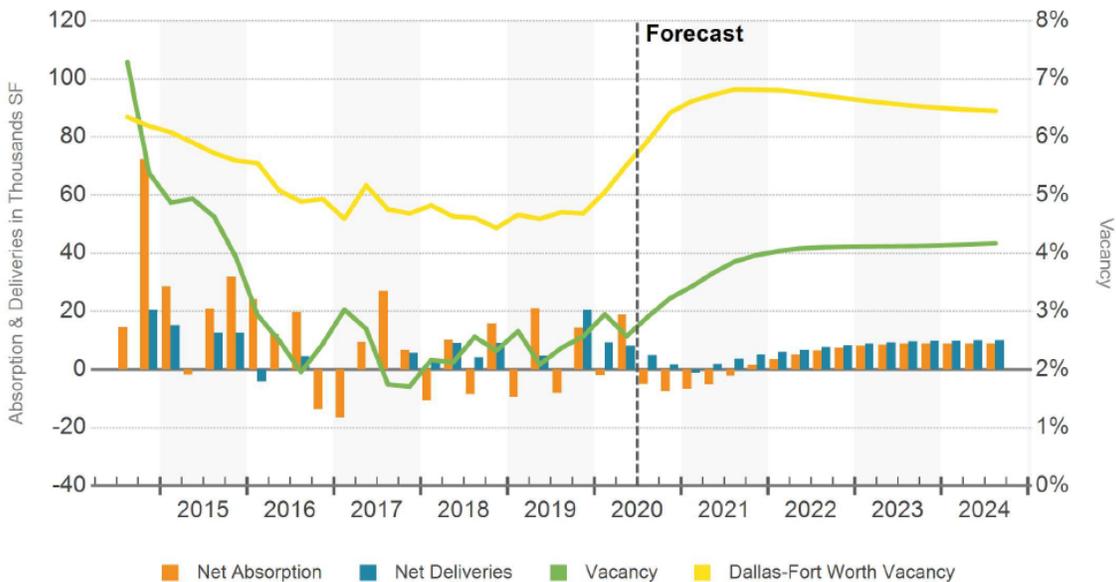
### KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	0	-	-	-	0	0	0
Power Center	0	-	-	-	0	0	0
Neighborhood Center	324,163	17.7%	\$10.95	22.9%	(17,000)	0	0
Strip Center	276,326	2.4%	\$15.62	3.1%	0	0	0
General Retail	2,117,495	0.6%	\$15.46	1.6%	19,469	4,969	2,500
Other	193,688	0%	\$18.17	7.0%	0	0	0
<b>Submarket</b>	<b>2,911,672</b>	<b>2.7%</b>	<b>\$15.16</b>	<b>4.4%</b>	<b>2,469</b>	<b>4,969</b>	<b>2,500</b>
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.3%	4.2%	3.9%	8.3%	2013 Q4	0.3%	2001 Q1
Net Absorption SF	31.6 K	44,826	17,528	274,935	2003 Q1	(63,834)	2009 Q3
Deliveries SF	42.7 K	49,842	32,696	235,035	2003 Q1	0	2017 Q3
Rent Growth	1.4%	1.4%	1.1%	5.0%	2006 Q3	-2.7%	2002 Q4
Sales Volume	\$9.2 M	\$2.1M	N/A	\$9.6M	2020 Q2	\$0	2006 Q4

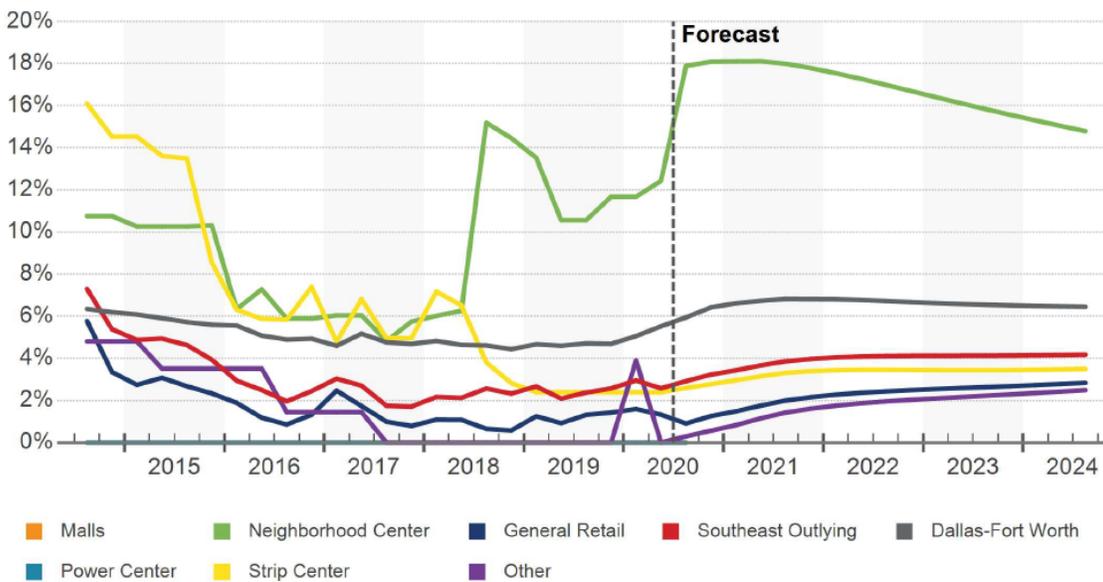
## Leasing

Southeast Outlying Retail

### NET ABSORPTION, NET DELIVERIES & VACANCY



### VACANCY RATE

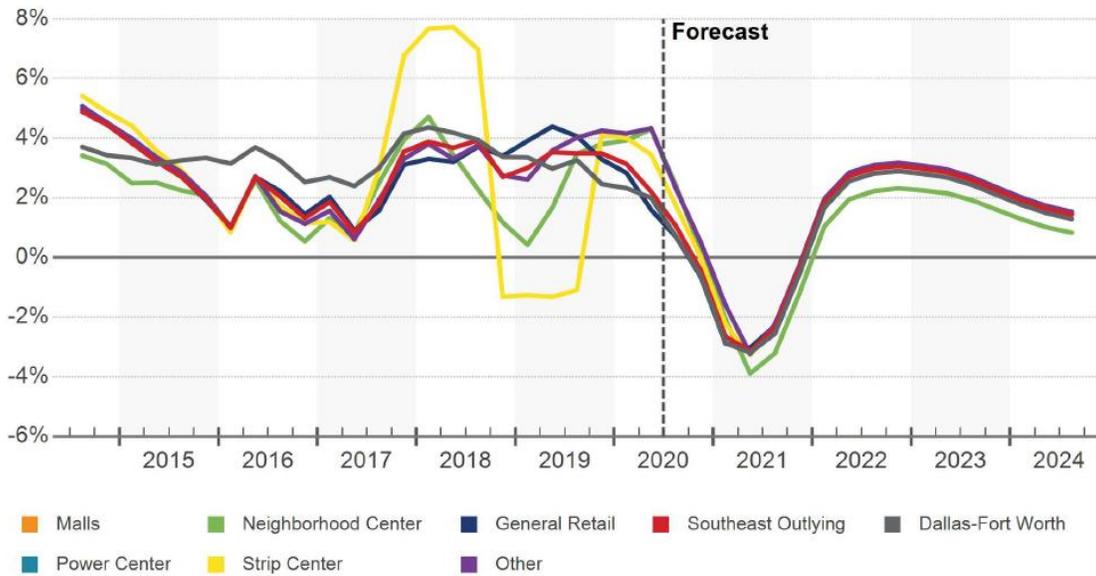


# INCOME CAPITALIZATION APPROACH

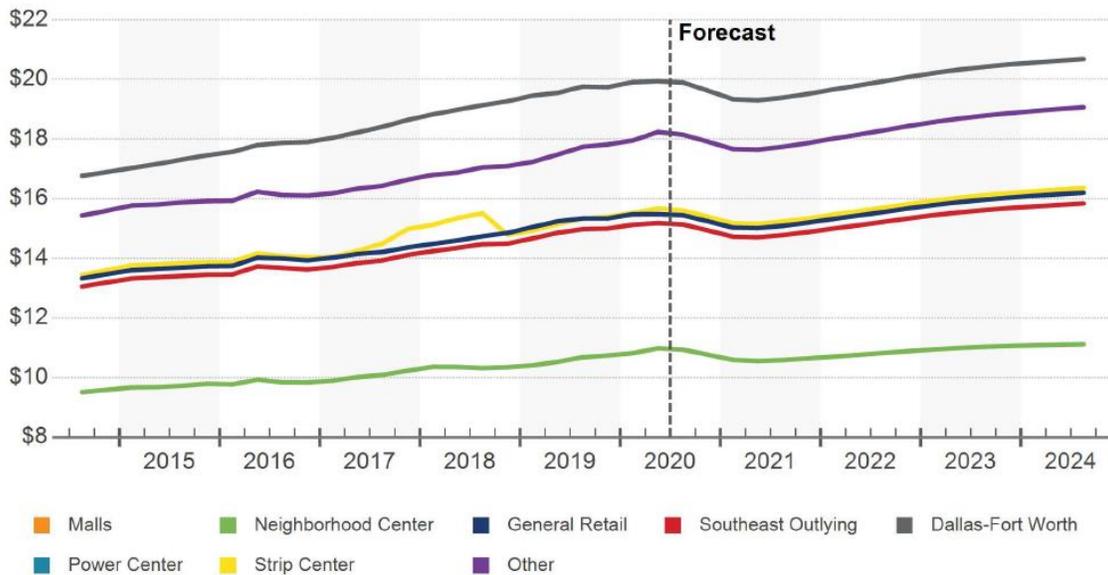
## Rent

Southeast Outlying Retail

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



# INCOME CAPITALIZATION APPROACH

## Construction

### Southeast Outlying Retail

All-Time Annual Avg. Square Feet

**48,176**

Delivered Square Feet Past 8 Qtrs

**61,524**

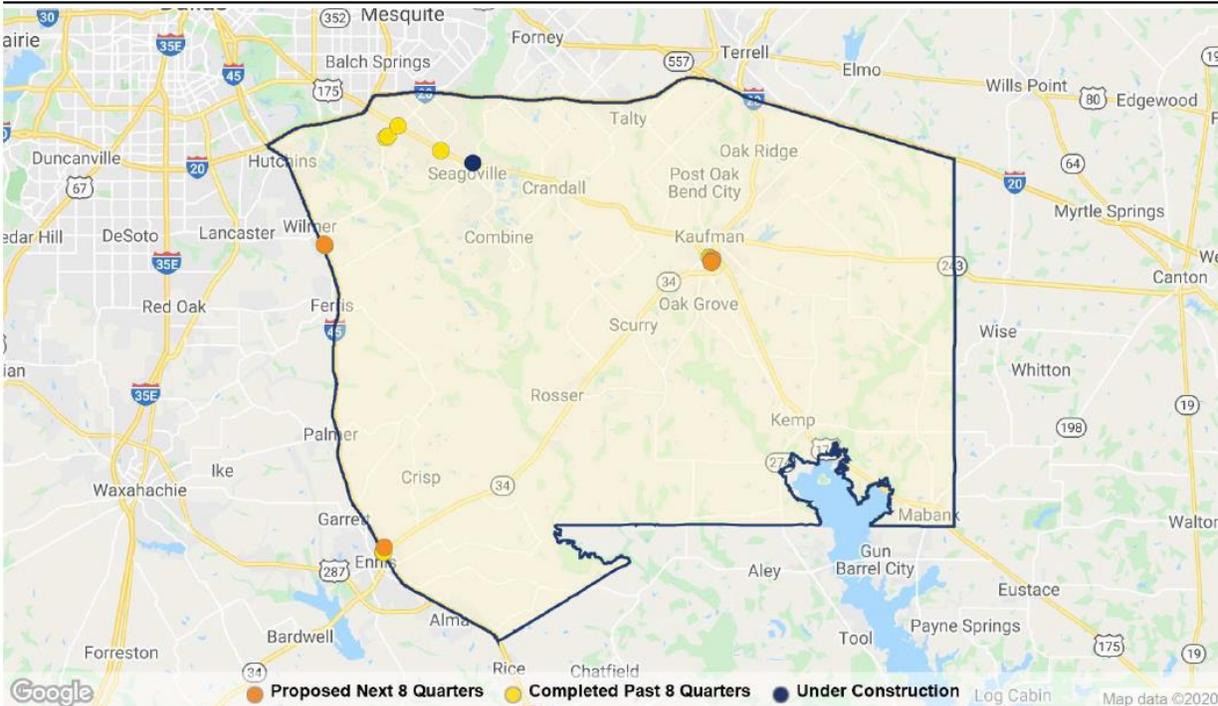
Delivered Square Feet Next 8 Qtrs

**2,500**

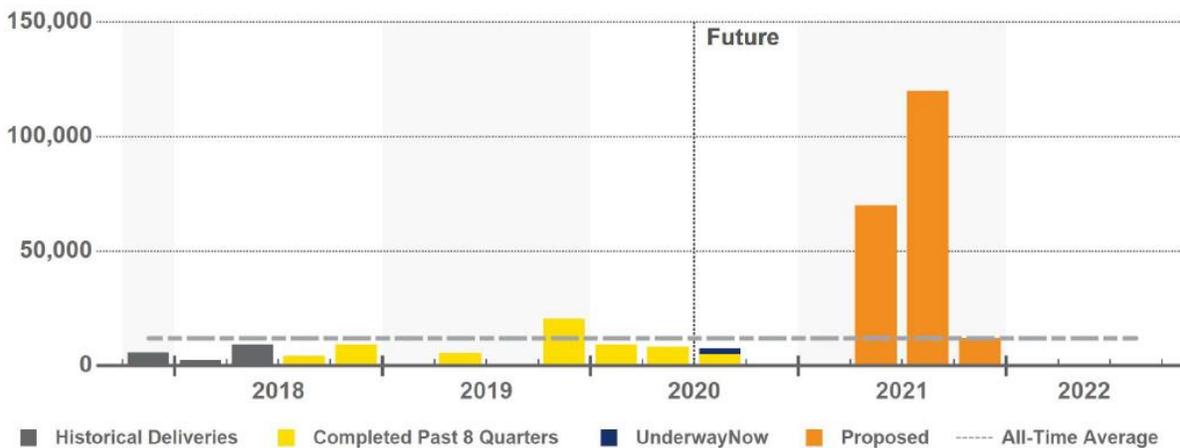
Proposed Square Feet Next 8 Qtrs

**201,931**

### PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



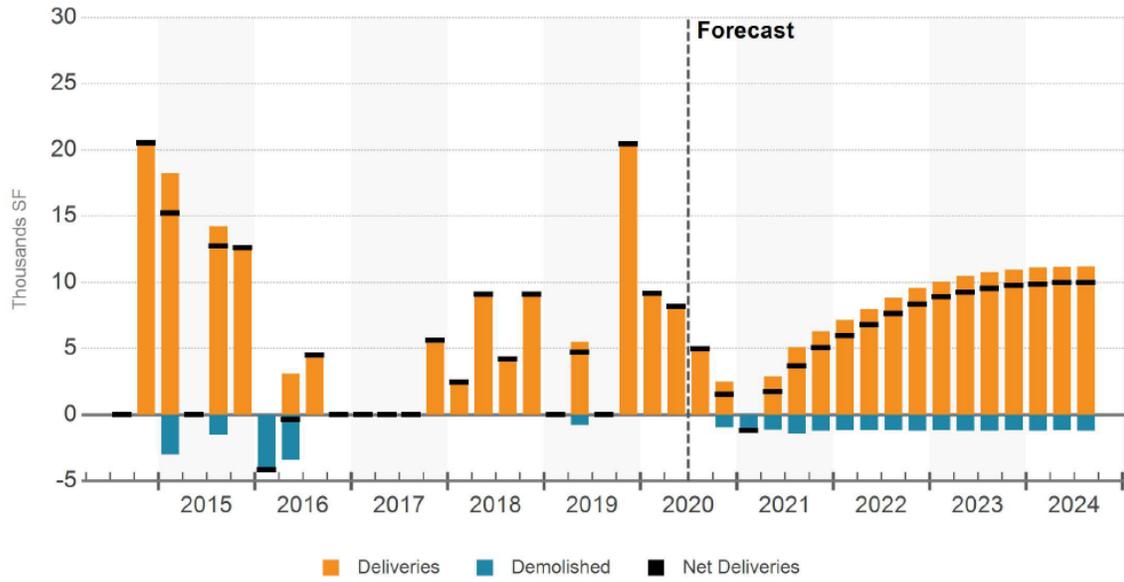
### PAST & FUTURE DELIVERIES IN SQUARE FEET



Construction

Southeast Outlying Retail

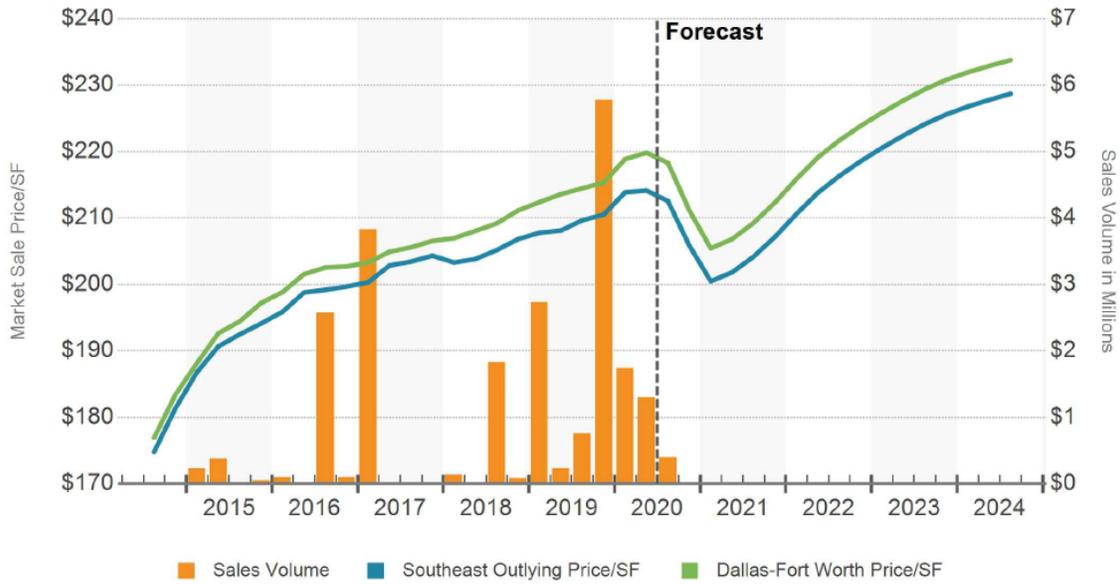
DELIVERIES & DEMOLITIONS



## Sales

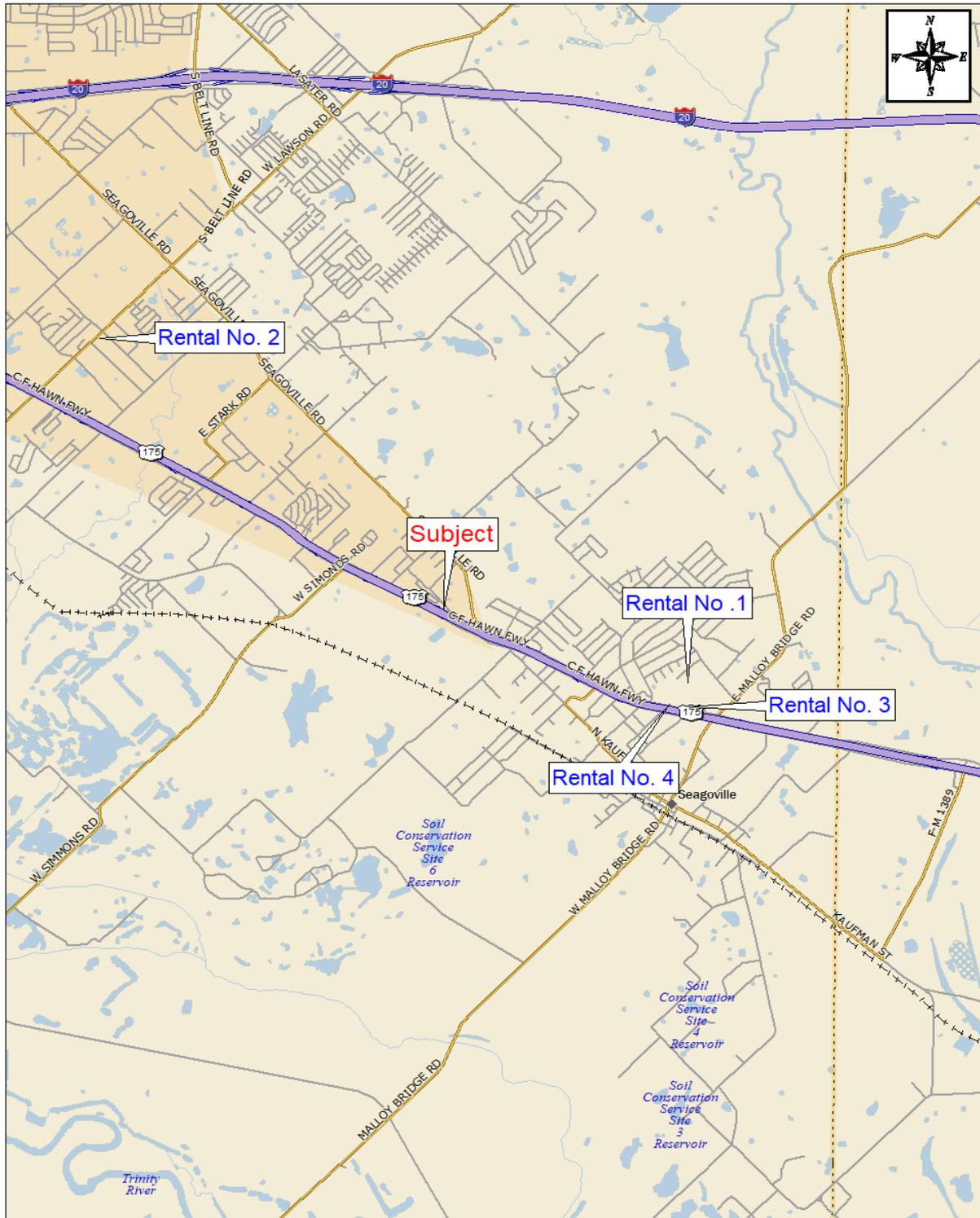
Southeast Outlying Retail

**SALES VOLUME & MARKET SALE PRICE PER SF**



# INCOME CAPITALIZATION APPROACH

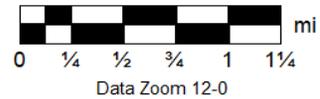
## RENTALS MAP



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# INCOME CAPITALIZATION APPROACH

## RENTAL NO. 1



<b>Address</b>	410 US Highway 175 Seagoville, Texas 75159
<b>Mapsc0</b>	DA-80A-C
<b>Year of Construction</b>	2006
<b>Rentable Building Area</b>	39,773 SF
<b>Occupancy</b>	96%
<b>Rental Rate Per SF</b>	\$14.00
<b>Lease Terms</b>	Triple Net; 1- to 3-year terms
<b>Comments</b>	This property is a multi-tenant retail shopping center anchored by Bealls department store. The site is located at the northwest quadrant of US Highway 175 and Malloy Bridge Road, next to a Wal-Mart supercenter. The rental rate is \$14.00 per square foot on a triple net basis.

---

## INCOME CAPITALIZATION APPROACH

### RENTAL NO. 2



<b>Address</b>	1512 Belt Line Road Dallas, Texas 75253
<b>Mapsco</b>	DA-70-J
<b>Year of Construction</b>	2008
<b>Rentable Building Area</b>	11,298 SF
<b>Occupancy</b>	89%
<b>Rental Rate Per SF</b>	\$15.00
<b>Lease Terms</b>	Triple Net; Negotiable terms (averaging 1-3 years)
<b>Comments</b>	This property is a multi-tenant retail center located at the southern corner of Belt Line Road and Garden Grove Drive. The rental rate is \$15.00 per square foot, on a triple net basis, with negotiable terms from 1 to 3 years. This property is an average quality neighborhood shopping center.

---

## INCOME CAPITALIZATION APPROACH

### RENTAL NO. 3



<b>Address</b>	110 US Highway 175 Seagoville, Texas 75159
<b>Mapsco</b>	DA-80A-C
<b>Year of Construction</b>	2004
<b>Rentable Building Area</b>	5,042 SF
<b>Occupancy</b>	100%
<b>Rental Rate Per SF</b>	\$17.00
<b>Lease Terms</b>	Triple Net; 3-year term
<b>Comments</b>	This property is a multi-tenant retail center located at the northwest quadrant of US Highway 175 and Malloy Bridge Road, next to a Wal-Mart supercenter. The lease is for 1,380 square feet, occupied by Cricket Wireless, for \$17.00 per square foot on a triple net basis.

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## INCOME CAPITALIZATION APPROACH

### RENTAL NO. 4



<b>Address</b>	300-344 US Highway 175 Seagoville, Texas 75159
<b>Mapsco</b>	DA-80A-C
<b>Year of Construction</b>	2004
<b>Rentable Building Area</b>	19,600 SF
<b>Occupancy</b>	92%
<b>Rental Rate Per SF</b>	\$18.00
<b>Lease Terms</b>	Triple Net; 3-year term
<b>Comments</b>	This property is a multi-tenant retail center located at the northwest quadrant of US Highway 175 and Malloy Bridge Road, next to a Wal-Mart supercenter. The lease is for 2,940 square feet, occupied by AT&T Wireless, for \$18.00 per square foot on a triple net basis.

## INCOME CAPITALIZATION APPROACH

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RENTAL SURVEY						
Rental No.	Name/Location	Rent/SF	Lease Basis	YOC	Rentable Area	
1	410 US Highway 175 Seagoville, Texas 75159	\$14.00	Triple Net	2006	39,773 SF	
2	1512 Belt Line Road Dallas, Texas 75253	\$15.00	Triple Net	2008	11,298 SF	
3	110 US Highway 175 Seagoville, Texas 75159	\$17.00	Triple Net	2004	5,042 SF	
4	300-344 US Highway 175 Seagoville, Texas 75159	\$18.00	Triple Net	2004	19,600 SF	

The properties in the survey are similar to the subject and are comparable in design, construction, and use. The facilities range in size from 5,042 square feet to 39,773 square feet. The lease rates of the survey range from \$14.00 to \$18.00 per square foot on triple net bases, and are representative of market.

For the purpose for this analysis, the subject concludes a lease agreement on a triple net lease basis. That is, the operator/tenant is responsible for operating expenses, including pro rata shares of taxes, insurance, and maintenance. Based on this lease arrangement, the only expense to an owner would be a management fee and any structural maintenance charges. Each of the comparable rents varies in location and quality, and differs in size as compared with the subject.

### Market Rent and Gross Rental Income Analysis

The premise of the income capitalization approach is that an indication of value can be derived by capitalizing the net income a property will produce - under prudent management - at an appropriate rate which reflects the current market conditions, trends, and investor requirements. Several properties similar to the subject were surveyed to determine a reasonable market rent attainable by the subject.

### Market Conclusions

Based on the preceding and realizing differences in shopping center retail stores in areas of age, size, condition/quality, and location, a market rental rate for the subject is concluded to be in accord with area rental rates. Considering the location of the subject, the quality of finish, careful consideration of data and inspecting each comparable property, the data support an average market rental rate of \$18.00 per square foot.

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## INCOME CAPITALIZATION APPROACH

---

### **Potential Gross Income**

Based on the current market, and utilizing the average rate of \$18.00 per square foot, the potential gross rental income of the subject property equates to \$96,120 per year.

### **Reimbursements**

Under a triple net lease arrangement, the tenant is responsible for operating expenses. Reimbursements for taxes, insurance, and maintenance are estimated at \$26,771 for the retail strip center.

### **Vacancy & Collection Loss**

According to the Dictionary of Real Estate Appraisal, vacancy and collection (credit) loss is defined as an allowance for reductions in potential income attributable to vacancies, tenant turnover, and non-payment of rent. The portion referring to vacancy is typically derived from market sources such as the market conditions of competing properties and the competitive market. The collection loss is a reflection of the type of tenants within the market or subject.

In order to estimate anticipated vacancy and credit loss for the subject, relevant market data sources have been researched, and the operating expenses and comparable properties have been analyzed. The following Costar Analytics graph shows vacancy rates in the subject market area have been declining for the past four years.

A survey of local rental properties shows that there is a wide range of vacancy rates in the area, which vary from 0% to 50%, with an average of approximately 5%. Given the subject's current and historical tenancy, a reasonable market vacancy and credit loss rate for the subject is estimated at 5%, which equates to \$6,145, or \$1.15 per square foot. This percentage calculates at approximately 3 months of vacancy every 5 years.

### **OPERATING EXPENSES**

The following annual expense summary is estimated based on operations of similar properties in the subject market. Expenses include both fixed and variable expenses. Fixed expenses include ad valorem property taxes and property insurance. Variable expenses include management/administrative and maintenance/repair costs. Typical leases on properties of this type are structured on a triple net lease basis. That is, the operator/tenant is responsible for operating expenses, including pro rata shares of taxes, insurance, and maintenance. Based on this lease arrangement, the only expense to an owner would be a management fee and any structural maintenance charges.

Where actual operating statements were not available for analysis, estimates are applied in the expense estimates for the subject property.

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## **INCOME CAPITALIZATION APPROACH**

---

### **Real Estate Taxes**

Real estate taxes (as detailed previously in the tax analysis portion of the subject property section) are estimated at \$19,771, or \$3.70 per square foot. This expense is reimbursed. The basis of this expense is the county appraisal district.

### **Fire & Extended Coverage Insurance**

Based on information from third party reports and the owner's financial statements, the estimated typical fire, extended coverage, and liability policy is \$2,000, or \$0.37 per square foot. This expense is reimbursed. The basis of this expense is market estimates and data.

### **Common Area Maintenance**

This expense is included such items as parking lot, security, trash, lighting, and landscaping and all normal annual maintenance and repair costs. Based on information provided by the owner, this expense is estimated at \$5,000 annually, or \$0.94 per square foot. The basis of this expense is market estimates and data.

### **Management Fees**

Includes general management, supervision, professional fees, legal fees, printing, keys and locks, sign expenses, and purchasing, etc. Management fees in this market range between 3% and 8% of effective gross income. Based on the market estimates and data, we utilize a 3% management fee based on market estimates, which equates to \$3,502 (\$0.66 per square foot).

### **Reserves/Repairs**

Reserves are an appropriation from the income of the real estate that is allocated to deferred or anticipated contingencies, such as maintenance. The basis of this expense is market estimates and data. This expense is estimated at \$1,800, or \$0.34 per square foot.

### **Utilities**

Common area utilities are paid by the owner.

### **Expense Summary**

Based on the foregoing, the expenses are estimated at \$6.01 per square foot, or \$32,073 per year.

## INCOME CAPITALIZATION APPROACH

The following table represents the stabilized pro forma operating statement for the subject property.

INCOME AND EXPENSE SUMMARY			
Rentable Building Area: 5,340 SF			
		<b>Total</b>	<b>\$/SF</b>
<b>Gross Rental Income</b>	\$	96,120	\$ 18.00
Expense Reimbursements	\$	26,771	\$ 5.01
<b>Total Potential Income</b>	\$	122,891	\$ 23.01
Less: Vacancy @ 5%	\$	6,145	\$ 1.15
<b>Effective Gross Income</b>	<b>\$</b>	<b>116,746</b>	<b>\$ 21.86</b>
<b>Less: Expenses</b>	<b>Reimbursed</b>		
Real Estate Taxes	X	\$ 19,771	\$ 3.70
Insurance	X	\$ 2,000	\$ 0.37
Common Area Maintenance	X	\$ 5,000	\$ 0.94
Management Fees (3% of EGI)		\$ 3,502	\$ 0.66
Reserves/Repairs		\$ 1,800	\$ 0.34
<b>Total Expenses</b>		<b>\$ 32,073</b>	<b>\$ 6.01</b>
<b>Net Operating Income</b>		<b>\$ 84,673</b>	<b>\$ 15.85</b>
Net Income/Effective Gross Income Ratio		72.53%	

## CAPITALIZATION

The method of capitalization selected for this appraisal is the Direct Capitalization Method in which the net income stream attributable to the entire property is capitalized into an indication of value by a single overall rate (OAR). Income producing property is usually bought as an investment. That is, the purchaser wants the property for the return it will yield on the capital (whether owned or borrowed) used to buy it. The rate of return the investor receives is the capitalization rate (also called the overall rate), which can be expressed as a relationship between the annual net operating income a property produces and its value. By dividing the indicated net operating income of a property by the appropriate capitalization (cap) rate, the property's value can be indicated.

Two methods of developing rates for direct capitalization are illustrated below. First is the band of investment method. This method considers the financial components, or bands, of debt and equity capital required to support the investment. Second is the market capitalization rate. This is an overall rate exhibited in the market and is the ratio between the total net operating income (NOI) produced by the property and the sales price from the property. Generally, the overall rate is extracted from the transactions of similar type properties.

### **Band of Investment Method**

A method commonly used to calculate an overall capitalization rate is the band of investment method. This method considers the financial components, or bands, of debt and equity capital required to support the investment. This method thus considers everyone who has a financial interest in the real estate being appraised. Not every investor will be satisfied with the same rate of return on an investment. For example, the owner may regard his or her position as riskier than that of the first or second lien holder. Each mortgage creates a lien on the property. If the owner defaults, the property may be sold to pay such liens, and the owner will receive only those proceeds that may remain from the sale of the property after the lien holders have been paid. Since the owner's interest is generally considered inferior to those of lien holders, the owner may require a higher total return on the investment but accept a lower cash flow return, given the value of the owner's residual interest in the property in addition to the owner's subordinated claim on the cash flow.

The band of investment method must take into account both the rate required by the lender and the rate necessary for the equity investor's desired pretax cash flow. The rate required by the lender is termed the mortgage constant and is annual debt service expressed as a percentage of the original principal amount.

The rate required by the equity investor, which is the ratio of the investor's expected pretax cash flow to the investment's value, is called the equity capitalization rate. The equity capitalization rate also may be referred to as the cash on cash rate, cash flow rate or equity dividend rate.

The overall rate developed by the band of investment method thus is based on (1) the capitalization rate for debt, called the mortgage constant, and (2) the rate of return required on equity, called the equity capitalization rate.

## INCOME CAPITALIZATION APPROACH

For the subject, we are utilizing a 30-year amortization period covering 75% of the value at 6.00% interest, and typically a buyer would require a 8.00% equity dividend rate on this type of real estate investment, considering the characteristics of the subject. Using the band of investment method, the overall rate is developed as follows:

Amortization Period	30 years	Mortgage Constant (Rm)	0.071946
Loan-to-Value Ratio	75%		
Equity Component	25%		
Interest Rate (i)	6.00%		
Equity Dividend Rate (Re)	8.00%		
<hr/>			
	<u>% Total Value</u>	<u>Return Required</u>	
Loan	0.750	x	0.07195 (mortgage constant) = 0.05396
Equity	0.250	x	0.08000 (equity dividend rate) = 0.02000
			<b>Overall Rate</b> <b>0.07396</b>
			<b>Rounded</b> <b>7.39%</b>

### Market Extracted - Capitalization Rate

In the sales comparison approach, the sales of similar properties are detailed. These sales included actual or estimated pro forma income and expense information that allowed us to extract capitalization rates from cash equivalent figures. These are summarized as follows:

Summary of Improved Sales					
Sale No.	YOC	Size SF	Sale Date	Price/SF	OAR
1	2016	6,000	Jan-2020	\$375.00	7.00%
2	1987	8,002	Jan-2020	\$287.43	6.15%
3	1982	3,360	Mar-2019	\$357.14	7.06%
4	2015	8,522	Jan-2019	\$354.38	6.50%

### Secondary Sources – Capitalization Rate

Real Estate Research Corporation (RERC) conducts a quarterly survey of major knowledgeable real estate participants including large insurance companies, financial institutions, property owners, brokers, appraisers, and other market participants. This survey tracks target rates of return for predominately investment-grade properties.

## INCOME CAPITALIZATION APPROACH

The RERC Dallas/Fort Worth Investment Criteria report is detailed in the following table:

### Dallas | First-Tier<sup>1</sup> Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate	South Region	U.S.	RERC Estimate	South Region	U.S.	RERC Estimate	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	7.6	8.0	8.3	6.6	6.7	6.8	7.0	7.3	7.3	-1.5	0.0	-0.8	0.1
Suburban	8.2	8.4	8.6	6.9	7.1	7.1	7.2	7.7	7.7	-2.0	0.0	-0.9	0.2
Warehouse	7.6	7.6	7.9	6.3	6.5	6.4	6.7	7.0	7.0	0.9	0.8	0.7	0.1
R&D	8.8	8.4	8.5	7.0	7.3	7.0	7.3	7.8	7.5	0.1	0.4	-0.1	-0.1
Flex	8.4	8.4	8.4	7.0	7.5	7.1	7.4	8.0	7.6	-0.9	0.3	-0.2	-0.1
Regional Mall	8.2	8.4	8.9	7.4	7.3	7.5	7.5	7.8	8.1	-3.8	-0.7	-3.4	-0.8
Power Center	8.5	8.1	8.7	7.4	7.0	7.2	7.6	7.5	7.8	-2.9	-0.1	-2.5	-1.0
Neigh/Comm	7.6	8.2	8.5	6.6	7.1	7.1	6.8	7.7	7.6	-1.6	-0.1	-1.8	-0.3
Apartment	7.0	6.9	7.3	5.6	5.5	5.6	5.8	6.0	6.3	-0.2	-0.7	-0.2	-0.4
Hotel	9.4	9.5	9.4	7.6	8.1	7.9	8.3	8.6	8.3	-5.6	-3.6	-4.0	-3.7
Average	8.1	8.2	8.5	6.8	7.0	7.0	7.2	7.5	7.5	-1.8	-0.4	-1.3	-0.6

<sup>1</sup> First-tier investment properties are defined as the best quality assets in largest markets.  
Source RERC, 1Q 2020.

Another secondary source of published actual capitalization rates is the RG Watts & Company – RealtyRates.com Investor Survey. Their Investor Survey by methodology for is presented below.

RealtyRates.com INVESTOR SURVEY - 2nd Quarter 2020*						
RETAIL - ALL TYPES						
Item	Input					OAR
<b>Minimum</b>						
Spread Over 10-Year Treasury	1.11%	<b>DCR Technique</b>		1.05	0.040305	0.80
Debt Coverage Ratio	1.05	<b>Band of Investment Technique</b>				
Interest Rate	2.61%	Mortgage		80%	0.040305	0.032244
Amortization	40	Equity		20%	0.077803	0.015561
Mortgage Constant	0.040305	<b>OAR</b>				<b>4.78</b>
Loan-to-Value Ratio	80%	<b>Surveyed Rates</b>				<b>4.54</b>
Equity Dividend Rate	7.78%					
<b>Maximum</b>						
Spread Over 10-Year Treasury	6.95%	<b>DCR Technique</b>		2.15	0.117817	0.50
Debt Coverage Ratio	2.15	<b>Band of Investment Technique</b>				
Interest Rate	8.45%	Mortgage		50%	0.117817	0.058909
Amortization	15	Equity		50%	0.176412	0.088206
Mortgage Constant	0.117817	<b>OAR</b>				<b>14.71</b>
Loan-to-Value Ratio	50%	<b>Surveyed Rates</b>				<b>13.98</b>
Equity Dividend Rate	17.64%					
<b>Average</b>						
Spread Over 10-Year Treasury	3.45%	<b>DCR Technique</b>		1.39	0.069667	0.70
Debt Coverage Ratio	1.39	<b>Band of Investment Technique</b>				
Interest Rate	4.95%	Mortgage		70%	0.069667	0.048814
Amortization	25	Equity		30%	0.132038	0.039522
Mortgage Constant	0.069667	<b>OAR</b>				<b>8.83</b>
Loan-to-Value Ratio	70.1%	<b>Surveyed Rates</b>				<b>9.32</b>
Equity Dividend Rate	13.2%					

\*1st Quarter 2020 Data

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## INCOME CAPITALIZATION APPROACH

The Second Quarter 2020 Price Waterhouse Coopers (PWC) National Strip Shopping Center investment data is presented below.

<b>NATIONAL STRIP SHOPPING CENTER MARKET</b>					
Second Quarter 2020					
	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO	5 YEARS AGO
<b>DISCOUNT RATE (IRR)<sup>a</sup></b>					
Range	5.50% – 11.00%	5.50% – 11.00%	5.50% – 11.00%	5.50% – 10.50%	6.00% – 10.75%
Average	7.70%	7.71%	7.81%	7.32%	7.86%
Change (Basis Points)		- 1	- 11	+ 38	- 16
<b>OVERALL CAP RATE (OAR)<sup>a</sup></b>					
Range	4.75% – 10.00%	4.50% – 10.00%	4.25% – 10.00%	4.00% – 9.50%	4.50% – 10.00%
Average	6.75%	6.81%	6.75%	6.26%	6.91%
Change (Basis Points)		- 6	0	+ 49	- 16
<b>RESIDUAL CAP RATE</b>					
Range	4.75% – 10.00%	4.75% – 10.00%	4.50% – 10.00%	4.75% – 9.75%	5.00% – 9.75%
Average	6.93%	6.92%	7.00%	6.50%	7.13%
Change (Basis Points)		+ 1	- 7	+ 43	- 20
<b>MARKET RENT CHANGE<sup>b</sup></b>					
Range	(5.00%) – 3.00%	0.00% – 3.00%	0.00% – 3.00%	0.00% – 3.00%	0.00% – 3.00%
Average	0.43%	1.58%	1.67%	1.72%	1.84%
Change (Basis Points)		- 115	- 124	- 129	- 141
<b>EXPENSE CHANGE<sup>b</sup></b>					
Range	0.00% – 5.00%	0.00% – 5.00%	0.00% – 3.00%	0.00% – 3.00%	0.00% – 3.00%
Average	2.29%	2.75%	2.58%	2.69%	2.72%
Change (Basis Points)		- 46	- 29	- 40	- 43
<b>MARKETING TIME<sup>c</sup></b>					
Range	2 – 18	2 – 18	2 – 18	2 – 18	2 – 12
Average	8.4	7.4	7.4	6.2	6.2
Change (▼, ▲, =)		▲	▲	▲	▲

### Capitalization Rate Conclusions

Method	Indicated Discount Rate
Property Model (Band of Investment)	7.4%
Local Market Extraction – Comparables	6.15% – 7.06
Market Survey	
RERC - Survey	6.6%
PwC – Survey	6.75%
RealtyRates.com – DCR	6.78%
RealtyRates.com – Band of Investment	8.83%
RealtyRates.com – Survey	9.32%

## INCOME CAPITALIZATION APPROACH

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In comparison to the sales extractions, market surveys, given the characteristics of the area and market demand, an overall capitalization rate of 7.00% is supported. Using the net operating income and capitalizing it at that OAR produces the following value at stabilized operation. Utilizing the preceding steps, the calculation for a value estimate by direct capitalization is presented below:

Net Operating Income	=	\$84,673
Capitalization Rate		0.0700
Value Indicated By Direct Capitalization		\$1,209,614
<b>Value by Direct Capitalization, Upon Completion &amp; Stabilization</b>		<b>\$1,210,000</b>

## INCOME CAPITALIZATION APPROACH

### INCOME LOSS DURING ABSORPTION PERIOD

The current occupancy rate for the subject property is 0%, leaving 100% of vacant space. Demand for this type of space is sufficient and proven in the market by healthy occupancies by most similar properties. It is anticipated that the subject property should lease-up within 24 months. Thus, an absorption period of 24 months is estimated for the subject property, and the stabilization date is anticipated as November 2022. As typical occupancy increases at differing amounts over the absorption period and these increases are difficult to estimate, we estimated a straight-line increase of the occupancy level over the absorption period, maintaining level rent and expenses.

The discounted differential between the 1<sup>st</sup> quarter and the end of the 8<sup>th</sup> quarter (24 months) represents the income shortfall. This shortfall analysis assumes the following scenario: the rental rates will remain level during the period, the rentable supply will remain the same over the period, the subject owner will repair and maintain the property during this period, the subject owner will actively market the subject, and the occupancy will increase over the 8 quarters to a stabilized state. Considering the current market capitalization rates and growth rates, a 10.0% discount rate is deemed appropriate. Discounting the differential at 10.0% results in an income shortfall of \$101,847. The leasing costs include leasing commissions of 5.0% on a 5-year term basis and \$25.00 per square foot for tenant improvements, totaling \$114,346 discounted. These deductions total \$216,192, or \$215,000 (rounded).

Prospective Cash Flow	Current	Year 1				Year 2				Stabilized
	Nov-2020	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Nov-2022
Square Feet Occupied	SF	1,068 SF	1,068 SF	2,136 SF	2,136 SF	3,204 SF	3,204 SF	4,272 SF	4,272 SF	5,073 SF
% Occupied	0%	20%	20%	40%	40%	60%	60%	80%	80%	95%
Gross Rental Income	\$96,120	\$24,030	\$24,030	\$24,030	\$24,030	\$24,030	\$24,030	\$24,030	\$24,030	\$96,120
Reimbursed Expenses	\$26,771	\$6,693	\$6,693	\$6,693	\$6,693	\$6,693	\$6,693	\$6,693	\$6,693	\$26,771
Potential Gross Income	\$122,891	\$30,723	\$30,723	\$30,723	\$30,723	\$30,723	\$30,723	\$30,723	\$30,723	\$122,891
Less: Vacancy	\$122,891	\$24,578	\$24,578	\$18,434	\$18,434	\$12,289	\$12,289	\$6,145	\$6,145	\$6,145
Effective Gross Income	\$0	\$6,145	\$6,145	\$12,289	\$12,289	\$18,434	\$18,434	\$24,578	\$24,578	\$116,746
Less: Operating Expenses	\$32,073	\$8,018	\$8,018	\$8,018	\$8,018	\$8,018	\$8,018	\$8,018	\$8,018	\$32,073
Net Operating Income	-\$32,073	-\$1,874	-\$1,874	\$4,271	\$4,271	\$10,415	\$10,415	\$16,560	\$16,560	\$84,673
<b>Difference</b>		<b>\$23,042</b>	<b>\$23,042</b>	<b>\$16,898</b>	<b>\$16,898</b>	<b>\$10,753</b>	<b>\$10,753</b>	<b>\$4,608</b>	<b>\$4,608</b>	
<b>Leasing &amp; Capital Costs (in month 24)</b>										
										<b>Total</b>
Leasing Commissions (5%)		\$4,806	\$0	\$4,806	\$0	\$4,806	\$0	\$4,806	\$0	\$19,224
Tenant Improvements (\$25/SF)		\$26,700	\$0	\$26,700	\$0	\$26,700	\$0	\$26,700	\$0	\$106,800
<b>Total</b>										<b>\$126,024</b>
<b>Discount Rate of 10%</b>										
NPV of NOI Shortfall for 24 months										\$101,847
NPV of Leasing/Capital Cost for 24 months										\$114,346
<b>Total Discounted Income Shortfall</b>										<b>\$216,192</b>
										<b>(Rounded) \$215,000</b>

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## INCOME CAPITALIZATION APPROACH

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### INCOME APPROACH CONCLUSIONS

Subtracting the income loss of \$215,000 (as calculated in the income capitalization approach) from the “Prospective Future Value, Upon Stabilized” results in an “Prospective Future Value, Upon Completion” by the sales comparison approach of \$995,000.

Prospective Future Value, As Stabilized	\$ 1,210,000
Less: Income Shortfall	\$ 215,000
Prospective Future Value, Upon Completion	<u>\$ 995,000</u>

Subtracting the construction costs of the interior finish-out of \$295,000 from the “Prospective Future Value, Upon Completion” results in an ‘As Is’ value of \$700,000.

Prospective Future Value, Upon Completion	\$ 995,000
Less: Construction costs	\$ 295,000
Fee Simple, As Is	<u>\$ 700,000</u>

## RECONCILIATION

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In the preceding sections of this report, the area data and trends, location amenities, highest and best use, and other elements of value are discussed. The market was researched for comparable improved sales, and income producing properties.

<b>SUMMARY OF APPROACHES - As Is</b>	
Cost Approach	\$695,000
Sales Comparison Approach	\$825,000
Income Capitalization Approach	\$700,000
<b>Reconciled Value</b>	<b>\$700,000</b>

<b>SUMMARY OF APPROACHES - Upon Completion</b>	
Cost Approach	\$1,205,000
Sales Comparison Approach	\$1,120,000
Income Capitalization Approach	\$995,000
<b>Reconciled Value</b>	<b>\$995,000</b>

<b>SUMMARY OF APPROACHES - As Stabilized</b>	
Cost Approach	\$1,205,000
Sales Comparison Approach	\$1,335,000
Income Capitalization Approach	\$1,210,000
<b>Reconciled Value</b>	<b>\$1,210,000</b>

In the final analysis, considering the approaches to value, each approach is analyzed in terms of the quantity and quality of the data used in each approach and applicability to estimate a reliable value.

### **Cost Approach**

Sufficient sales of tracts of land with similar utility are available to arrive at an opinion of value of the land by market comparison. The estimated costs are compared with the Marshall Valuation Service Cost Manual. Additionally, a review of the actual costs, conversations with local building contractors and developers, and the appraiser's experience in valuing similar properties readily support these costs.

The cost approach is most applicable when a property is new or proposed and when the development represents the highest and best use of the site. The improvements are new with an effective age of 0 years. The cost approach is a supporting valuation method for this analysis.

### **Sales Comparison Approach**

The price per square foot is used in the sales comparison approach to provide an indication of value for the subject. These transactions are considered to reflect the behavior of typical market participants. Although the sales were somewhat different in age, size, and use, they provide reasonable value indications of the subject, after adjustment for these various differences. The value range produced by this approach is a reasonable indicator based on the best available market data.

**Income Capitalization Approach**

The direct capitalization method is used in the income capitalization approach to develop an indication of market value. Operating expenses are estimated based primarily on actual data from other projects, subject historical records (if available), and data extracted from the tax rolls.

**CONCLUSION**

In conclusion, the cost approach is a supporting valuation approach, due to the age of the improvements, which represents the highest and best use of the site. The sales comparison and income capitalization approaches are equally reliable indicators due to both the quality and quantity of the available sale data and current rental market data, and provide a good basis for valuation. Based on this type of property, my final opinions of the fee simple interest, market value of the subject are as follows:

**Market Value Opinions**

<b>Fee Simple, As Is, August 27, 2020</b>	<b>\$</b>	<b>700,000</b>
<b>Prospective Value, Upon Completion (December 2020)</b>	<b>\$</b>	<b>995,000</b>
<b>Prospective Value, Upon Stabilization (November 2022)</b>	<b>\$</b>	<b>1,210,000</b>

***EXTRAORDINARY ASSUMPTIONS***

*The owner provided the construction costs for the improvements. This appraisal assumes that all of the information obtained for analysis is accurate; this information has been verified to the extent possible by the appraisers.*

*As the improvements are under construction, this appraisal is based on the assumption that the subject interior will be constructed as represented to the appraiser at the time of the appraisal, and that all construction and development will proceed in a timely manner and without delay or cost overruns. In addition, it is assumed that the economic conditions projected in this appraisal will not change significantly over the projected absorption period for the subject.*

***HYPOTHETICAL CONDITION***

*At the request of the client and for purposes of this appraisal, the subject is valued as if the improvement construction and associated interior finish-out were completed and available to the market as of the date of the completion, December 2020.*

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## REASONABLE MARKETING PERIOD

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The request to provide a reasonable marketing time opinion exceeds the normal information required for the conduct of the appraisal process, and is treated separately from the process.

Reasonable marketing time, as defined by the Uniform Standards of Professional Appraisal Practice, Advisory Opinion No. 7, is an opinion of the amount of time it might take to sell a real or personal property interest in at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

The development of a marketing time opinion uses some of the same data analyzed in the process of developing a reasonable exposure time opinion as part of the appraisal process and is not intended to be a prediction of a date of sale or a one-line statement. It is an integral part of the analyses conducted during the appraisal assignment. This opinion may be expressed as a range and can be based on one or more of the following:

- statistical information about days on market
- information gathered through sales verification
- interviews of market participants
- anticipated changes in market conditions

Related information of market conditions that may affect marketing time includes identification of typical buyers and sellers for the type of real estate involved and typical equity investment levels and financing terms. Reasonable marketing time is a function of price, time, use, and shifting market conditions, e.g. changes in the cost and availability of funds-not an isolated opinion of time alone. The price that may be achieved in the future, at the end of the marketing period, may or may not be equal to the current appraised value opinion, depending on potential changes in the physical real estate, demographic and economic trends, the real estate market, tenancy, property operations, and the effectiveness of the marketing program, among other factors.

A reasonable marketing period for the subject property at the market value opinion stated above is developed in the following manner:

The opinion of value reached herein is considered supportable and reliable. It is based upon recent market data including conversations with area brokers and principals involved in the comparable sales utilized in the valuation of the subject.

According to local brokers, appropriately priced similar properties generally sell within time periods ranging from approximately 8 to 16 months. This opinion was supported by the marketing times reported by several of the parties to the improved comparable sales utilized herein. A reasonable marketing time for the subject property, priced in accordance with the market value opinion concluded in this report, is considered to be 12-18 months.

## APPRAISER'S CERTIFICATE

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The undersigned do hereby certify that, except as otherwise noted in this appraisal report:

I have no present or contemplated future interest in the real estate that is the subject of this appraisal report. I have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved. My engagement in this assignment was not contingent upon developing or reporting predetermined results. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

To the best of my knowledge and belief, the statements of fact contained in this appraisal report, upon which analyses, opinions and conclusions expressed herein are based, are true and correct.

This appraisal report sets forth all of the assumptions and limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analyses, opinions, and conclusions contained in this report. These are my personal, impartial, unbiased professional analyses, opinions, and conclusions.

This appraisal report has been made in conformity with the Uniform Standards of Professional Appraisal Practice. I certify that, to the best of my knowledge and belief, the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute and in conformity with the rules of the Texas Real Estate Commission. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

The Appraisal Institute conducts a program of continuing education for its members. As of the date of this report, Richard McBride has completed the Standards and Ethics Education Requirements of the Appraisal Institute for Practicing Affiliates.

I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. No one provided real property appraisal assistance to the person signing this certification. I certify that Richard McBride personally inspected the property appraised.

### **PYLES WHATLEY CORPORATION**



**Richard McBride**

State of Texas Certification #TX-1380335-G

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## QUALIFICATIONS OF APPRAISER

### RICHARD MCBRIDE

Appraisal assignments include retail centers, existing and proposed office buildings, commercial and industrial properties, self-storage facilities, automobile dealerships, single-family and multi-family residential properties, and vacant land. Additional consulting assignments include condemnation and right-of-way work, and other various consulting assignments.

#### Experience

- ◆ Appraiser with Pyles Whatley Corporation since 2007
- ◆ Over thirteen years experience in electronics manufacturing industry in Process Development and Management.

#### Education

- ◆ Numerous Appraisal Courses offered by the Appraisal Institute
- ◆ Right-of-way courses offered by the International Right of Way Association
- ◆ Richland College, 1992-1994
  - Engineering
  - General studies

#### Professional

- ◆ Texas Appraiser Licensing and Certification Board
  - *Certified General Real Estate Appraiser #TX-1380335-G*
- ◆ Appraisal Institute
  - *Practicing Affiliate*

International Right of Way Association, Chapter 36, Member

# **ADDENDA**

# TAX INFORMATION

## Commercial Account #500036000A0030000

[Location](#) [Owner](#) [Legal Desc](#) [Value](#) [Improvements](#) [Land](#) [Exemptions](#) [Estimated Taxes](#) [Building Footprint](#) [History](#)

**Location (Current 2021)**  
 Address: 1880 N U S HWY 175  
 Market Area: 0  
 Mapsc0: 70-Z (DALLAS)

[DCAD Property Map](#)

[View Photo](#)

[2020 Appraisal Notice](#)

[Electronic Documents \(ENS\)](#)

[Print Homestead Exemption Form](#)

**Owner (Current 2021)**  
 KH LLC DBA KELLY HARRIS COMPANY  
 ALLEN NATIONAL INVESTMENTS LLC  
 1026 FM 660  
 FERRIS, TEXAS 751259534

### Multi-Owner (Current 2021)

Owner Name	Ownership %
KH LLC DBA KELLY HARRIS COMPANY	50%
ALLEN NATIONAL INVESTMENTS LLC	50%

### Legal Desc (Current 2021)

- 1: BEST WESTERN/SEAGOVILLE
  - 2: BLK A LT 3 ACS 0,9853
  - 3:
  - 4: INT201800247149 DD09122018 CO-DC
  - 5: 0036000A00300 3500036000A
- Deed Transfer Date: 9/14/2018

### Value

2020 Certified Values	
Improvement:	\$612,750
Land:	+ \$107,300
Market Value:	= \$720,050
Revaluation Year:	2020
Previous Revaluation Year:	2019

### Improvements (Current 2021)

#	Desc: RETAIL STRIP	Total Area: 5,500 sqft	Year Built: 2019
	<b>Construction</b>		<b>Depreciation</b>
	Construction: S-PRE-ENGINEERED STEEL BLDGS		Physical: 1%
	Foundation (Area): CONCRETE SLAB (5,500 sqft )		Functional: + 0%
	Net Lease Area : 5,500 sqft		External: + 0%
	# Stories: 1		Total: = 1%
	# Units: 0		Quality: EXCELLENT
	Basement (Area): NONE		Condition: EXCELLENT
	Heat: CENTRAL HEAT		
	A/C: CENTRAL A/C		
1			Appraisal Method: COST

### Land (2020 Certified Values)

#	State Code	Zoning	Frontage (ft)	Depth (ft)	Area	Pricing Method	Unit Price	Market Adjustment	Adjusted Price	Ag Land
1	COMMERCIAL IMPROVEMENTS	COMMERCIAL	0	0	42,920.0000 SQUARE FEET	STANDARD	\$2,50	0%	\$107,300	N

\* All Exemption information reflects 2020 Certified Values. \*

### Exemptions (2020 Certified Values)

No Exemptions

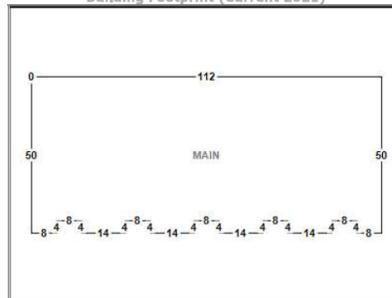
### Estimated Taxes (2020 Certified Values)

	City	School	County and School Equalization	College	Hospital	Special District
<b>Taxing Jurisdiction</b>	SEAGOVILLE	DALLAS ISD	DALLAS COUNTY	DALLAS CO COMMUNITY COLLEGE	PARKLAND HOSPITAL	UNASSIGNED
<b>Tax Rate per \$100</b>	\$0,7888	\$1,310385	\$0,2531	\$0,124	\$0,2695	N/A
<b>Taxable Value</b>	\$720,050	\$720,050	\$720,050	\$720,050	\$720,050	\$0
<b>Estimated Taxes</b>	\$5,679,75	\$9,435,43	\$1,822,45	\$892,86	\$1,940,53	N/A
<b>Tax Ceiling</b>					N/A	N/A
	<b>Total Estimated Taxes:</b>					<b>\$19,771.02</b>

**DO NOT PAY TAXES BASED ON THESE ESTIMATED TAXES.** You will receive an **official tax bill** from the appropriate agency when they are prepared. Please note that if there is an Over65 or Disabled Person **Tax Ceiling** displayed above, **it is NOT reflected** in the Total Estimated Taxes calculation provided. Taxes are collected by the agency sending you the **official** tax bill. To see a listing of agencies that collect taxes for your property, [Click Here](#)

The estimated taxes are provided as a courtesy and should not be relied upon in making financial or other decisions. The Dallas Central Appraisal District (DCAD) does not control the tax rate nor the amount of the taxes, as that is the responsibility of each Taxing Jurisdiction. Questions about your taxes should be directed to the appropriate taxing jurisdiction. We cannot assist you in these matters. These tax estimates are calculated by using the most current certified taxable value multiplied by the most current tax rate. **It does not take into account other special or unique tax scenarios, like a tax ceiling, etc.** If you wish to calculate taxes yourself, you may use the [Tax Calculator](#) to assist you.

### Building Footprint (Current 2021)





STATE CERTIFICATION



**Certified General  
Real Estate Appraiser**

Appraiser: **Richard Clayton McBride**

License #: **TX 1380335 G**

License Expires: **06/30/2022**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title:  
Certified General Real Estate Appraiser

For additional information or to file a complaint please contact TALCB at [www.talcb.texas.gov](http://www.talcb.texas.gov).

Chelsea Buchholtz  
Commissioner

# Pyles Whatley Corporation

Real Estate Consultants

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9/11/2020

**Invoice- 20-608**

Seagoville Economic Dev. Corp.  
c/o Victoria Thomas, NJDH&S, LLP  
500 N Akard  
1800 Ross Tower  
Dallas, Texas 75201

Re: Appraisal of Trinity Plaza Retail located at 1880 North US Highway175, Seagoville, TX

---

**Fee for Appraisal**

-----  
**\$2,400.00**

20-608 RM  
EIN: 83-0534942

**THANK YOU FOR YOUR BUSINESS!**

This invoice is due upon receipt. Please note invoice number on all checks for payment and correspondence submitted. A late fee of 1-1/2% interest per month (18% interest per annum), or the maximum allowable by law may be assessed for all amounts owed past 30 days from the date of the invoice.

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**16910 Dallas Parkway, Suite 100, Dallas, Texas 75248 \* P: 214.340.5880 \* F: 214.340.5422**

**Appraisals@pyleswhatley.com  
www.PylesWhatley.com**

## *Regular Session Agenda Item: 4*

**Meeting Date:    October 5, 2020**

**ITEM DESCRIPTION:**

Discuss and consider the appeal of a decision by the Fire Marshal concerning a permit issued at 2737 North U.S. Highway 175 concerning a fire access road.

**BACKGROUND OF ISSUE:**

N/A

**FINANCIAL IMPACT:**

N/A

**RECOMMENDATION:**

N/A

**EXHIBITS:**

Power Point Presentation – Vincent Huebinger/Vincent Gerard & Assoc.Inc.



VINCENT GERARD & ASSOCIATES, INC.

Mr. Lidas Barr  
Community Development Director  
Seagoville Texas

September 18, 2020

**RE: Section 9.03.006 Appeal a decision by the Fire Marshall – Permit Issued for 2737 N US Hwy 175, Seagoville Texas 75159**

Mr. Barr:

Please be advised that Kelly Communication Towers, LLC (“Kelly Comm”) will be requesting an appeal to the Seagoville City Council for clarification regarding Fire Code regulations as they pertain to the proposed and approved telecommunications tower identified above. To date, Kelly Comm has taken no actions or engaged in any construction that would be in violation of any approved zoning decision, building code or Fire Code provisions.

Pursuant to Section 9.03.006 of the Fire Code titled “Appeals,” the code allows an applicant to appeal a decision made by the fire marshal. To be clear, if “the true intent and meaning of the code is wrongly interpreted, an applicant can appeal the decision of the fire marshal to the city council, sitting as a board of appeals, within 30 days after the decision date. Any provision of the code establishing a board of appeals or fire code appeal board shall be revised and amended to read “City Council”. (1977 Code sec 8-1 (h)). Based on the clarity of this code section above, the City Council, not the Board of Adjustments, acting as a board of appeals, decides this discretionary interpretation.

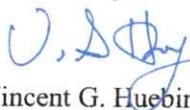
The fire marshal for the City of Seagoville made a decision and took action on Tuesday, September 15, 2020 when a stop work order was issued to cease construction at the above critical wireless communication project site. We were informed by your office that pursuant to the Fire Code, this project required a 24’ concrete fire lane from the existing “to be improved” gravel driveway to the gate of the communications facility. Please note that this stop work order was issued before any final driveway work had been performed. Temporary construction access, as typical for a communications facility under construction, is provided.

The current IFC Code & Amendments states specifically in Section 503.2.3 "Surface", "Fire apparatus roads shall be designed and maintained to support imposed loads of 80,000 lbs. for fire apparatus and shall be surfaced so as to provide all weather driving capabilities." *Note: all fire lanes shall meet fire lane design per TCSS standards*). The TCSS standards, or Technical construction specifications & standards, are not available online within Seagoville's website. Further, the construction criteria approved by Seagoville listed on the website and included in the commercial building packet do not include an amended TCSS standard for Seagoville building policy.

The construction plans submitted by Kelly Comm were reviewed and approved by the building official with the 24' driveway shown as compacted base material to be designed to withstand 85,000 lbs. Fire apparatus loads. We believe this is consistent with the adopted fire code and there was no mention of any conflicts with the fire code during the project approval process. Your office informed us that the criteria for a concrete drive was established by the zoning condition. We have attached the approved zoning ordinance which states in pertinent part, "A. Construction of the access drive to the proposed towers site shall meet all of the Seagoville's fire lane standards and requirements". There is no mention of concrete being required in the plain language of the Ordinance that approved the project.

Kelly Comm is extremely conscious about safety. Projects always have quality construction teams that have extensive backgrounds in constructing critical communications facilities. The nature of this use is unmanned outdoor equipment with installation of a high security fence for safety. Access for Fire and EMS will be provided to the site in compliance with the fire code requirements. We currently disagree on standards that are being applied post-permit approval and would like review and some clarification from City Council before we finish the project.

Respectfully



Vincent G. Huebinger

Xc: *Greg Thompson – Kelly Communication Towers, LLC*  
*Victoria Thomas – City Attorney, City of Seagoville*

# Clarification Request



**Kelly Communications**  
**Wireless Communications Tower**  
2737 N US Highway 175  
BP # 20-801

Presented by:



**Vincent Gerard & Associates, Inc.**  
Land Planning, Development & Zoning Consultants  
1715 South Capital Of Texas Highway, Suite 207  
Austin, Texas 78746  
[Vincentgerard.com](http://Vincentgerard.com) | (512) 328-2693



# BUILDING PERMIT

JOB WEATHER CARD

PERMIT # C20-801

DATE 8/31/2020

DEMOLITION

APPLICANT ENERTECH RESOURCES, LLC

1820 WATSON LN EAST NEW BRAUNFEELS, TX 78130

CONTR'S LICENSE \_\_\_\_\_

(NO.)

(STREET)

PERMIT TO CELL TOWER

STORIES 1  
NO.

PROPOSED USE COMMERCIAL

# OF DWELLING UNITS \_\_\_\_\_

LOCATION 2737 N HWY 175 ZONING DISTRICT C-SUP

BETWEEN GLENN RD AND US HWY 175  
(CROSS STREET)

SUBDIVISION HERMAN HEIDER ABST 541 PG 505 LOT \_\_\_\_\_ BLOCK \_\_\_\_\_ LOT SIZE \_\_\_\_\_

EACH EXT. IS TO BE \_\_\_\_\_ FT. WIDE BY \_\_\_\_\_ FT. LONG BY \_\_\_\_\_ FT. IN HEIGHT W / FOUNDATION \_\_\_\_\_  
(TYPE)

REMARKS: NEW CELL TOWER

**CALL THE 24 HOUR INSPECTION LINE AT 469-319-5019 FOR AN INSPECTION**

TOTAL AREA (SQ FT) \_\_\_\_\_ ESTIMATED COST \$ 85,000.00 PERMIT FEE \$ 888.75

PLAN REVIEW FEE = 50.00

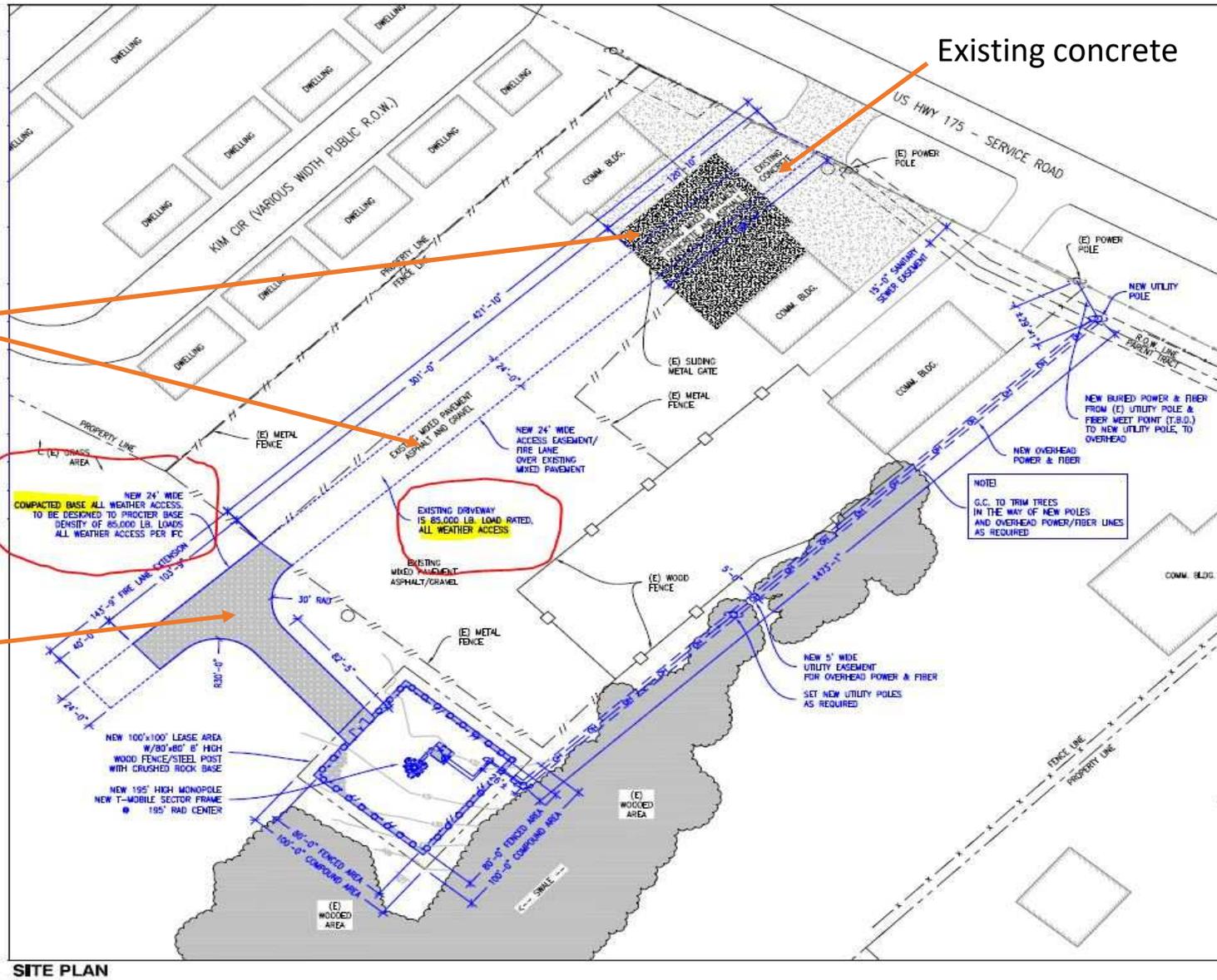
WATER DEPOSIT = 0.00

RADIO READ METER SET FEE = 0.00

**Site Plan filed**

Note – existing drive  
Convert to  
*All weather access*

Note – proposed drive  
Shown also as  
*All weather access* On  
Approved BP set





Kelly Communication Structures, Inc.  
770.330.9784

ACQ NO: 20-2795
DRAWN BY: CG
CHECKED BY: CZ
ANALYSIS/PERMITS FOR REVIEW
BLAZES REV PERMITS PER NEW SFDS
01/20/20 ISSUED FOR CONSTRUCTION
11/15/20 UPDATED LANDSCAPE PLAN



ALLPRO  
CONSULTING GROUP, INC.  
522 Lytle St. Suite 200  
Dallas, TX 75201-4003  
Phone: 972-272-8933  
Fax: 972-272-8125  
www.allpro.com



STATE OF TEXAS  
CHIYU ZHANG  
128187  
LICENSED PROFESSIONAL ENGINEER

Kelly  
Communications  
SITE: TX2001  
SEAGOVILLE

T-MOBILE SITE  
DA02068

2737 N US HWY 175  
SEAGOVILLE, TX 75159  
DALLAS COUNTY

SHEET TITLE OVERALL SITE PLAN
SHEET NUMBER <b>C-1</b>

**Typical  
Wireless  
Driveway**



12-14' width  
6" Compacted  
Base – all weather



**Typical  
Driveway  
@ Site**

Unmanned equipment  
No one located onsite  
Industry Standard  
1-2 site visits Per month



2 @ 6' Gates  
EMS & Fire  
Accessible



~~ACCORDANCE WITH SECTION 503.2.~~

Section 503.1.1; add sentence as follows:

Except for one- or two-family dwellings, the path of measurement shall be along a minimum of a ten foot (10') (3 048 mm) wide unobstructed pathway around the external walls of the structure.

Section 503.2.1; amend as follows:

**503.2.1 Dimensions.** Fire apparatus access roads shall have an unobstructed width of not less than ~~20~~ 24 feet (6096 mm ~~7315 mm~~), exclusive of shoulders, except for approved security gates in accordance with section 503.6, and an unobstructed vertical clearance of not less than ~~13 feet 6 inches (4115 mm)~~ 14 feet (4267 mm). Fire apparatus access roads shall be located outside the collapse zone, equal to no less than the full height of the building plus ten (10) feet.

Section 503.2.2; amend as follows:

**503.2.2 Authority.** The *fire code official* shall have the authority to require an increase in the minimum access widths and vertical clearances where they are inadequate for fire or rescue operations.

Section 503.2.3; amend as follows:

**503.2.3 Surface.** Fire apparatus access roads shall be designed and maintained to support imposed loads of 80,000 lbs. (36 287 kg) for fire apparatus and shall be surfaced so as to provide all-weather driving capabilities. Note: All fire lanes shall meet fire lane design per TCSS standards.

Section 503.3; amend as follows:

**503.3 Marking.** ~~Where required by the fire code official, approved signs or other approved notices or markings that include the words NO PARKING FIRE LANE~~ Striping, signs, or other markings, when approved by the fire code official, shall be provided for fire apparatus access roads to identify such roads or prohibit the obstruction thereof. ~~The means by which fire lanes are designated~~ Striping, signs and other markings shall be maintained in a clean and legible condition at all times and be replaced or repaired when necessary to provide adequate visibility.

**(1) Striping** - Fire apparatus access roads shall be continuously marked by painted lines of red traffic paint six inches (6") in width to show the boundaries of the lane. ~~The words "NO PARKING FIRE LANE" or "FIRE~~



Clarification - All Weather Fire Access • Kelly Communications



Clarification - All Weather Fire Access • Kelly Communications



Base here

Why Concrete here?



## Reasons to support Request

- **Adopted fire code states “All weather driving capabilities.**
  - Approved BP set shows compacted base material,
  - Existing access will be upgraded compacted base,
  - Logical to add concrete beyond the existing compacted base Driveway?
- **Wireless specifics - IFC**
  - Tower sites are unmanned facilities, no high volume traffic,
  - Fewer than 2 monthly site visits are the normal for tower sites,
  - Safety for technicians is always our priority,
- **Financial & Life Safety Impact-**
  - Cost savings for using a typical fire compacted base drive,
  - Life safety is provided and site is accessible.



Thank You

Clarification - All Weather Fire Access • Kelly Communications

**March 26, 2019:**

First Application to P&Z for public hearing for a Special Use Permit for a communications cell tower at 2737 North Highway 175. A fire apparatus is required by code. Engineer’s Report provided for existing paved area. Concrete required on all fire apparatus and hammerhead. Vote by P&Z recommended for City Council to approve: 4 to 0

**April 15, 2019:**

Public Hearing before City Council on SUP for Cell Tower at 2737 North Highway 175 with same conditions. See attached “Exhibit 5a”. City Council voted to approve: 5 to 0

**May 9, 2019:**

Applied for a Variance through (BOA) Board of Adjustments, for a variance from the required 24-foot concrete Fire Apparatus on 2737 N Hwy 175.

“Mr. Bauman (representative for the tower’s owner and the applicant) stated the request is to reduce or eliminate the required 24-foot concrete fire lane. He made mention that a cell tower is an unmanned business and no people would be present at the site 24/7.”

He later stated an all-weather road service road would be provided for gaining access the tower site and that with a hammerhead turn-around would be provided for fire truck to turn around on. Vote to deny the request for a variance from Section 503.2.1 from the City Fire Code for relief from the required 24-foot fire lane- BOA: 4 to 0

Note: Time lapse of 270 days, thereby Kelly Communications had to reapply for the Cell Tower site, due to merger.

**July 14, 2020:**

Second application to P&Z for public hearing for a Special Use Permit for a communications cell tower at 2737 North Highway 175. Initial approval had lapsed because more time had passed than allowed to complete the project since last Council meeting. (4-15-2019)

Note: Federal Communications Commission (FCC) had to sign off on the merging of Sprint and T-Mobile companies into a single company. The exhibits provided with the application showed the hammerhead to be concrete. One of the conditions was a 24-foot concrete fire lane. Kelly Communications were to obtain an Engineer’s Letter on the existing roadway leading to the hammerhead, which was designated as a Fire Apparatus access road (Fire Lane). P&Z recommended City Council voted to approve: 4 to 0

**August 3, 2020:**

Second public Hearing went before City Council on a SUP for a Cell Tower at 2737 North Highway 175.

“City Attorney Victoria Thomas stated that P&Z approved this Ordinance with conditions which are in the Ordinance provided on the dais to Council. She stated if Council approves the Ordinance she recommends approving the Ordinance with conditions.”

See attached Exhibit Z-1 shows hammerhead to be concrete.

Notes: 2018 IFC and to include 2018 Amendments.

1. **IFC 2018 Fire Code Section 503.1: Where required.** Fire apparatus access roads shall be provided and maintained in accordance with Sections 503.1.1 through 503.1.3. Sections 503.1.1 Buildings and facilities. *Approved* fire apparatus access roads shall be provided for every facility, building or portion of a building hereafter constructed or moved into or within the jurisdiction. The fire apparatus access road shall comply with the

requirements of this section and shall extend to within 150 feet (45,720 mm) of all portions of the facility and all portions of the *exterior walls* of the first story of the building as measured by an *approved* route around the exterior of the building or facility.

Amendment- Except for one- or two-family dwellings, the path of measurement shall be along a minimum of ten foot (10') wide unobstructed pathway around the external walls of the structure.

2. **IFC 2018 Fire Code Section 503.2.1: Dimensions. Amendment** Fire apparatus access roads shall have an unobstructed width of not less than 24 feet (7,315 mm), exclusive of shoulders, except for *approved* security gates in accordance with Section 503.6, and an unobstructed vertical clearance of not less than 14 feet (4,267 mm). Fire apparatus access roads shall be located outside the collapse zone, equal to no less than the full height of the building plus ten (10) feet.

Exception- Vertical clearance may be reduced; provided such reduction does not impair access by fire apparatus and *approved* signs are installed and maintained indicating the established vertical clearance when approved.

3. **IFC 2018 Fire Code Section 503.2.3: Surface.** Fire apparatus access roads shall be designed and maintained to support the imposed loads of fire apparatus and shall be surfaced so as to provide all-weather driving capabilities. Reference Amendment Section D102.1- Access Loading. Approved fire apparatus access road with an approved engineered concrete driving surface.

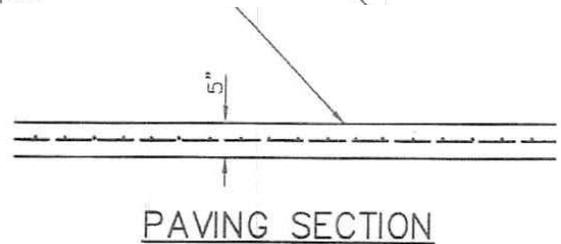
4. **IFC 2018 Fire Code Section D102.1: Access and loading.** Facilities, buildings or portions of buildings constructed shall be accessible to fire department apparatus by way of an *approved* fire apparatus access road with an approved engineer concrete driving surface capable of supporting the imposed load of fire apparatus weighing up to 75,000 pounds. See City of Seagoville General Design Standards for roads.

5. **Technical Construction Standards and Specifications (TCSS)** (January 2011 edition) on Page 9 of 25 (Section 2. Design Provisions. IV. Street Design) 6. Pavement Types: subsection a:

“... the developer shall construct six (6) inches of reinforced concrete street

pavement on a subgrade compacted to 95% standard proctor density. The developer's engineer shall provide soil tests to determine by recommendation of a reputable soil testing laboratory, the plasticity index (P.I.) of the soil. If soil tests show a P.I. of 10 or above, the developer's engineer shall specify six (6) inches of lime stabilized subgrade with a minimum lime content by volume of six percent (6%). If soil tests indicate a need for lime above the minimum six percent (6%) by volume, the developer's engineer shall increase the percentage accordingly.” See also the paving section in the

5" 3000 P.S.I. Reinf. Conc. Pvrnt. @28 Days (5 Sacks Per Cubic Yard) w/ No. 4 Bars On 24" Centers Each Ways at Mid Depth.



Note:

1. Fire Lane paving shall be a minimum of 6" reinforced concrete w/No. 4 Bars on 24" Centers Each Way at Mid Depth.

TYPICAL PARKING LOT PAVING DETAIL

Not to Scale

detail copied from Ordinance # 11-13, including the note stating the fire lane shall be 6-inches thick concrete reinforced with number 4 bars at 24-inches on center.

**August 10, 2020:**

Kathy Kelly provided me a copy from their Engineer Chiyu Zhang for the T-Mobile site on how to build an all-weather surface road (but that did not address what materials are there now).

**August 31, 2020:**

The building permit was paid for and issued for a cell tower at 2737 North Highway 175.

**September 16, 2020:**

After letting them know the first letter was only a design for the all-weather road to meet 85,000 pounds, they provided a second letter signed by their staff engineer Snehalsinh Vansia, E.I.T., and approved by Chiyu Zhang, P.E. However, it appears no coring was done on the existing materials and the third paragraph of the letter states.

“Based on field observations, the existing mixed asphalt and gravel pavement will be able to support 85,000lbs of imposed load, given the compacted top surface layer is at least 3” thick. Contractor will field verify the compacted layer of thickness along the designed Fire Lane and apply dense graded aggregate (DGA) rolled/compacted with bituminous surface treatment where needed to meet the requirement.”

**Comments:**

I reviewed the property. I am not an engineer. However, I have concerns about whether the fire apparatus access road will hold up.

**Attachments:**

- April 15, 2019 City Council Exhibit 5a
- August 3, 2020 City Council Exhibit Z-1
- Codes referenced at August 3, 2020 City Council
- August 10, 2020 letter from engineer
- September 16, 2020 letter from engineer



# MINUTES

for the

## SEAGOVILLE PLANNING AND ZONING COMMISSION

**Meeting scheduled to begin at**

**6:30 p.m. on Tuesday, March 26, 2019**

in the City Hall Council Chambers

at 702 North U.S. Highway 175; Seagoville, Texas

Chairman Mike Dupuis called the meeting to order at 6:34 p.m.

Commissioners present: Commissioner & Chairman Mike Dupuis  
Vice-Chairman Scott Englert  
Commissioner Howard Sanders  
Commissioner David Grimes

Commissioners absent: Positions 1, 3, and 4 are vacant.

City Staff present: Junior Planner Jennifer Bonner

Vice-Chairman Scott Englert gave the invocation and then led those present in the Pledge of Allegiance.

1. **Approval of Minutes:** Vice-Chairman Scott Englert moved to accept the minutes from the February 26, 2019, meeting as typed. Commissioner David Grimes seconded the motion. By a show of hands, the vote was unanimous (four to zero) in favor of the motion.
2. **Public Hearings: Request Z2019-08:** Chairman Dupuis introduced the request to amend the zoning from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communication cell tower on a portion of approximately 13.3-acres of unplatted Tract 39 of the Herman Heider Abstract commonly known as 2737 North U.S. Highway 175. He then asked for a staff report.

Planner Bonner began by describing where the tower would be located on the site. The tower would be located on about 0.25-acres of the parent parcel. Planner Bonner told the audience and reminded the Commissioners that the Commission only makes a recommendation to the City Council, who will then make a final decision. Staff is recommending approval of the request with the following conditions:

- Approval of the SUP for 270 days unless the tower's construction cannot be completed in that length of time.

- The SUP would need to be re-applied for and approved prior to any time extension being granted to complete the tower.
- The SUP would remain once the tower is completed and would remain in effect until the tower is removed from the property.

She then continued by stating that what is not listed here is that the Seagoville code requires a 24-foot-wide concrete fire lane. This was not an issue during review because the submitted documents show the location of the required fire lane. She did meet with the applicant (proposed tower's owner) and their representative to discuss this item before the meeting tonight. She then continued by going through the Staff Report and then the other exhibits in the Commissioners' packets. She asked the commissioners had any questions.

Vice-Chairman Englert asked about "existing mixed pavement of asphalt and gravel" shown in the replacement Exhibit 5b drawings. Planner Bonner stated that she had told them the middle of last week that if an engineer could provide documentation that the existing pavement could support the 75,000-pound fire truck listed in the fire code, we would consider allowing the existing asphalt to remain – but the documentation would have to come from an engineer. If an engineer could not provide such a document, then the area would have to be replaced with concrete meeting the City's fire lane requirements. The area to be replaced would have to begin where the existing concrete ends and cover the entire length of the fire lane area. The hammerhead turn-around shown on these pages is already planned for concrete because there is no pavement in that area. They are just trying to keep they area that is a mix of materials inside the existing fences for the businesses in front of the tower site.

None of the other commissioners had questions, but the chairman did state that he had also had concerns about access to the site. He did ask about whether an engineer's report was needed now. Planner Bonner stated that that is something typically required and reviewed at the time of building permit so was not something she requires with an Special Use Permit or zoning request.

Vice Chairman Englert asked Planner Bonner to confirm the tower's planned height. Planner Bonner stated 195-feet, which is why Staff typically requires the tower and its full-height failure to occur within the parent parcel so that no adjoining property owner might be subject to harm from an extreme failure of the tower. She continued by stating that she had shared her concern about the closest property lines not being shown along the backside of the properties at 2741, 2743, and 2745. As long as the tower height of 195-feet does not cross those property lines, then the city has no concerns about the tower's location. Planner Bonner concluded by stating a concrete fire lane is required by code anytime any part of a structure is over 150-feet from the servicing road. With no other questions or comments from the commissioners, Planner Bonner then returned to her seat.

Chairman Dupuis then opened the public hearing at 6:50 pm.

Chairman Dupuis asked if anyone from the applicant wished to speak. Mr. Bill Bauman, representing the tower owner and both property owners, approached the podium and

introduced himself. He thanked the Commissioners coming out tonight with barely a quorum present. He stated that he felt Planner Bonner had given a very thorough summary of the property and the application. The only thing addition item that the applicant would like relief from would be the fire lane and its concrete requirement. Building it in the planned location would be somewhat disruptive to the activities of the businesses in front of the tower. It is not that the applicant wouldn't construct it – just that it is expensive to build a concrete road that only serves an unmanned tower. We are not asking for relief of that tonight. He would answer any questions that the Commission might have. He said he wouldn't talk about cell towers or their technology tonight as he might have had to do several years ago when he worked for the City of Arlington. He did say that towers today are built for co-location, so he would not be surprised if within a few months other carriers would be asking the city about adding their equipment to the tower once it was constructed.

Commissioner Grimes asked about why a fire lane is required. Do towers catch on fire? Chairman Dupuis responded that fire trucks are part of an emergency response so need to be able to access any site need to be reached in an emergency. Planner Bonner responded that fire lanes are required by code for all structures. The only exempted structure is a fence. In response to the question about catching fire, Mr. Bauman replied the only fires he knew of related to towers was when a coaxial cable caught fire. Its own insulation and rubber wrappings extinguished the flames and tripped breakers before anyone knew there was even an issue related to fire. Chairman Dupuis added that a high rescue may be needed if there was some sort of problem on the top of the tower during erection of maintenance – requiring fire trucks with ladders to be able to reach the site.

None of the commissioners had questions, so Mr. Bauman returned to his seat.

Chairman Dupuis asked for any public comments. There were none so Chairman Dupuis closed the public hearing at 6:55 pm.

None of the commissioners had any additional items of discussion, so the Chair asked if those present were ready to vote. Vice Chairman Englert moved to recommend that the City Council approve with conditions the request to amend the zoning on about 13.3-acres of unplatted Tract 39 of the Herman Heider Abstract (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications tower with the following conditions:

- Approval of the SUP for 270 days unless the tower cannot be completed in that length of time.
- The SUP shall need to be re-applied for and approved prior to any time extension on the tower's construction.
- The SUP would remain once the tower is completed and would remain in effect until the tower is removed from the property.
- Construction of a 24-foot-wide concrete fire lane.

Commissioner Howard Sanders seconded the motion. By a show of hands, the vote was unanimous (four to zero) in favor of the change.

Planner Bonner then announced the next City Council meeting will be on Monday, April 1. The item discussed tonight will not be on that agenda. Tonight's P&Z item will be on the City Council agenda that follows, which is scheduled for Monday, April 15<sup>th</sup>. The next Planning and Zoning Commission meeting will be on Tuesday, April 9. There will be at least one public hearing item on that agenda. The P&Z meeting after that, scheduled for April 23, will have a full agenda. If a commissioner will not be able to attend, please let Planner Bonner know immediately as every person is needed to attend in order to have a quorum for a meeting.

Chairman Dupuis adjourned the meeting at 6:57 pm.

---

Mike Dupuis  
Planning and Zoning Commission Chairman

**ATTEST:**

---

Jennifer Bonner, Jr. Planner and  
Planning and Zoning Commission Liaison



**AGENDA**  
FOR THE  
**SEAGOVILLE BOARD OF ADJUSTMENT**  
Meeting scheduled to begin at 6:30 p.m.,

**Thursday, May 9, 2019**

in the Council Chambers of City Hall,  
located at 702 North U.S. Highway 175 – Seagoville, Texas

**CALL TO ORDER**

**INVOCATION**

**PLEDGE OF ALLEGIANCE**

**1) APPROVAL OF MINUTES**

A. Consider approving Board of Adjustment meeting minutes for November 20, 2018.

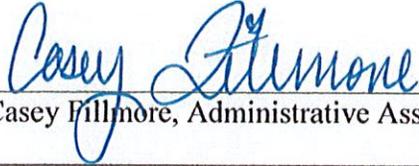
**2) PUBLIC HEARING**

A. **#V2019-02** Conduct a public hearing to discuss and consider a request from Kathy Kelly, proposed tower owner of, 2737 North Highway 175 from Section 503.2.1 of the City's Fire Code on the Herman Heider Abstract 541 Page 505, of the Deed Records of Dallas County, Seagoville, Texas, for a variance from the required twenty four (24') foot fire lane for a cell tower to be located at the address above.

1. Open Public Hearing and receive staff report and public comments
2. Close Public Hearing
3. Discuss and take necessary action on Variance Request #V2019-02

**ADJOURNMENT**

Posted Friday, April 26, 2019 by 5:00 p.m.



Casey Fillmore, Administrative Assistant

---

As authorized by Section 551.071(2) of the Texas Government Code, this meeting may be convened into closed executive session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed herein.

The City of Seagoville does not discriminate on the basis of disability in the admission or access to, or treatment or employment in, its programs or activities. If you have a request for services that will make this program accessible to you, please contact the City of Seagoville at least 72 hours in advance at (972) 287-6819. (TDD access 1-800-RELAY-TX)

**Seagoville Board of Adjustments  
Agenda Communication for  
May 9, 2019**

1

**Approval of Minutes**

**ITEM DESCRIPTION:**

Discuss and consider approving Board of Adjustment meeting minutes for November 20, 2018.

**BACKGROUND INFORMATION:**

N/A

**FACTUAL INFORMATION:**

N/A

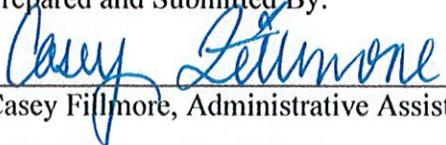
**STAFF RECOMMENDATION:**

Staff recommends approval.

**ATTACHMENTS:**

Board of Adjustment meeting minutes from November 20, 2018.

Prepared and Submitted By:

  
Casey Fillmore, Administrative Assistant

Date: 5/9/19



**MINUTES**  
FOR THE  
**SEAGOVILLE BOARD OF ADJUSTMENTS**  
**Meeting scheduled to begin at 6:30 p.m.,**  
**Tuesday, November 20, 2018**  
in the Council Chambers of City Hall,  
located at 702 North U.S. Highway 175 – Seagoville, Texas

Chairman Jerry Yearout declared a quorum present and called the meeting to order at 6:30 p.m.

Chairman: Jerry Yearout  
Vice-Chairman: George Edwards  
Board Member: Sidney Sexton  
Board Member: Nancy Ashley  
Board Member: Lorin Mullens

City Staff present: Community Development Director Ladis Barr, and Jr. Planner Jennifer Bonner

Chairman Yearout led the invocation.

Board Members led in reciting the Pledge of Allegiance.

**1. Approval of Minutes**

Vice-Chairman Edwards made a motion to approve the Minutes for October 16, 2018, seconded by Board Member Ashley. The motion passed with all ayes. 5/0

*[At this time, Chairman Yearout administered the oath and read aloud the unnecessary true hardship to members of the audience providing testimony during the public hearings.]*

**2. Variance Request #V2018-13:** Chairman Yearout opened the public hearing at 6:32 p.m.

Community Development Director Barr stated that the subject property located at 1416 Shady Lane was platted back in approximately 1973. He made mention that the zoning for the property is Residential-5 (R-5).

Community Development Director Barr stated that the past minutes of the City Council and Planning and Zoning showed a zero lot line that was approved. The house was built on the property line with a five (5') foot easement for drainage between properties.

Community Development Director Barr made mention that the property at 1416 Shady Lane is a legal non-conforming use. He added that if any damage to the structure of the house should incur the damage must be repaired within forty five (45) days, or the structure would have to abide by the R-5 Building Code.

Community Development Director Barr stated that by law the legal non-conforming use cannot be expanded because of this. Staff can not recommend approval of the proposed patio cover that the owner Kandy Winchester is requesting to build on the subject property.

In response to a question from Chairman Yearout, Community Development Director Barr stated that if a disaster happened to the property, the owner would have forty-five (45) days to apply for a permit to build under the existing specifications.

Vice-Chairman Edwards made mention that the property would lose its non-conforming use should a disaster destroy the structure and it is not rebuilt in the time frame that the state allows, which is six (6) months and one (1) day.

Kandy Winchester, owner of 1416 Shady Lane, stated that she had purchased the property in December of last year. She added that other surrounding properties in the area have carports and sheds that are past the setback requirements and provided supporting pictures.

Kandy Winchester, owner of 1416 Shady Lane, made mention that the eaves of the houses are really close to each other and that she is aware of the zero (0) lot line. She added that she is requesting the patio cover so she may cook outside even when the weather is bad.

Board Member Sexton stated that the Board cannot compare other surrounding properties. He stated that the variance request is for 1416 Shady Lane only.

Kandy Winchester, owner of 1416 Shady Lane, stated that the planned patio cover would be nine feet (9') wide and sixteen feet (16') long. She added that a permit had been applied for the patio cover with supporting pictures.

In response to a question from Board Member Sexton, Kandy Winchester, owner of 1416 Shady Lane, stated that the pitch of the roof would be placed on the side of the house so as to not to cause excessive drainage issues.

Chairman Yearout closed the public hearing at 6:43 p.m.

After some discussion, Vice-Chairman Edwards made a motion, seconded by Board Member Sexton to deny the request of Kandy Winchester, owner of 1416 Shady Lane, for the variance from Section 25.02.153(b) from the City Ordinance for a patio cover on 1416 Shady Lane. The motion passed with all ayes. 5/0

The meeting adjourned at 6:46p.m.

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CHAIRMAN  
JERRY YEAROUT

ATTEST:

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COMMUNITY DEVELOPMENT DIRECTOR  
LADIS BARR

# Seagoville Board of Adjustments Agenda Communication

2

## Variance Request #V2019-02 Conduct a Public Hearing on a Request for a variance from the City's Fire Code

(Property Physical Address: 2737 North Highway 175; Property Legal Description: Herman Heider Abstract 541 Page 505 as recorded by the Dallas Central Appraisal District, Acreage: 13.3+/- acre).

### ITEM DESCRIPTION:

- A. Conduct a public hearing to discuss and consider a request from Kathy Kelly, proposed tower owner of, 2737 North Highway 175 from Section 503.2.1 of the City's Fire Code on the Herman Heider Abstract 541 Page 505, of the Deed Records of Dallas County, Seagoville, Texas, for a variance from the required twenty four (24') foot fire lane for a cell tower to be located at the address above.

### BACKGROUND INFORMATION:

The variance request is from Section 503.2.1 of the City's Fire Code.

The subject property is located at 2737 North Highway 175. The owner of the proposed cell tower is Kathy Kelly who is requesting a variance for a twenty-four (24') foot fire lane that is required per Section 503.2.1.

The property recently went before City Council on Monday, April 15, 2019 for a zoning amendment from Commercial (C) to a Special Use Permit (SUP) for a one hundred ninety five foot (195') monopole communication tower. The ordinance was approved by City Council.

The existing zoning and land use of immediately surrounding properties are as follows:

<u>Direction</u>	<u>Zoning</u>	<u>Land Use</u>
Northeast	C	Commercial
Northwest	C	Commercial
Southeast	R5	Single Family
Southwest	R2	Single Family

**FACTUAL INFORMATION:**

The provisions in the Fire Code that pertain to the variance request is:

Section 503.2.1, Dimensions.

Fire apparatus access roads shall have an unobstructed width of not less than 20 24 feet (~~6096 mm~~ 7315 mm), exclusive of shoulders, except for approved security gates in accordance with section 503.6, and an unobstructed vertical clearance of not less than ~~13 feet 6 inches (4115 mm)~~ 14 feet (4267 mm). Fire apparatus access roads shall be located outside the collapse zone, equal to no less than the full height of the building plus ten (10) feet.

**Exception:** Vertical clearance may be reduced; provided such reduction does not impair access by fire apparatus and approved signs are installed and maintained indicating the established vertical clearance when approved.

**STAFF RECOMMENDATION:**

Staff and the Fire Department does not support reducing the Fire Lane from the required twenty-four (24') feet.

**ATTACHMENTS:**

- Attachment A: Board of Adjustments Application (1 Page)
- Attachment B: DCAD Aerial View of the Subject Property
- Attachment C: Copy of Section 503.2.1
- Attachment D: Copy of Ordinance passed by City Council

**Prepared and Submitted By:**

  
 Casey Fillmore, Administrative Assistant

**Presented By:**

Ladis Barr  
 Community Development Director



# BOARD OF ADJUSTMENTS APPLICATION

City of Seagoville, Texas

RECEIVED  
4/9/19

ANTICIPATED MEETING DATE: Zoning Board of Adjustments: \_\_\_\_\_

DATE OF PRE-APPLICATION CONFERENCE WITH CITY REPS & PLANNER (required): \_\_\_\_\_

**Application Type:**

Zoning Variance       Administrative Appeal (attach detailed description of appeal to this application)

For Zoning Variance - Name of Subdivision or Project: \_\_\_\_\_

Physical Location of Property: 2737 N Hwy 175

(General Location -- approximate distance to nearest existing street corner)

Legal Description of Property: Unplatted tr Herman Herder Ac

(Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block)

Acreage: 13.3 +/- Existing Zoning: C - w SUP Applied for.

(If zoned PD, attach a copy of the PD ordinance to this application)

Detailed Description of Zoning Variance Sought (one per application - describe on separate sheet if necessary, and attach to this application):

Requesting relief from the requirement that a 24-ft wide concrete fire lane be provided to the new cell site. Our contention is in the rare instance a rescue is needed a cherry picker could be used. A fire on a cell tower would burn itself out.

Applicant / Owner's Name: Kathy Kelly

Company Name (if applicable): Kelley Towers

Street/Mailing Address: 3708 Stonehall Cir SE City: Atlanta State: GA Zip: 30339

Phone: (770) 330-9784 Fax: (800) 827-1912 Email Address: kathy.kelly@kelleycomms.com

Representative's Name (if applicable): Bill Bauman, agent for Kathy Kelly Tower owner

Company Name (if applicable): \_\_\_\_\_

Street/Mailing Address: 2300 Springmere Dr City: Arlington State: TX Zip: 76012

Phone: ( ) 817-271-0022 Fax: ( ) \_\_\_\_\_ Email Address: billbauman@mac.com

**SUBMITTAL DEADLINE: 30 DAYS PRIOR TO BOA PUBLIC HEARING DATE.** (All zoning variance applications must be advertised in the newspaper, and notices must be mailed to property owners within 200 feet of the subject property. Please contact City staff in advance for submittal deadlines.)  
**All applications must be COMPLETE before they will be scheduled for BOA agenda.** It is the applicant's responsibility to be familiar with, and to comply with, all City submittal requirements (in the Zoning Ordinance, and any separate submittal policies, requirements and/or checklists that may be obtained from City staff), including the number of plans/other materials to be submitted, application fees, etc. Please contact City staff in advance for submittal requirements.  
**All application materials (one copy) must be delivered to the City's Planner.** The name, address, phone number, etc. of the City's Planner can be obtained from City staff. Failure to submit all materials to the City's Planner may result in delays scheduling the variance application for a BOA agenda.  
**Notice of Public Records.** The submission of plans/drawings with this application makes such items public record, and the applicant understands that these items may be viewed by the general public. Unless the applicant expressly states otherwise in writing, submission of this application (with associated plans/drawings) will be considered consent by the applicant that the general public may view and/or reproduce (i.e., copy) such documents.

I hereby certify that I am the Property Owner (i.e., the owner of the subject property for a zoning variance application) or the Applicant (i.e., the person who is submitting an administrative appeal), or the duly authorized agent of the Owner or the Applicant (proof of authorization attached), for the purposes of this application, and that all information submitted herein is complete, true and correct to the best of my knowledge. I understand that submitting this application does not constitute approval, and incomplete applications will result in delays and possible denial.

Signed: [Signature] Title: Town Owner Date: 4/9/19



SUBSCRIBED AND SWORN TO before me, this the 9 day of April, 2019

Notary Public in and for the State of Texas

My Commission Expires On: 4/24/20

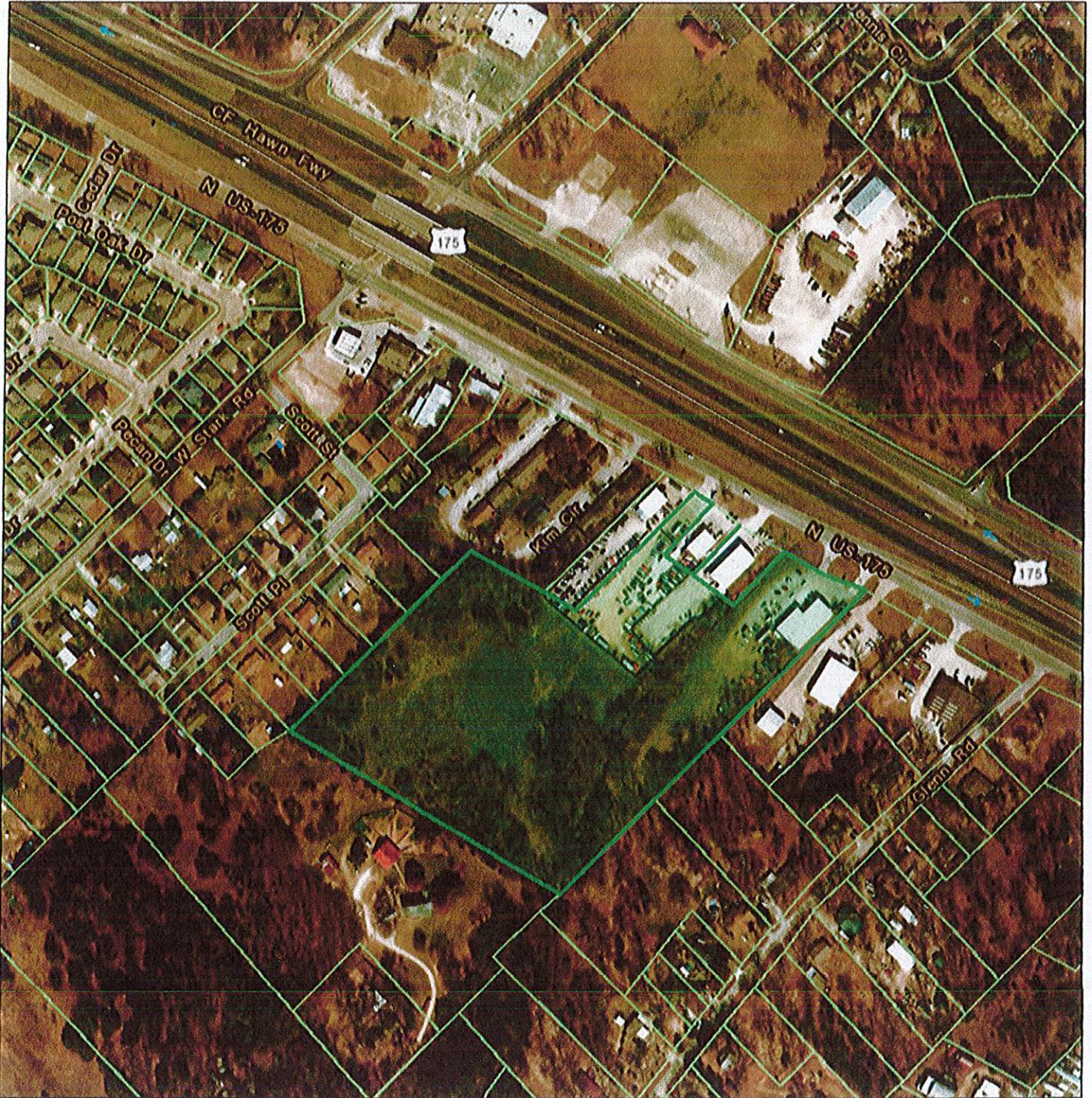
Office Use Only: Date Rec'd: 4/9/19 Fees Paid: \$ 100.00 Check #: \_\_\_\_\_ Receipt #: 564130  
Influence Case # V2019-02 Accepted By: [Signature] Official Submittal Date: 4/9/19

# Variance Request #2019-02

DCAD ID: 65054150510390000

2737 North Highway 175

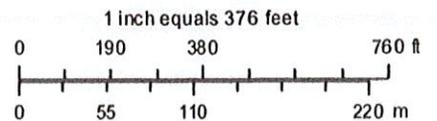
Date of copy: 4/9/2019



This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



Dallas Central Appraisal District  
2949 N Stemmons Freeway  
Dallas, TX 75247-6195  
(214) 631-1342  
[www.dallascad.org](http://www.dallascad.org)



DCAD, NCTCOG, USGS, Esri, Inc

Section 503.2.1, Dimensions.

Fire apparatus access roads shall have an unobstructed width of not less than ~~20~~ 24 feet (~~6096 mm~~ 7315 mm), exclusive of shoulders, except for approved security gates in accordance with section 503.6, and an unobstructed vertical clearance of not less than ~~13 feet 6 inches~~ (~~4115 mm~~) 14 feet (4267 mm). Fire apparatus access roads shall be located outside the collapse zone, equal to no less than the full height of the building plus ten (10) feet.

**Exception:** Vertical clearance may be reduced; provided such reduction does not impair access by fire apparatus and approved signs are installed and maintained indicating the established vertical clearance when approved.

**AN ORDINANCE OF THE CITY OF SEAGOVILLE, TEXAS**

**ORDINANCE NO. 19-2019**

**AN ORDINANCE OF THE CITY OF SEAGOVILLE, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE AND MAP OF CITY OF SEAGOVILLE, AS AMENDED, BY GRANTING A SPECIAL USE PERMIT ("SUP") AUTHORIZING A MONOPOLE COMMUNICATIONS TOWER TO BE LOCATED ON PROPERTY ZONED "C", COMMERCIAL, BEING APPROXIMATELY 13.3± ACRES OF REAL PROPERTY LOCATED AT 2737 NORTH HIGHWAY 175, IN THE CITY OF SEAGOVILLE, DALLAS COUNTY, TEXAS, AND BEING LEGALLY DESCRIBED AS TRACT 39 OF HERMAN HEIDER ABSTRACT 541; PROVIDING FOR THE APPROVAL OF THE SITE PLAN, WHICH IS ATTACHED HERETO AND INCORPORATED HEREIN AS EXHIBITS "A" AND "B", RESPECTIVELY; PROVIDING FOR A REPEALING CLAUSE; PROVIDING FOR A SAVINGS CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of Seagoville ("City") received application for the placement of a monopole communication tower ("cell tower") on a portion of an approximate 13.3± acre tract of land located at 2737 North Highway 175, Seagoville, Dallas County, Texas; and

**WHEREAS**, the cell tower itself, not the property, will have a separate address upon approval; and

**WHEREAS**, the Planning and Zoning Commission of the City of Seagoville and the City Council of the City of Seagoville, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes have given requisite notices by publication and otherwise, and have held due hearings and afforded a full and fair hearing to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof, and the City Council of the City of Seagoville is of the opinion and finds that a zoning change should be granted, and that the Comprehensive Zoning Ordinance and Map should be amended.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**SECTION 1:** That the Comprehensive Zoning Ordinance and Map of the City of

**SECTION 1:** That the Comprehensive Zoning Ordinance and Map of the City of Seagoville, Texas, be and the same is hereby amended by granting a Special Use Permit authorizing a monopole communications tower to be located on property zoned C, Commercial, being approximately 13.3± acres of real property located at 2737 North Highway 175, in the City of Seagoville, Dallas County, Texas, and being legally described as tract 39 of Herman Heider Abstract 541 subject to the following conditions:

- A. The Special Use Permit shall expire if construction of the monopole communications tower, including access and any required fire lane, is not completed on or before the 270<sup>th</sup> day after issuance of the Special Use Permit; and
- B. The SUP shall remain in effect until the monopole communications tower is removed from the property, provided that construction of the monopole communications tower, including access and any required fire lane, is completed on or before the 270<sup>th</sup> day after issuance of the Special Use Permit.

**SECTION 2:** That the Site Plans, which are attached hereto and incorporated herein as Exhibits "A" and "B", respectively, are hereby approved.

**SECTION 3.** That the property described shall be used only for the purposes set out in accordance with the City of Seagoville's Zoning Ordinance and all other ordinances, codes, and policies of the City of Seagoville, as amended.

**SECTION 4:** That all provisions of the Ordinances of the City of Seagoville, Texas, in conflict with the provisions of this ordinance as amended be hereby repealed and all other provisions not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 5:** That should any sentence, paragraph, subdivision, clause, phrase, or section of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance or the Comprehensive Zoning Ordinance as a whole, or any part or provision thereof, other than the part declared to be invalid, illegal, or unconstitutional.

**SECTION 6:** That any person, firm, or corporation violating, disobeying, neglecting, refusing to comply with, or resisting the enforcement of any of the provisions or terms of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, shall be subject to the same penalty of two thousand dollars (\$2,000.00) for each offense as provided for in the Comprehensive Zoning Ordinance of the City of Seagoville, as heretofore amended. Each and every day such a violation continues or is allowed to exist shall constitute a separate offense.

**SECTION 7:** That this ordinance shall take effect immediately from and after its passage and the publication of its caption, as the law and charter in such cases provide.

**DULY PASSED** by the City Council of the City of Seagoville, Texas this 15<sup>th</sup> day of April, 2019.

**APPROVED:**



DENNIS, K. CHILDRESS, MAYOR

**ATTEST:**



KANDI JACKSON, CITY SECRETARY

**APPROVED AS TO FORM:**



VICTORIA THOMAS, CITY ATTORNEY

(cdb 04/09/2019 IM107361)









**MINUTES**  
FOR THE  
**SEAGOVILLE BOARD OF ADJUSTMENTS**  
**Meeting scheduled to begin at 6:30 p.m.,**  
**Thursday, May 9, 2019**  
in the Council Chambers of City Hall,  
located at 702 North U.S. Highway 175 – Seagoville, Texas

Chairman Jerry Yearout declared a quorum present and called the meeting to order at 6:30 p.m.

Chairman: Jerry Yearout  
Vice-Chairman: George Edwards (Absent)  
Board Member: Sidney Sexton  
Board Member: Nancy Ashley  
Board Member: Lorin Mullens

City Staff present: Community Development Director Ladis Barr, and Administrative Assistant Casey Fillmore

Board Member Mullens led the invocation.

Board Members led in reciting the Pledge of Allegiance.

**1. Approval of Minutes**

Board Member Sexton made a motion to approve the Minutes for November 20, 2018, seconded by Board Member Mullens. The motion passed with all ayes. 4/0

*[At this time, Chairman Yearout administered the oath and read aloud the unnecessary true hardship to members of the audience providing testimony during the public hearings.]*

**2. Variance Request #V2019-02:** Chairman Yearout opened the public hearing at 6:33 p.m.

Community Development Director Barr stated that the applicant is requesting to not install the required twenty four (24') foot fire lane to the cell tower on the subject property.

Bill Bauman, representative for proposed tower owner Kathy Kelly, made mention that the cell tower recently went through City Council for a zoning change and was approved to erect the cell tower. He added that the cell tower would be located at the rear of the property behind the commercial business which is located at 2737 North Highway 175.

→ Mr. Bauman stated that the request is to reduce or eliminate the required twenty four (24') foot concrete fire lane. He made mention that a cell tower is an unmanned business and no people would be present at the site twenty four seven (24/7).

Mr. Bauman added that the most activity that will be seen is during the construction of the tower. He stated that technicians would go to the site each month to maintain the cell tower and the surrounding lease area.

Mr. Bauman stated that at times the antenna may need to be adjusted upward or downward to improve signal connectivity. He added that this would be done by someone in a cherry picker, due to the tower being one hundred ninety five (195') feet in height and not climbable.

→ Mr. Bauman made mention that an all-weather service road will be provided to gain access to the cell tower location. He added that a hammer head turn-around would be provided for a fire truck to turn around on.

→ Mr. Bauman stated that if the Fire Department had to put out a fire or rescue someone with the ladder, the truck would be sitting on an approved twenty four (24') foot concrete pad.

Mr. Bauman made mention that the installation of the concrete fire lane would disrupt the business in front of the proposed cell tower location.

Kathy Kelly, proposed cell tower owner, stated that the land behind the back side of where the cell tower will be placed has no other current uses. She added there is no access to the back side, therefore no residential or commercial buildings could be placed beyond the tower's planned location.

Mrs. Kelly made mention that they would have to use the business at 2737 North Highway 175 to gain access to the cell tower site. She added the construction of the fire lane would disrupt and cause an inconvenience to the business.

Ricky Worthington, owner of the business located at 2737 North Highway 175, stated that there is a base already laid so a fire truck could not get stuck while trying to gain access to the cell tower.

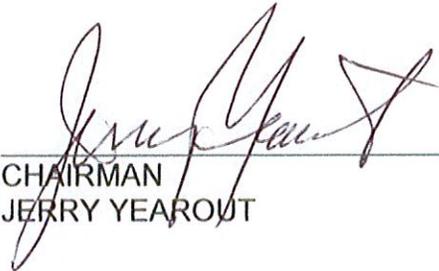
Mr. Worthington mention that there is a fence in place to control access to the cell tower with cameras in place as well.

Michael Campbell, property owner of 2737 North Highway 175 and the tower site, stated that there is an easement on the property that would prevent other cars from gaining access to the cell tower site. He added that the business located at the property would be effected while the concrete fire lane was installed.

Chairman Yearout closed the public hearing at 6:45 p.m.

After some discussion, Board Member Mullens made a motion, seconded by Board Member Sexton to deny the request of Kathy Kelly, proposed tower owner of 2737 North Highway 175, for the variance from Section 503.2.1 from the City Fire Code for relief from the required twenty four (24') feet fire lane. The motion passed with all ayes. 4/0

The meeting adjourned at 7:25 p.m.

  
\_\_\_\_\_  
CHAIRMAN  
JERRY YEAROUT

ATTEST:

  
\_\_\_\_\_  
COMMUNITY DEVELOPMENT DIRECTOR  
LADIS BARR



**AGENDA**  
**FOR THE**  
**SEAGOVILLE PLANNING AND ZONING COMMISSION**  
**Tuesday, July 14, 2020 at 6:30 p.m.**  
**City Hall Council Chambers**  
**702 N. Highway 175; Seagoville, Texas**

**CALL TO ORDER**

**INVOCATION**

**PLEDGE OF ALLEGIANCE**

**PUBLIC COMMENTS:** *This portion of the meeting is to allow each speaker up to six (6) minutes to address the Commission on items not posted on the current agenda. Commissioners may not discuss these items, but may respond with factual data or policy information; place the item on a future agenda; or forward the information to the appropriate city department director. Citizens wishing to speak on posted agenda items will be called upon at that time. Anyone wishing to speak shall submit a Speaker Request Form. Please do not speak until called and recognized by the Chairman.*

**BUSINESS:**

1. **APPROVAL OF MINUTES:** Consider the minutes of the special meeting of the Planning and Zoning Commission that was held on Tuesday, June 16, 2020.
2. **ELECTION OF OFFICERS:** Discuss and elect chairman and vice-chairman of the Planning and Zoning Commission for the next 12 months.
3. **ZONING REQUEST Z2020-09; PUBLIC HEARING** Conduct a public hearing, discuss, and make a recommendation to City Council on a zoning change request on about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower.
  - I. Chairman opens the public hearing.
  - II. Commission receives the Staff report and action recommendation.
  - III. Commission receives the Applicant rebuttal to Staff report. (Applicant or their representative to be recognized by the Chairman. Once recognized, they are to speak from the podium.)
  - IV. Commission receives any public comments. (Chair to state that individuals who wish to speak must come to the podium to be recognized. Those speaking need to provide their name and address to City Staff by printing this information on the provided paper on the podium. Each speaker is limited to six (6) minutes so that everyone can be heard.)
  - V. Chairman closes the public hearing. (Chair to state no further comments will be accepted from the public during this meeting. The public is welcome to stay and observe, but they may not comment or otherwise disrupt the meeting.)
  - VI. Commissioners hold their discussion.
    - I. Commissioners move, 2<sup>nd</sup>, and vote on their recommendation to City Council on this item.

(Chairman announces the decision of the Commission and that the public may continue to follow this item at the City Council meeting. The date of the meeting is listed at the end of this agenda.)

- 4. ZONING REQUEST Z2020-10: DEVELOPMENT REVIEW** Discuss and take necessary action on a request to approve the site and concept plans for a communications cell tower proposed to be constructed on about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175).
- I. Commission receives the Staff report and action recommendation.
  - II. Commission receives the Applicant rebuttal to Staff report. (Applicant or their representative to be recognized by the Chairman. Once recognized, they are to speak from the podium.)
  - III. Commissioners hold their discussion.
  - II. Commissioners move, 2<sup>nd</sup>, and vote on their decision. (Chairman announces the decision of the Commission and that the public may continue to follow this item at the City Council meeting. The date of the meeting is listed at the end of this agenda.)
- 5. ZONING REQUEST Z2020-11: DEVELOPMENT REVIEW** Discuss and take necessary action on a request to approve the site and concept plans for a communications cell tower proposed to be constructed on part of Lot 2 Block A of the Sudduth Addition in PD-13-01-A2 (the Plan Development for the property at 1706 South Highway 175).
- IV. Commission receives the Staff report and action recommendation.
  - V. Commission receives the Applicant rebuttal to Staff report. (Applicant or their representative to be recognized by the Chairman. Once recognized, they are to speak from the podium.)
  - VI. Commissioners hold their discussion.
  - VII. Commissioners move, 2<sup>nd</sup>, and vote on their decision. (Chairman announces the decision of the Commission and that the public may continue to follow this item at the City Council meeting. The date of the meeting is listed at the end of this agenda.)

#### ANNOUNCEMENTS:

- City Council: Monday, July 20, 2020 at 6:30 PM
- Planning & Zoning Commission: Tuesday, July 28, 2020 at 6:30 PM
- City Council: Monday, August 3, 2020 at 6:30 PM – Public hearing items on this Planning & Zoning Commission agenda are tentatively schedule to be heard at this City Council meeting.
- Planning & Zoning Commission: Tuesday, August 11, 2020 at 6:30 PM

#### ADJOURNMENT

Posted July 9, 2020 by 5:00 P.M.

  
Jennifer Bonner  
Planner

As authorized by Section 551.071(2) of the Texas Government Code, this meeting may be convened into Executive Session for seeking confidential legal advice from the City Attorney on any agenda item listed herein.

The City of Seagoville does not discriminate on the basis of disability in the admission or access to, or treatment or employment in, its programs or activities. If you have a request for services that will make this program accessible to you, please contact the City Secretary's Office at 972-287-2050 at least two (2) business days prior to the meeting so that appropriate accommodations can be made.



<b>PLANNING &amp; ZONING COMMISSION</b> AGENDA COMMUNICATION TUESDAY, JULY 14, 2020	<b>3</b>
<b>ZONING REQUEST Z2020-09: CHANGE FROM C TO C-SUP</b>	

**DESCRIPTION:**

Conduct a public hearing, discuss, and make a recommendation to City Council on a zoning change request on about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower.

**BACKGROUND:**

Judy Campbell (the property owner) is being represented by Kathy Kelly of Kelly Communication Towers, LLC (the proposed tower's owner) in her request for a zoning change to allow a new communications cell tower on their property at 2737 North Highway 175.

The land area for the proposed tower is currently unimproved and is located over four hundred (400) feet behind and across a creek from the part of the parcel containing the commercial business named Slick Stich Custom Upholstery. V&M Granite and Remodeling at 2741 U.S. Highway 175 will sit directly in front of the tower's location. The proposed fire lane and driveway are to be built to City of Seagoville standards for accessing the proposed tower's site will extend the existing shared driveway between 2743 and 2745 North Highway 175.

This application was initially heard by the Planning & Zoning Commission at the end of March 2019. City Council heard that request in the middle of April. One of the conditions of approval was for the site to begin construction (or at least get a building permit) within 270 days. This period expired on January 10, 2020. During this period, the project was placed "on hold" while the T-Mobile purchase of Sprint was being completed (which required federal judicial approval). The project came off hold in mid-March as corona virus closures, furloughs, and other limitations were put in place on businesses and other groups. As businesses began operating again, it was realized that the Special Use Permit had expired and needed to be re-approved so that construction can now move forward.

P&Z makes a recommendation to City Council, who will make the final decision.

The existing zoning, land uses, and relevant portions of the City's comprehensive plan are each referenced in the attached staff report. The report also provides a recommendation from Staff on whether the P&Z and City Council should deny or approve the applicant's request.

### NOTIFICATIONS:

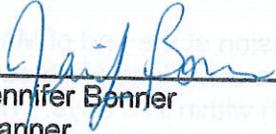
A legal ad was also published per the Texas Local Government Code in the Friday, June 26, 2020, edition of the Daily Commercial Record newspaper. Not including the subject parcel, there are twenty-one (21) properties, one (1) federal highway, and no (zero) public streets within 200-feet of the boundary of the subject area. The owners of each neighboring parcel were notified by mail in compliance with the 200-foot rule on Monday, June 29, 2020. As of the date of this report, Tuesday, July 7, 2020, one (1) property owners have responded in favor of the request. No (zero) letters have been returned against the request in writing. No (zero) letters have been returned as undeliverable by the U.S. Postal Service. Staff will report any additional responses received at the meeting.

### EXHIBITS:

Each of the following are set for printing on letter-sized paper unless otherwise listed.

1. Staff Report (4 pages)
2. 2019 aerial photograph from DCAD website
3. Dimensional map from DCAD website
4. Zoning map reference (dimensional map with zoning added as well as proposed tower site)
5. Zoning application
  - a. Applications and FAA clearance (3 pages)
  - b. Concept (2 sheets 11x17)
6. Notice to newspaper
7. Notice to property owners
  - a. Letter to property owners within 200 feet (2 pages)
  - b. Responses received from letters
8. List of property owners within 200 feet of subject parcel

Prepared and submitted by:

  
\_\_\_\_\_  
Jennifer Bonrier  
Planner

Presented by:

  
\_\_\_\_\_  
Ladis Barr  
Community Development Director



COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

**DATE:** JULY 14, 2020  
**AUTHOR:** JENNIFER BONNER, PLANNER  
**OWNER:** JUDY CAMPBELL  
**APPLICANT:** KELLY COMMUNICATION TOWERS LLC  
**LOCATION:** 2737 NORTH HIGHWAY 175 (UNPLATTED TRACT 39 OF HERMAN HEIDER ABSTRACT 541)

**REQUEST SUMMARY:**

Kathy Kelly of Kelly Communication Towers, LLC (proposed tower's owner) is representing land owner Judy Campbell in her request for a Special Use Permit to allow a new communications cell tower on the east side of Scott Place and south of U.S. Highway 175 at the location under the yellow star. The parent parcel is also outlined in yellow.

This application was initially heard by the P&Z in March 2019. Due to a merger of T-Mobile and Sprint, the construction of the tower was delayed until the merger could be approved. Then coronavirus hit after the applicant realized their initial approval had expired. The applicant has informed staff that tower construction is planned for September of this year.



**REQUEST LOCATION:** Inside City, Dallas County

SIZE OF PROPERTY	EXISTING ZONING	SURROUNDING ZONING	EXISTING LAND USE	SURROUNDING LAND USE
0.230-acres for tower; 13.3-acres for parent parcel	C, Commercial	Northwest: A, Apartment and LR, Local Retail Southwest: R-2, Single Family Residential and R-5, Single Family Residential Northeast: C, Commercial Southeast: R-2, Single Family Residential and R-5, Single Family Residential	Highway frontage has Commercial business while rest of lots is mostly vacant	Northwest: Low Density Residential, Medium Density Residential, Retail Southwest: Low Density Residential Northeast: Retail Southeast: Low Density Residential

**STAFF RECOMMENDATION:**

Approve

Approve with Conditions

Deny

**RECOMMENDED CONDITIONS:**

- Construction of access to site per Seagoville fire lane standards.
- SUP is good for only 270 days unless the tower can be completed in that time.
- The SUP will need to be re-applied for *and approved* prior to any time extension on the tower's construction.
- Once the tower is completed, the SUP remains in effect until it is removed from the site.

This request is reviewed by the Planning and Zoning Commission to make a recommendation to the City Council, which makes the final decision on approval of the request.

Detailed explanations follow on the attached pages.

STANDARD:	STAFF ANALYSIS:
Development Calendar (Deadlines)	Has Met
Application(s) Requirements	Has Met
Zoning Code	Has Met

COMPARISON TO ADOPTED CITY MASTER PLANS

STAFF ANALYSIS

PLAN GOALS OR GUIDELINES

2002 Future Land Use Plan and Map

The tower in the request is planned for the location under bright yellow star. This parcel is in a planned area of Commercial (brown color) as shown in the map to the right. The tower will be to the left of the creek shown in this map and behind the existing commercial uses along the eastbound U.S. Highway 175 frontage road.

All light yellow colored areas are planned to be Low Density Residential. Areas in red are expected to become Local Retail. The mustard yellow colored areas are expected to become Medium Density Residential.

Meets Standard



2006 Master Thoroughfare Plan and Map

The proposed site for this request (green star outlined in pink) will only have access to the eastbound frontage road of U.S. Highway 175 (not labeled but shown by the wide grey line in the map) via the existing businesses parking lots and driveways.

The dashed yellow line to the left depicts the city limit line separating Seagoville from Dallas.

Meets Standard

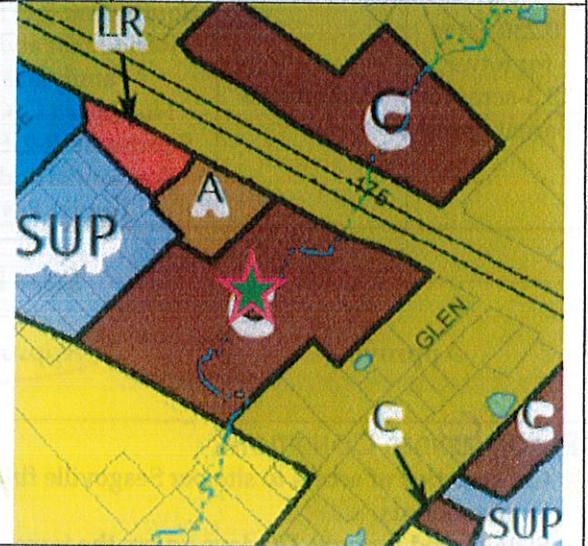


2009 Zoning Plan and Map

The green star outlined in pink shows the location of the planned cell tower, which will be to the left of the creek shown in the map. The red-brown color is Commercial.

The brown area labeled A is an apartment complex. The blue area is a Planned Development of single family homes on the west side of Stark Road. The red area of LR is Local Retail on the corner of Highway 175 and Stark Road. All of the mustard yellow areas are zoned R-5, Residential Single Family. The light yellow areas in the bottom half of the map are zoned R-2, Residential Single Family. The 1978 version of this map shows the SUP (light purple colored) area to the left of the star as also being R-5. Staff has not been able to locate the ordinance that created the Special Use Permit (SUP) on the map at this location.

Meets Standard



REVIEW CRITERIA

STAFF ANALYSIS

1. Will the use conform to off-street parking and loading requirements?

Yes

As this Special Use Permit (SUP) is for an unmanned site, it will have limited parking and loading requirements.

REVIEW CRITERIA	STAFF ANALYSIS	
2. Has a site plan been submitted showing the layout of the proposed development and use?	Yes	A concept plan for the tower's construction was submitted with the application for the request for this SUP.
3. Are all of the ingress and egress ways adequate?	Yes	Since ingress and egress will be via a new 24-foot fire lane onto the eastbound frontage road for US Highway 175, these criteria will be met.
4. Are the size and shape of the site as well as the arrangement of the proposed structure(s) in keeping with the intent of the Code?	Yes	The application will change the zoning for the entire parent parcel (13.3+acres) even though only 0.23-acres are needed for the tower site.
5. Will granting the permit be authorizing less than the minimum requirements in regards to height, area, setbacks, parking, or landscaping?	No	The tower will require an FAA light on top. The base of the tower will be at about the same elevation as the homes on Scott Place and slightly lower than those along Highway 175 and along Glenn Road. The mature trees on the east, south, and west sides of the property plus the screening fences for the businesses along the Highway will help hide or camouflage the tower's location, but not completely eliminate it from view.
6. Are there any outside lighting or screening controls that needs to be installed?	Yes	There will only be the required safety lighting of the top of the tower during periods of non-daylight. A wood screening fence is planned for screening the tower's compound.
7. Will the proposed landscaping and screening be compliant with all City regulations?	Yes	There are trees of significant height on the east, south, and west sides of the proposed site. The north side is fenced with metal panels screening the businesses along the highway. A landscaping plan has been submitted that uses plants in the landscape section of the zoning code. It also appears to be using the alternative landscaping plan section by the use of native vines in a 3-foot landscape buffer in combination with a wood screening fence.
8. Are there any special setbacks that are needed between this use and adjoining properties?	No	Within 300-feet of the planned 195-foot tall tower, there are only parts of 1 of the 16 apartment buildings on Kim Circle.
9. What type of surfacing will be applied to parking areas and drives?	Yes	The drive used to access the tower site will be a 24-foot-wide access easement with a concrete driveway meeting the City's fire lane requirements.
10. Will curbs and drainage structures be installed as part of the project?	No	A paved driveway will be provided but no curbs, gutters, or other drainage structures.
11. Will granting the permit be authorizing any use that is not allowed or that defies the intent of the district it will be located in?	No	The Special Use Permit portion of the code allows communication towers in all zoning districts.
12. Will the use be designated, located, and operated so that the public health, safety, and welfare will be protected?	Yes	Staff has confirmed that the tower will be located so no portion of the tower would fall onto any adjoining parcel if the tower was to have a failure at its base once it was constructed.
13. Will the land use be compatible with other area properties located nearby?	Yes	The erection of the tower is the only special use being asked for on this property. The rest of the land's use will remain commercial.
14. Will the use conform to all provisions in the Code for the district in which the use is to be located?	Yes	The Special Use Permit portion of the code allows communication towers in all zoning districts

N07

**STAFF REPORT  
Z2020-09**

REVIEW CRITERIA	STAFF ANALYSIS	
15. Will the use facilitate public convenience at that location?	Yes	Since ingress and egress will be via a new 24-foot fire lane onto the eastbound frontage road for US Highway 175, these criteria will be met.
16. Have safeguards limiting noxious or offensive emissions, including light, noise, glare, dust, and odor been addressed?	Yes	Once construction of the tower is complete, there should be no issues with any of these items as the structure as the base of the tower will be unmanned except during maintenance and repairs.
17. Will the signage conform to those portions of the Municipal Code?	Yes	There will be limited signage on-site. Any public signage will be placed on the gate or at the end of the driveway.
18. Will the open space be maintained by the owner/developer?	Yes	The current property owner will continue to maintain all areas outside the site except the landscaping at the base of the wall. The tower and area inside the site will have its own regular maintenance schedule. Landscaping maintenance will need to be coordinated between the land owner and tower operator.

**Public Comments Received:** A legal ad was also published per the Texas Local Government Code in the Friday, June 26, 2020, edition of the Daily Commercial Record newspaper. Not including the subject parcel, there are twenty-one (21) properties, one (1) federal highway, and no (zero) public streets within 200-feet of the boundary of the subject area. The owners of each parcel were notified in compliance with the 200-foot rule by mail on Monday, June 29, 2020. As of the date of this report, Wednesday, July 8, 2020, one (1) property owners have responded in favor of the request. Two (2) letters have been returned against the request. No (zero) letters have been returned as undeliverable by the U.S. Postal Service. Any responses received after the emailing of the packet to the Commissioners will be made available at the meeting.

**Planning Commission Decision:**

I, (P&Z Commissioner states their name), move that the Planning and Zoning Commission's recommendation to the City Council be for the Council members to (P&Z Commissioner to state which)

Approve

Approve with Conditions

Deny

the request to amend the zoning on about 13.3+acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower.

The Planning Commission hereby ascribes the following Conditions to the Approval of this Special Use Permit request:

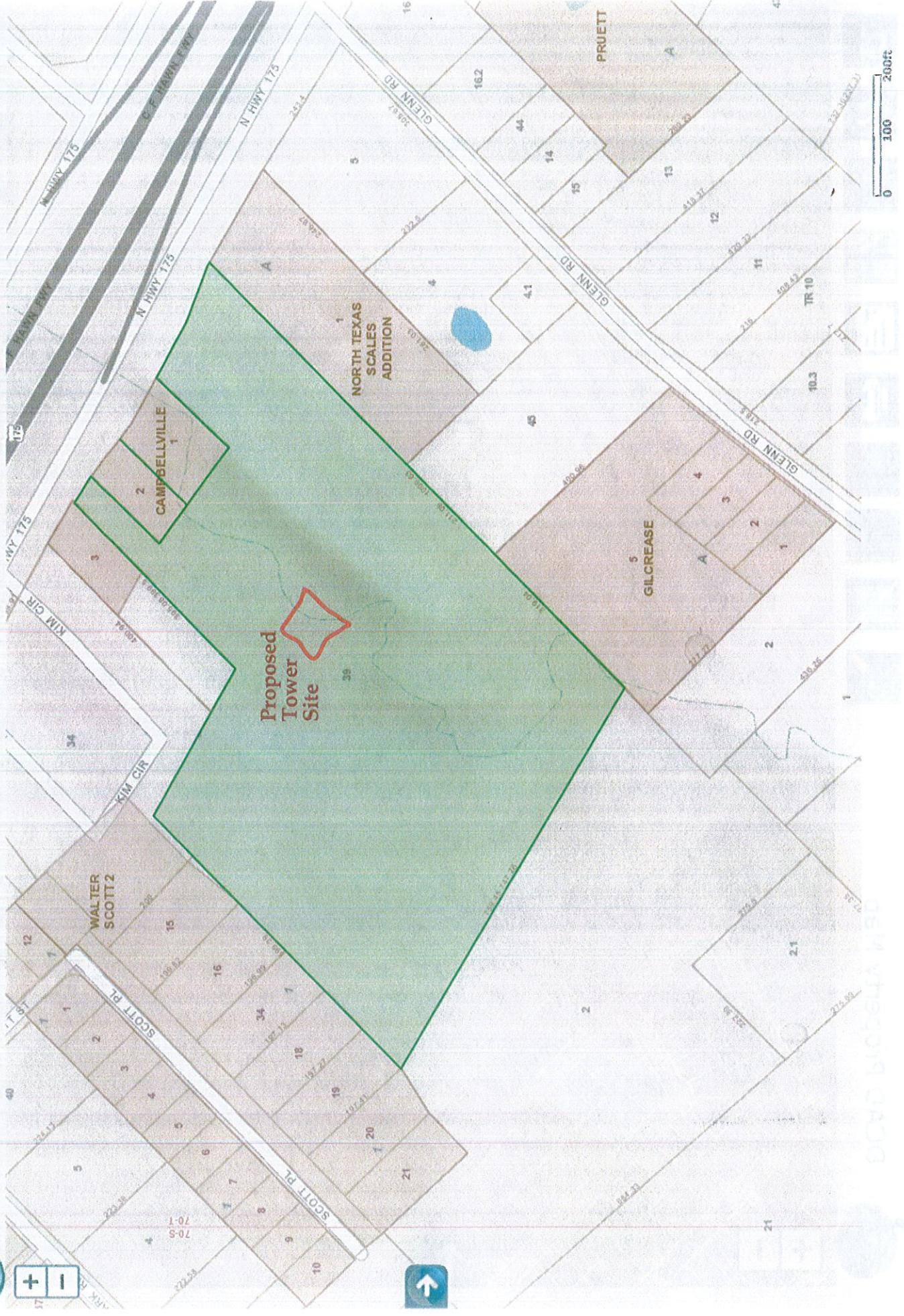
- The construction of the access drive to proposed tower's site shall meet all of Seagoville's fire lane standards.
- The Special Use Permit is only good for 270 days from its date of approval unless the tower's construction can be completed in that time.
- The Special Use Permit will need to be re-applied for *and approved* prior to granting any time extension on the tower's construction.
- Once the tower is completed, the Special Use Permit remains in effect until it is removed from the site.
- \_\_\_\_\_
- \_\_\_\_\_

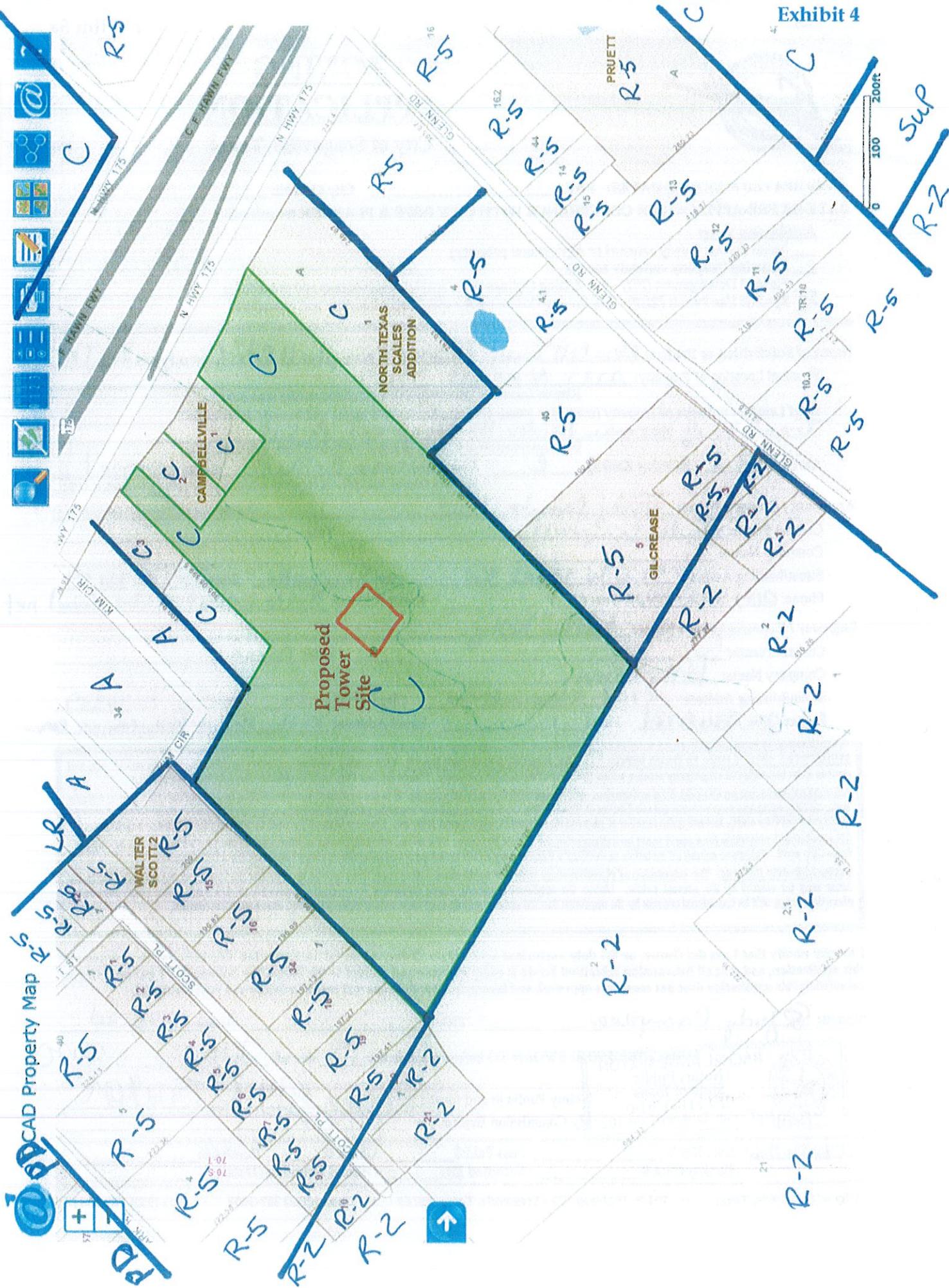
JULY 14, 2020





DCAD Property Map







# ZONING APPLICATION

City of Seagoville, Texas

ANTICIPATED MEETING DATES: P&Z: \_\_\_\_\_ City Council: \_\_\_\_\_  
DATE OF PRE-APPLICATION CONFERENCE WITH CITY REPS & PLANNER (required): \_\_\_\_\_

**Application Type:**

- Initial Zoning (newly annexed or Agricultural property)
- Rezoning (property currently zoned)
- Planned Development (PD) - see Zoning Ordinance for special requirements and procedures
- Specific Use Permit (SUP) - see Zoning Ordinance for special requirements and procedures

Name of Subdivision or Project: Newell Tower, TX 2001 Campbell Site (Seagoville, TX)

Physical Location of Property: 2737 N. US 175 75159  
(General Location - approximate distance to nearest existing street corner)

Brief Legal Description of Property (must also attach accurate Surveyor's metes and bounds description):  
Tract 38 of Herman Heideke Abstract of 541, Pg 505  
(Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block)

Acreage: 13.3 Existing Zoning: C Requested Zoning: C-SUP - Reapproval  
(Attach a detailed description of requested zoning & development standards, if a PD)

Applicant / Owner's Name: Judy Campbell Applicant or Owner? (circle one)

Contact Person: Judy Campbell Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

Street/Mailing Address: 412 W. Stack Rd. City: Seagoville State: TX Zip: 75159

Phone: (214) 532-0421 Fax: ( ) Email Address: customers@sbglobal.net

Engineer / Representative's Name: Kathy Kelly

Contact Person: \_\_\_\_\_ Title: Owner

Company Name: Kelly Comm

Street/Mailing Address: 3708 Starnwell Cir City: Atlanta State: GA Zip: 30339

Phone: (770) 336-9784 Fax: ( ) Email Address: Kathy.Kelly@kellycommss.com

**SUBMITTAL DEADLINE: 30 DAYS PRIOR TO P&Z PUBLIC HEARING DATE.** (All zoning applications must be advertised in the newspaper, and notices must be mailed to all property owners within 200 feet of the subject property. Please contact City staff in advance for submittal deadlines.)

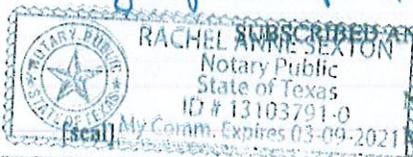
**All applications must be COMPLETE before they will be scheduled for P&Z agenda.** It is the applicant's responsibility to be familiar with, and to comply with, all City submittal requirements (in the Zoning & Subdivision Ordinances, and any separate submittal policies, requirements and/or checklists that may be obtained from City staff), including the number of plans to be submitted, application fees, etc. Please contact City staff in advance for submittal requirements.

**All application materials (one copy) must be delivered to the City's Planner.** The name, address, phone number, etc. of the City's Planner can be obtained from City staff. Failure to submit all materials to the City's Planner may result in delays scheduling the zoning application for a P&Z agenda.

**Notice of Public Records.** The submission of plans/drawings with this application makes such items public record, and the applicant understands that these items may be viewed by the general public. Unless the applicant expressly states otherwise in writing, submission of this application (with associated plans/drawings) will be considered consent by the applicant that the general public may view and/or reproduce (i.e., copy) such documents.

I hereby certify that I am the Owner, or the duly authorized agent of the Owner (proof of authorization attached), for the purposes of this application, and that all information submitted herein is complete, true and correct to the best of my knowledge. I understand that submitting this application does not constitute approval, and incomplete applications will result in delays and possible denial.

Signed: Judy Campbell Title: \_\_\_\_\_ Date: 6-5-20



SUBSCRIBED AND SWORN TO before me, this the 5 day of June, 2020  
Notary Public in and for the State of Texas: Kenneth Suter  
My Commission Expires On: 3/9/2021

Office Use Only: Date Rec'd: \_\_\_\_\_ Fees Paid: \$ \_\_\_\_\_ Check #: \_\_\_\_\_ Receipt #: \_\_\_\_\_  
Zoning Case # \_\_\_\_\_ Accepted By: \_\_\_\_\_ Official Submittal Date: \_\_\_\_\_



# ZONING APPLICATION

City of Seagoville, Texas

ANTICIPATED MEETING DATES: P&Z: \_\_\_\_\_ City Council: \_\_\_\_\_  
DATE OF PRE-APPLICATION CONFERENCE WITH CITY REPS & PLANNER (required): \_\_\_\_\_

**Application Type:**

- Initial Zoning (newly annexed or Agricultural property)
- Rezoning (property currently zoned)
- Planned Development (PD) – see Zoning Ordinance for special requirements and procedures
- Specific Use Permit (SUP) – see Zoning Ordinance for special requirements and procedures

Name of Subdivision or Project: New Cell Tower, TX 2001 Campbell Site (Seagoville, TX)

Physical Location of Property: 2737 N. US 175 75159  
[General Location -- approximate distance to nearest existing street corner]

Brief Legal Description of Property (must also attach accurate Surveyor's metes and bounds description):  
Tract 39 of Herman Heidee Abstract 541, Pg 505  
[Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block]

Acreage: 13.3 Existing Zoning: C Requested Zoning: C-SUP - Reapproval  
[Attach a detailed description of requested zoning & development standards, if a PD]

Applicant / Owner's Name: Judy Campbell Applicant or Owner? (circle one)

Contact Person: Judy Campbell Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

Street/Mailing Address: 412 W. Stark Rd. City: Seagoville State: TX Zip: 75159

Phone: (914) 532-0421 Fax: (\_\_\_\_\_) Email Address: Customseats@sbcglobal.net

Engineer / Representative's Name: Kathy Kelly

Contact Person: \_\_\_\_\_ Title: Owner

Company Name: Kelly Comm

Street/Mailing Address: 3708 Starnwall Cir City: Atlanta State: GA Zip: 30339

Phone: (770) 336-9784 Fax: (\_\_\_\_\_) Email Address: Kathy.Kelly@kellycommss.com

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I hereby certify that I am the Owner, or the duly authorized agent of the Owner (proof of authorization attached), for the purposes of this application, and that the information submitted herein is complete, true and correct to the best of my knowledge. I understand that submitting this application does not constitute approval, and incomplete applications will result in delays and possible denial.

Signed: \_\_\_\_\_ Title: Applicant Date: 6/9/20



Subscribed and sworn to before me, this the 9th day of JUNE, 2020

Notary Public in and for the State of Texas: Jan Chen  
My Commission Expires On: 4-28-2024

Office Use Only: Date Rec'd: 6/11/2020 Fees Paid: \$ 750 Check #: 1131 Receipt #: 623906  
Zoning Case #: 22020-09 Accepted By: ASB Official Submittal Date: 6/12/2020



Mail Processing Center  
Federal Aviation Administration  
Southwest Regional Office  
Obstruction Evaluation Group  
10101 Hillwood Parkway  
Fort Worth, TX 76177

Aeronautical Study No.  
2019-ASW-2116-OE

Issued Date: 03/25/2019

Kathy Kelly  
Kelly Communication Structures, LLC  
3708 Stonewall Circle  
Atlanta, GA 40067

**\*\* DETERMINATION OF NO HAZARD TO AIR NAVIGATION \*\***

The Federal Aviation Administration has conducted an aeronautical study under the provisions of 49 U.S.C., Section 44718 and if applicable Title 14 of the Code of Federal Regulations, part 77, concerning:

Structure:	Monopole TX2001 Seagoville
Location:	Seagoville, TX
Latitude:	32-39-55.03N NAD 83
Longitude:	96-35-01.12W
Heights:	432 feet site elevation (SE) 199 feet above ground level (AGL) 631 feet above mean sea level (AMSL)

This aeronautical study revealed that the structure does not exceed obstruction standards and would not be a hazard to air navigation provided the following condition(s), if any, is(are) met:

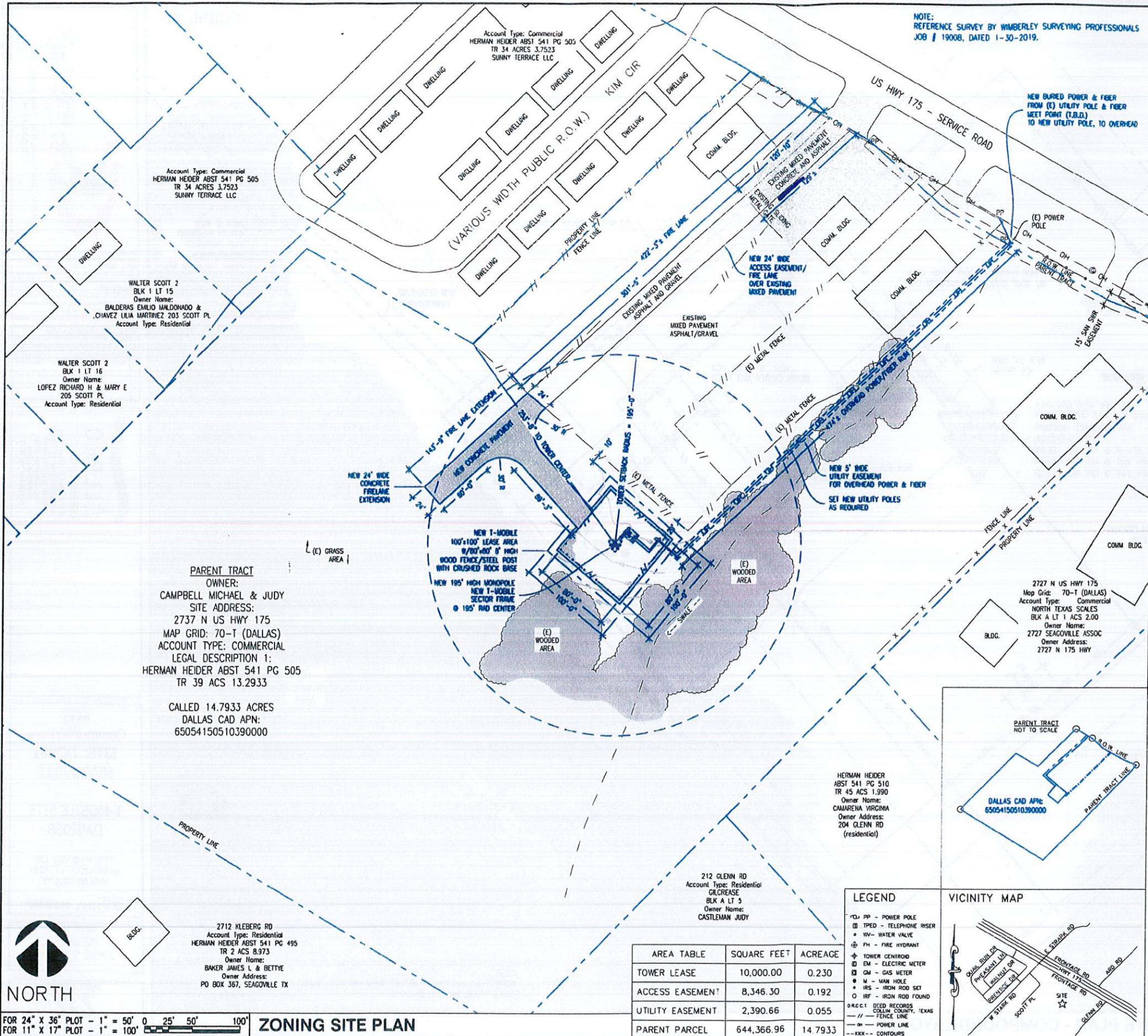
It is required that FAA Form 7460-2, Notice of Actual Construction or Alteration, be e-filed any time the project is abandoned or:

- At least 10 days prior to start of construction (7460-2, Part 1)  
 Within 5 days after the construction reaches its greatest height (7460-2, Part 2)

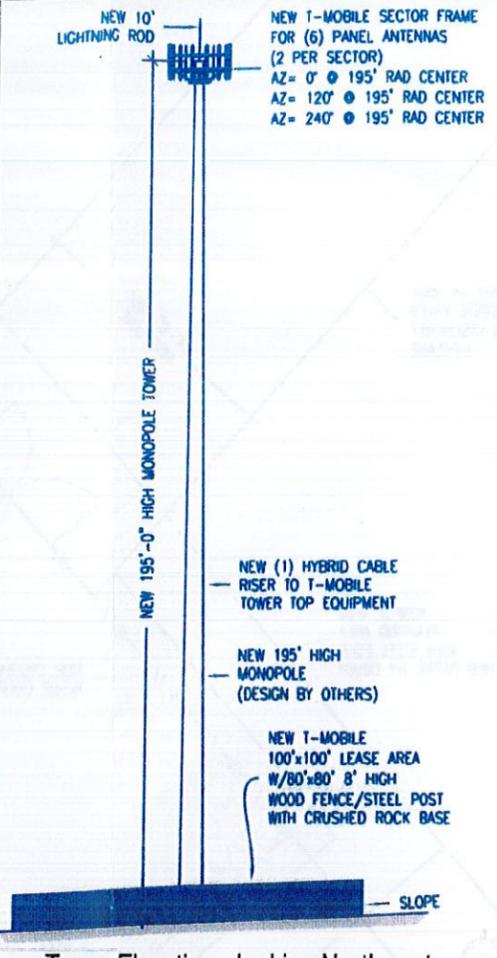
Based on this evaluation, marking and lighting are not necessary for aviation safety. However, if marking/lighting are accomplished on a voluntary basis, we recommend it be installed in accordance with FAA Advisory circular 70/7460-1 L Change 2.

This determination expires on 09/25/2020 unless:

- the construction is started (not necessarily completed) and FAA Form 7460-2, Notice of Actual Construction or Alteration, is received by this office.
- extended, revised, or terminated by the issuing office.
- the construction is subject to the licensing authority of the Federal Communications Commission (FCC) and an application for a construction permit has been filed, as required by the FCC, within 6 months of the date of this determination. In such case, the determination expires on the date prescribed by the FCC for completion of construction, or the date the FCC denies the application.



NOTE:  
REFERENCE SURVEY BY WIMBERLEY SURVEYING PROFESSIONALS  
JOB # 19008, DATED 1-30-2019.



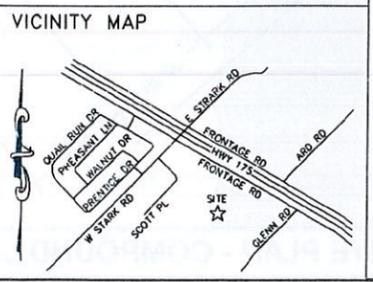
Tower Elevation - looking Northwest  
FOR 24" X 36" PLOT - 1" = 20' 0" 10' 20' 40'  
FOR 11" X 17" PLOT - 1" = 40'

**PARENT TRACT**  
OWNER:  
CAMPBELL MICHAEL & JUDY  
SITE ADDRESS:  
2737 N US HWY 175  
MAP GRID: 70-T (DALLAS)  
ACCOUNT TYPE: COMMERCIAL  
LEGAL DESCRIPTION 1:  
HERMAN HEIDER ABST 541 PG 505  
TR 39 ACS 13.2933  
  
CALLED 14.7933 ACRES  
DALLAS CAD APN:  
65054150510390000

2712 KLEBERG RD  
Account Type: Residential  
HERMAN HEIDER ABST 541 PG 495  
TR 2 ACS 8.973  
Owner Name:  
BAKER JAMES L & BETTYE  
Owner Address:  
PO BOX 367, SEAGOVILLE TX

AREA TABLE	SQUARE FEET	ACREAGE
TOWER LEASE	10,000.00	0.230
ACCESS EASEMENT	8,346.30	0.192
UTILITY EASEMENT	2,390.66	0.055
PARENT PARCEL	644,366.96	14.7933

- LEGEND**
- PP - POWER POLE
  - TPED - TELEPHONE RISER
  - WV - WATER VALVE
  - PH - FIRE HYDRANT
  - TOWER CENTROID
  - EM - ELECTRIC METER
  - GM - GAS METER
  - M - MAN HOLE
  - IRS - IRON ROD SET
  - IRF - IRON ROD FOUND
  - DRCC - DEED RECORDS COLLIN COUNTY, TEXAS
  - FENCE LINE
  - OH - POWER LINE
  - CONTOURS



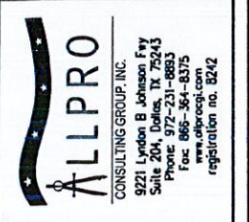
**PROJECT SUMMARY:** CONTRACTORS:  
**SITE TYPE**  
NEW 195' MONOPOLE TOWER WITH NEW UNMANNED COMMUNICATION EQUIPMENT AT BASE OF TOWER  
**SITE INFORMATION**  
LAT: 32.665186° N  
LONG: -96.583633° W  
ELEV: 431.8'  
JURISDICTION: CITY OF SEAGOVILLE  
OCCUPANCY: UNMANNED  
ZONING: C - COMMERCIAL  
CONSTRUCTION TYPE: NEW  
**APPLICANT**  
KELLY COMMUNICATION TOWERS, LLC  
3708 STONEWALL CIRCLE DW  
ATLANTA, GA 30339  
CONTACT: KATIEY KELLY  
PHONE: 803-609-0535  
PHONE: 770-330-9784  
**LANDLORD**  
MICHAEL & JUDY CAMPBELL  
412 N. STARK RD.  
SEAGOVILLE, TX 75159  
PHONE: 972-267-5239

**CONTRACTORS:**  
**A&E CONTRACTOR**  
ALPRO CONSULTING GROUP, INC.  
9221 LYNDON B. JOHNSON FREEWAY, SUITE 204  
DALLAS, TX 75243  
CONTACT: JOE M. GEORGE, P.E.  
OFFICE: 972-231-8893  
FAX: 866-364-8375  
**SURVEY**  
WIMBERLEY SURVEYING PROFESSIONALS  
RON D WIMBERLEY, R.P.L.S.  
PO BOX 9237  
GREENVILLE, TX 75404  
PHONE: 903-455-8100  
**TELCO**  
AT&T  
**POWER**  
ONCOR  
**TEXAS ONE CALL**  
CONTRACTOR TO CALL 48 HOURS BEFORE DIGGING  
PHONE: 800-545-6005  
INDEPENDENT LOCATORS TO BE USED ON ALL SITES

**PARENT TRACT**  
OWNER: CAMPBELL MICHAEL & JUDY  
CALLED 14.7933 ACRES  
HARMAN HIDER SURVEY, ABSTRACT NO. 541  
DALLAS CAD APN: 65054150510390000  
DEED REF.: VOL. 96044, PG. 1966  
D.R.D.C.T.  
TITLE EXCEPTION (B10-ITEM K)

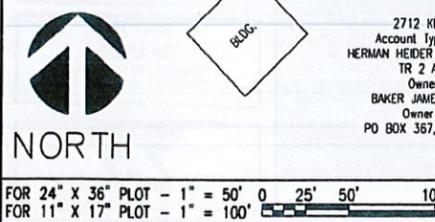


ACCI NO: 18-7869  
DRAWN BY: CG  
CHECKED BY: RS  
02/4/19 ZONING REVIEW  
1 3/11/19 REVISED PER COMMENTS  
2 3/22/19 REVISED PER COMMENTS



Kelly Communications  
SITE: TX2001  
SEAGOVILLE  
  
T-MOBILE SITE  
DAO2068  
  
2737 N US HWY 175  
SEAGOVILLE, TX 75159  
DALLAS COUNTY  
32.665286°, -96.583644°

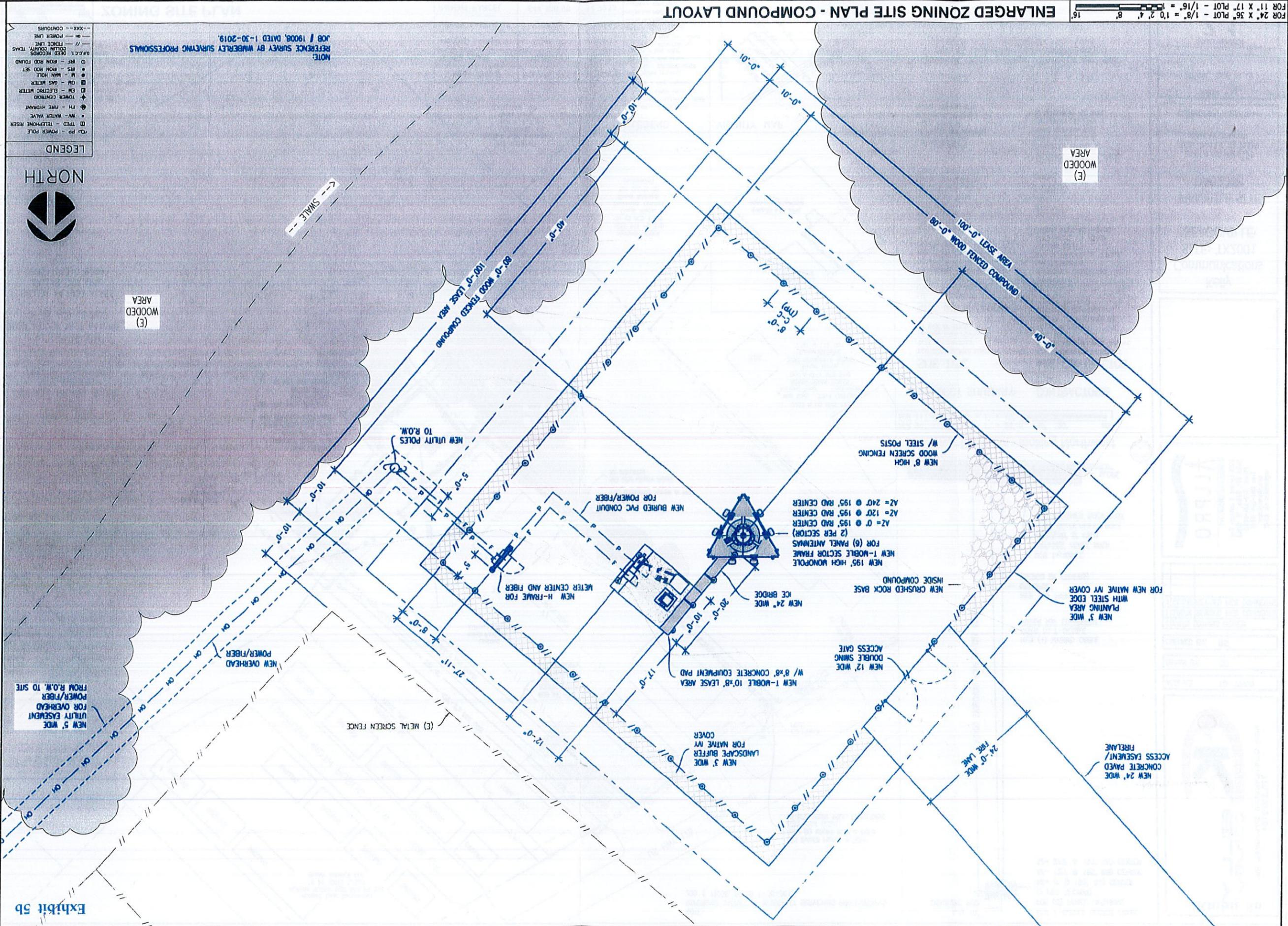
SHEET TITLE  
ZONING SITE PLAN  
  
SHEET NUMBER  
**Z-1**



**ZONING SITE PLAN**

ENLARGED ZONING SITE PLAN - COMPOUND LAYOUT

FOR 24' X 36' PLOT - 1/8" = 10', 2', 4', 8', 16'



NOTE: REFERENCE SURVEY BY WAMBERLEY SURVEYING PROFESSIONALS, JOB # 19008, DATED 1-30-2019.

- LEGEND
- KKK --- CONTOURS
  - POWER POLE
  - FENCE LINE
  - DEEP RECORDS DALLAS COUNTY TEXAS
  - R.F. - R.O.M. ROAD FOUND
  - M - MAIN HOLE
  - G.M. - GAS METER
  - E.M. - ELECTRIC METER
  - TOWER CENTER
  - P.H. - FIRE HYDRANT
  - W.V. - WATER VALVE
  - T.P.D. - TELEPHONE RISER
  - P.P. - POWER POLE



WOODED AREA (E)

WOODED AREA (E)

Exhibit 5b

**Z-2**  
SHEET NUMBER

ENLARGED ZONING SITE PLAN

SHEET TITLE

32.665286°, -96.583644°  
DALLAS COUNTY  
2737 N US HWY 175  
SEAGOVILLE, TX 75159

T-MOBILE SITE  
DA02068  
SITE: TX2001  
Communications  
Kelly

**ALLPRO**  
CONSULTING GROUP, INC.

9221 Lyndon B Johnson Fwy  
Suite 204, Dallas, TX 75243  
Phone: 972-231-6833  
Fax: 972-231-6375  
Registration No. 8242

02/19 ZONING REVIEW	CHECKED BY: RS
1/11/19 REVISED PER COMMENTS	DRAWN BY: CG
2/22/19 REVISED PER COMMENTS	ACQ NO: 18-7869

Kelly Communication Structures, Inc.  
770.330.9784

Exhibit 5b



June 24, 2020

COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

via email: [notices@dailycommercialrecord.com](mailto:notices@dailycommercialrecord.com)  
Daily Commercial Record  
706 Main Street  
Dallas, Texas 75202

Please publish the legal notice below in the Friday, June 26, 2020, issue of your newspaper. Please send the affidavit of publication to the ATTN: Kandi Jackson at the address above. If you need to contact Kandi, her office direct number is (972) 287-6819 and her email is [citysecretary@seagoville.us](mailto:citysecretary@seagoville.us) Kandi's normal office hours are Monday through Friday from 8:00 AM to 5:00 PM.



**NOTICE OF PUBLIC HEARING  
SEAGOVILLE PLANNING AND ZONING COMMISSION  
ZONING CASE Z2020-09**

The Seagoville Planning and Zoning Commission will hold a public hearing on Tuesday, July 14, 2020, at 6:30 PM in the Council Chambers of City Hall at 702 North U.S. Highway 175; Seagoville, TX 75159 to consider a request to amend the current zoning on about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower.

Anyone may send a written notice prior to 4:00 PM on the day of the public hearing to City of Seagoville; c/o Planner Jennifer Bonner; 702 North U.S. Highway 175; Seagoville, TX 75159. Individuals may also appear at the public hearing to state their opinions. If you would like to make a public comment, please email Planner Bonner at [jbonner@seagoville.us](mailto:jbonner@seagoville.us) no later than 4:00 P.M. on Tuesday, July 14, 2020. Please include the following in your email: your name, your postal address, your email address and phone number, and the agenda items or general subject of your comment.

**CITY OF SEAGOVILLE**  
Kandi Jackson  
City Secretary



June 29, 2020

COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

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As an adjoining property owner, this is the first opportunity to voice your opinion about this project. The second and third opportunities will be at each of the public hearings listed above.

*Please indicate your opinion in this matter by checking the appropriate box below.  
Please provide any additional comments that you might have in the provided space.  
Please also sign and complete the name and address portion below.*

I am in favor of  against  Zoning Request Z2020-09 as it is described herein.

Additional Comments (attach additional sheets as necessary): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature(s): \_\_\_\_\_

Printed Name(s): \_\_\_\_\_

Address: \_\_\_\_\_

City, State & Zip code: \_\_\_\_\_

Phone Number: \_\_\_\_\_



Proposed  
Tower  
Site

NORTH TEXAS  
SCALES  
ADDITION

CAMPBELLVILLE  
1

GILCREASE  
5

LR  
A

WALTER  
SCOTT 2

Sup  
R-2



June 29, 2020

COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

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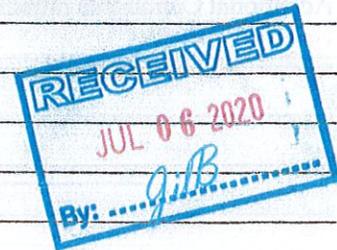
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Please also sign and complete the name and address portion below.*

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Additional Comments (attach additional sheets as necessary): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Signature(s): J Jackie Kelly  
Printed Name(s): JACQUIE KELLY  
Address: 2808 SCOTT ST  
City, State & Zip code: SEAGOVILLE, TX 75159  
Phone Number: 903-274-9598

JUNE 29, 2020



June 29, 2020

COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

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SEAGOVILLE PLANNING AND ZONING COMMISSION  
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Please also sign and complete the name and address portion below.*

I am in favor of  against  Zoning Request Z2020-09 as it is described herein.

Additional Comments (attach additional sheets as necessary): \_\_\_\_\_

RECEIVED  
JUL 08 2020  
BY: *QJB*

Signature(s): *Ronald W. Bray* *Jeanne Bray*  
Printed Name(s): RONALD W. BRAY ; JEANNE BRAY  
Address: 211 SCOTT PLACE  
City, State & Zip code: SEAGOVILLE TX 75159-2507  
Phone Number: 214.215.3855 / 214.695.1119

JUNE 29, 2020  
1



June 29, 2020

COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

**NOTICE OF PUBLIC HEARING  
SEAGOVILLE PLANNING AND ZONING COMMISSION  
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I am in favor of  against  Zoning Request Z2020-09 as it is described herein.

Additional Comments (attach additional sheets as necessary): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
RECEIVED  
JUL 08 2020  
BY: *gjp*

Signature(s): *Bill White*  
Printed Name(s): BILL F WHITE  
Address: 215 SCOTT PLACE  
City, State & Zip code: SEAGOVILLE TX 75159  
Phone Number: 972-287-4890

JUNE 29, 2020

**Property Owners List**  
**SUP for new cell tower at 2737 North Highway 175**  
 Mailed out a total of 21 letters on Monday, June 29, 2020, before 5:00 PM

Subject or adjoiner?	Site Address	DCAD Account	Owner	Mailing Address 1	Address 2	City	State	Zip
Subject	2737 North Highway 175	65054150510390000	Michael & Judy Campbell	412 West Stark Road		Seagoville	TX	75159
Adjoiner	2741 North Highway 175	50009000010010000	Michael & Judy Campbell	412 West Stark Road		Seagoville	TX	75159
Adjoiner	2743 North Highway 175	50009000010020000	Michael & Judy Campbell	412 West Stark Road		Seagoville	TX	75159
Adjoiner	2745 North Highway 175	50009000010030000	Ricky Worthington	1329 Hall Lane		Seagoville	TX	75159
Adjoiner	2809 North Highway 175	65054150510340000	Sunny Terrace LLC	9090 Skillman Street	Suite 182A 262	Dallas	TX	75243
Adjoiner	2808 Scott Street	50043500010130000	Jackie Kelly	2808 Scott Street		Seagoville	TX	75159
Adjoiner	202 Scott Place	50042500010000100	City of Seagoville	702 North Highway 175		Seagoville	TX	75159
Adjoiner	203 Scott Place	50043500010150000	Emilio M. Balderas & Lilia M. Chavez	203 Scott Place		Seagoville	TX	75159
Adjoiner	205 Scott Place	50043500010160000	Richard H. & Mary E. Lopez	205 Scott Place		Seagoville	TX	75159
Adjoiner	207 Scott Place	50043500010170000	Diana Mitchell	207 Scott Place		Seagoville	TX	75159
Adjoiner	209 Scott Place	50043500010180000	Lizette M. Sierra	209 Scott Place		Seagoville	TX	75159
Adjoiner	211 Scott Place	50043500010190000	Ronald & Eva J. Bray	211 Scott Place		Seagoville	TX	75159
Adjoiner	213 Scott Place	50043500010200000	Caballero Holdings Ltd.	4310 Sunbelt Drive		Addison	TX	75001
Adjoiner	215 Scott Place	50043500010210000	Bill F. White	215 Scott Place		Seagoville	TX	75159
Adjoiner	2712 Kleberg Road	65054149510020000	James L. & Bettye Baker	P.O. Box 367		Seagoville	TX	75159
Adjoiner	310 Glenn Street	65054151010020000	Daniel T. & Mistie Brisbon	310 Glenn Road		Seagoville	TX	75159
Adjoiner	212 Glenn Road	500151100A0050000	Judy Castleman	5841 Waterworks Road		Midlothian	TX	76065
Adjoiner	204 Glenn Street	65054151010450000	Virginia Camarena	204 Glenn Road		Seagoville	TX	75159
Adjoiner	106 Glenn Street	65054151010040000	Martha Jaramillo & Claudia Lara	106 Glenn Street		Seagoville	TX	75159
Adjoiner	2727 North Highway 175	500307000A0010000	2727 Seagoville Association	2727 North Highway 175		Seagoville	TX	75159
Adjoiner	2701 North Highway 175	65054151010050000	Joe Torres, Jr.	2701 North Highway 175		Seagoville	TX	75159
Adjoiner								
Adjoiner								



<b>PLANNING &amp; ZONING COMMISSION</b> AGENDA COMMUNICATION TUESDAY, JULY 14, 2020	<b>4</b>
<b>ZONING REQUEST Z2020-10: DEVELOPMENT REVIEW</b>	

**DESCRIPTION:**

Discuss and take necessary action on a request to approve the site and concept plans for a communications cell tower proposed to be constructed on about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175).

**BACKGROUND:**

Judy Campbell (the property owner) is being represented by Kathy Kelly of Kelly Communication Towers, LLC (the proposed tower's owner) in her request for a site plan approval for a new communications cell tower on their property at 2737 North Highway 175.

The land area for the proposed tower is currently unimproved and is located over four hundred (400) feet behind and across a creek from the part of the parcel containing the commercial business named Slick Stich Custom Upholstery. V&M Granite and Remodeling at 2741 U.S. Highway 175 will sit directly in front of the tower's location. The proposed fire lane and driveway are to be built to City of Seagoville standards for accessing the proposed tower's site will extend the existing shared driveway between 2743 and 2745 North Highway 175.

This application is for the same site as the last item of business. This review is for the approval of the site plans. The last item of business focused on the zoning.

P&Z makes the decision on this application.

The existing zoning, land uses, and relevant portions of the City's comprehensive plan are each referenced in the attached staff report. The report also provides a recommendation from Staff on whether the P&Z should deny or approve the applicant's request.

**NOTIFICATIONS:**

No notices are required beyond the posting of the item on the agenda.

**EXHIBITS:**

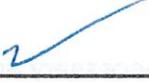
Each of the following are set for printing on letter-sized paper unless otherwise listed.

1. Staff Report (4 pages)
2. 2019 aerial photograph from DCAD website
3. Dimensional map from DCAD website
4. Zoning map reference (dimensional map with zoning added as well as proposed tower site)
5. Zoning application
  - a. Application and FAA clearance (2 pages)
  - b. Concept plan (2 pages of 11x17)

**Prepared and submitted by:**

**Presented by:**

  
\_\_\_\_\_  
Jennifer Bonner  
Planner

  
\_\_\_\_\_  
Ladis Barr  
Community Development Director



COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

DATE: JULY 14, 2020  
AUTHOR: JENNIFER BONNER, PLANNER  
OWNER: JUDY CAMPBELL  
APPLICANT: KELLY COMMUNICATION TOWERS LLC  
LOCATION: 2737 NORTH HIGHWAY 175 (UNPLATTED TRACT 39 OF HERMAN HEIDER ABSTRACT 541)

**REQUEST SUMMARY:**

Kathy Kelly of Kelly Communication Towers, LLC (proposed tower's owner) is representing land owner Judy Campbell in her request for a Special Use Permit to allow a new communications cell tower on the east side of Scott Place and south of U.S. Highway 175 at the location under the yellow star. The parent parcel is also outlined in yellow.

This application was initially heard by the P&Z in March 2019. Due to a merger of T-Mobile and Sprint, the construction of the tower was delayed until the merger could be approved. Then coronavirus hit after the applicant realized their initial approval had expired. The applicant has informed staff that tower construction is planned for September of this year.



REQUEST LOCATION: Inside City, Dallas County

SIZE OF PROPERTY	EXISTING ZONING	SURROUNDING ZONING	EXISTING LAND USE	SURROUNDING LAND USE
0.230-acres for tower; 13.3-acres for parent parcel	C, Commercial	Northwest: A, Apartment and LR, Local Retail Southwest: R-2, Single Family Residential and R-5, Single Family Residential Northeast: C, Commercial Southeast: R-2, Single Family Residential and R-5, Single Family Residential	Highway frontage has Commercial business while rest of lots is mostly vacant	Northwest: Low Density Residential, Medium Density Residential, Retail Southwest: Low Density Residential Northeast: Retail Southeast: Low Density Residential

**STAFF RECOMMENDATION:**

Approve

Approve with Conditions

Deny

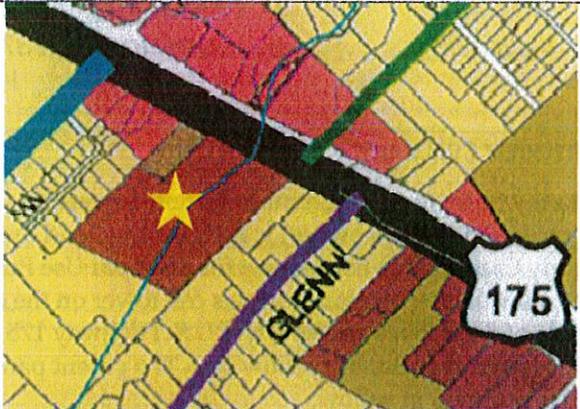
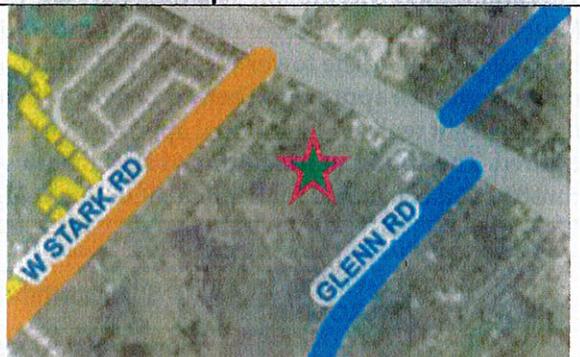
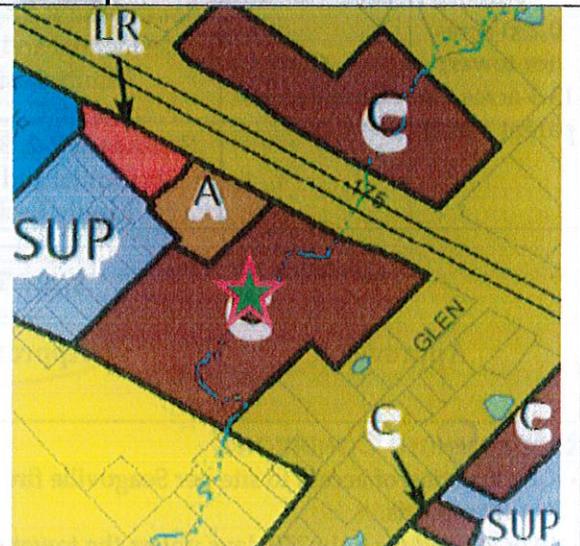
**RECOMMENDED CONDITIONS:**

- Construction of access to site per Seagoville fire lane standards.
- SUP is good for only 270 days unless the tower can be completed in that time.
- The SUP will need to be re-applied for and approved prior to any time extension on the tower's construction.
- Once the tower is completed, the SUP remains in effect until it is removed from the site.

This request is reviewed by the Planning and Zoning Commission to make a recommendation to the City Council, which makes the final decision on approval of the request.

Detailed explanations follow on the attached pages.	
STANDARD:	STAFF ANALYSIS:
Development Calendar (Deadlines)	Has Met
Application(s) Requirements	Has Met
Zoning Code	Has Met

COMPARISON TO ADOPTED CITY MASTER PLANS

STAFF ANALYSIS	PLAN GOALS OR GUIDELINES
<b>2002 Future Land Use Plan and Map</b>	
<p>The tower in the request is planned for the location under bright yellow star. This parcel is in a planned area of Commercial (brown color) as shown in the map to the right. The tower will be to the left of the creek shown in this map and behind the existing commercial uses along the eastbound U.S. Highway 175 frontage road.</p> <p>All light yellow colored areas are planned to be Low Density Residential. Areas in red are expected to become Local Retail. The mustard yellow colored areas area expected to become Medium Density Residential.</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Meets Standard</p> 
<b>2006 Master Thoroughfare Plan and Map</b>	
<p>The proposed site for this request (green star outlined in pink) will only have access to the eastbound frontage road of U.S. Highway 175 (not labeled but shown by the wide grey line in the map) via the existing businesses parking lots and driveways.</p> <p>The dashed yellow line to the left depicts the city limit line separating Seagoville from Dallas.</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Meets Standard</p> 
<b>2009 Zoning Plan and Map</b>	
<p>The green star outlined in pink shows the location of the planned cell tower, which will be to the left of the creek shown in the map. The red-brown color is Commercial.</p> <p>The brown area labeled A is an apartment complex. The blue area is a Planned Development of single family homes on the west side of Stark Road. The red area of LR is Local Retail on the corner of Highway 175 and Stark Road. All of the mustard yellow areas are zoned R-5, Residential Single Family. The light yellow areas in the bottom half of the map are zoned R-2, Residential Single Family. The 1978 version of this map shows the SUP (light purple colored) area to the left of the star as also being R-5. Staff has not been able to locate the ordinance that created the Special Use Permit (SUP) on the map at this location.</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Meets Standard</p> 

REVIEW CRITERIA	STAFF ANALYSIS	
1. Will the use conform to off-street parking and loading requirements?	Yes	As this Special Use Permit (SUP) is for an unmanned site, it will have limited parking and loading requirements.

REVIEW CRITERIA	STAFF ANALYSIS	
2. Has a site plan been submitted showing the layout of the proposed development and use?	Yes	A concept plan for the tower's construction was submitted with the application for the request for this SUP.
3. Are all of the ingress and egress ways adequate?	Yes	Since ingress and egress will be via a new 24-foot fire lane onto the eastbound frontage road for US Highway 175, these criteria will be met.
4. Are the size and shape of the site as well as the arrangement of the proposed structure(s) in keeping with the intent of the Code?	Yes	The application will change the zoning for the entire parent parcel (13.3± acres) even though only 0.23-acres are needed for the tower site.
5. Will granting the permit be authorizing less than the minimum requirements in regards to height, area, setbacks, parking, or landscaping?	No	The tower will require an FAA light on top. The base of the tower will be at about the same elevation as the homes on Scott Place and slightly lower than those along Highway 175 and along Glenn Road. The mature trees on the east, south, and west sides of the property plus the screening fences for the businesses along the Highway will help hide or camouflage the tower's location, but not completely eliminate it from view.
6. Are there any outside lighting or screening controls that needs to be installed?	Yes	There will only be the required safety lighting of the top of the tower during periods of non-daylight. A wood screening fence is planned for screening the tower's compound.
7. Will the proposed landscaping and screening be compliant with all City regulations?	Yes	There are trees of significant height on the east, south, and west sides of the proposed site. The north side is fenced with metal panels screening the businesses along the highway. A landscaping plan has been submitted that uses plants in the landscape section of the zoning code. It also appears to be using the alternative landscaping plan section by the use of native vines in a 3-foot landscape buffer in combination with a wood screening fence.
8. Are there any special setbacks that are needed between this use and adjoining properties?	No	Within 300-feet of the planned 195-foot tall tower, there are only parts of 1 of the 16 apartment buildings on Kim Circle.
9. What type of surfacing will be applied to parking areas and drives?	Yes	The drive used to access the tower site will be a 24-foot-wide access easement with a concrete driveway meeting the City's fire lane requirements.
10. Will curbs and drainage structures be installed as part of the project?	No	A paved driveway will be provided but no curbs, gutters, or other drainage structures.
11. Will granting the permit be authorizing any use that is not allowed or that defies the intent of the district it will be located in?	No	The Special Use Permit portion of the code allows communication towers in all zoning districts.
12. Will the use be designated, located, and operated so that the public health, safety, and welfare will be protected?	Yes	Staff has confirmed that the tower will be located so no portion of the tower would fall onto any adjoining parcel if the tower was to have a failure at its base once it was constructed.
13. Will the land use be compatible with other area properties located nearby?	Yes	The erection of the tower is the only special use being asked for on this property. The rest of the land's use will remain commercial.
14. Will the use conform to all provisions in the Code for the district in which the use is to be located?	Yes	The Special Use Permit portion of the code allows communication towers in all zoning districts

*No*

JULY 14, 2020

**STAFF REPORT  
Z2020-09**

REVIEW CRITERIA	STAFF ANALYSIS	
15. Will the use facilitate public convenience at that location?	Yes	Since ingress and egress will be via a new 24-foot fire lane onto the eastbound frontage road for US Highway 175, these criteria will be met.
16. Have safeguards limiting noxious or offensive emissions, including light, noise, glare, dust, and odor been addressed?	Yes	Once construction of the tower is complete, there should be no issues with any of these items as the structure as the base of the tower will be unmanned except during maintenance and repairs.
17. Will the signage conform to those portions of the Municipal Code?	Yes	There will be limited signage on-site. Any public signage will be placed on the gate or at the end of the driveway.
18. Will the open space be maintained by the owner/developer?	Yes	The current property owner will continue to maintain all areas outside the site except the landscaping at the base of the wall. The tower and area inside the site will have its own regular maintenance schedule. Landscaping maintenance will need to be coordinated between the land owner and tower operator.

**Public Comments Received:** A legal ad was also published per the Texas Local Government Code in the Friday, June 26, 2020, edition of the Daily Commercial Record newspaper. Not including the subject parcel, there are twenty-one (21) properties, one (1) federal highway, and no (zero) public streets within 200-feet of the boundary of the subject area. The owners of each parcel were notified in compliance with the 200-foot rule by mail on Monday, June 29, 2020. As of the date of this report, Wednesday, July 8, 2020, one (1) property owners have responded in favor of the request. Two (2) letters have been returned against the request. No (zero) letters have been returned as undeliverable by the U.S. Postal Service. Any responses received after the emailing of the packet to the Commissioners will be made available at the meeting.

**Planning Commission Decision:**

I, (P&Z Commissioner states their name), move that the Planning and Zoning Commission's recommendation to the City Council be for the Council members to (P&Z Commissioner to state which)

Approve

Approve with Conditions

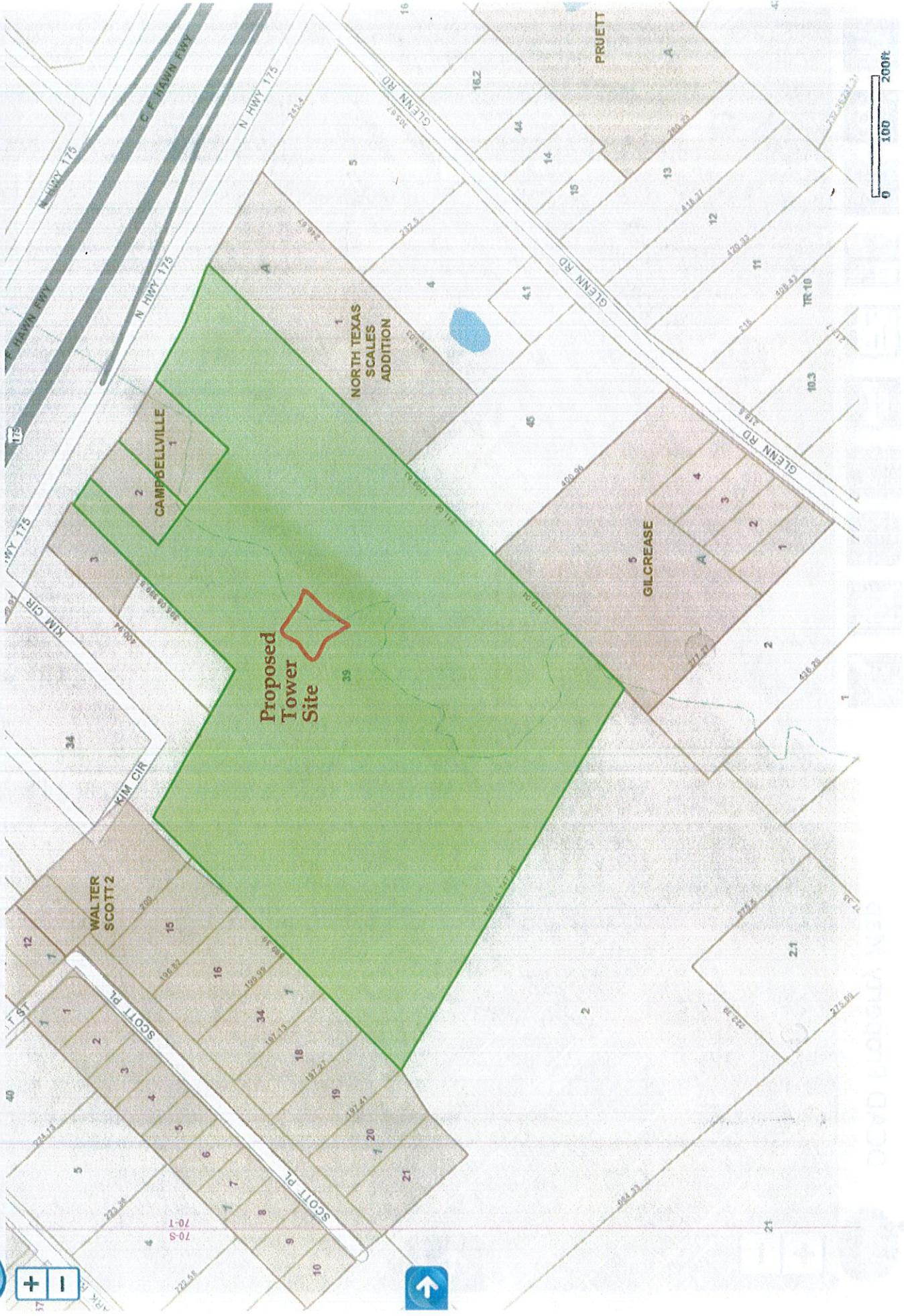
Deny

the request to amend the zoning on about 13.3+acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower.

The Planning Commission hereby ascribes the following Conditions to the Approval of this Special Use Permit request:

- The construction of the access drive to proposed tower's site shall meet all of Seagoville's fire lane standards.
- The Special Use Permit is only good for 270 days from its date of approval unless the tower's construction can be completed in that time.
- The Special Use Permit will need to be re-applied for and approved prior to granting any time extension on the tower's construction.
- Once the tower is completed, the Special Use Permit remains in effect until it is removed from the site.

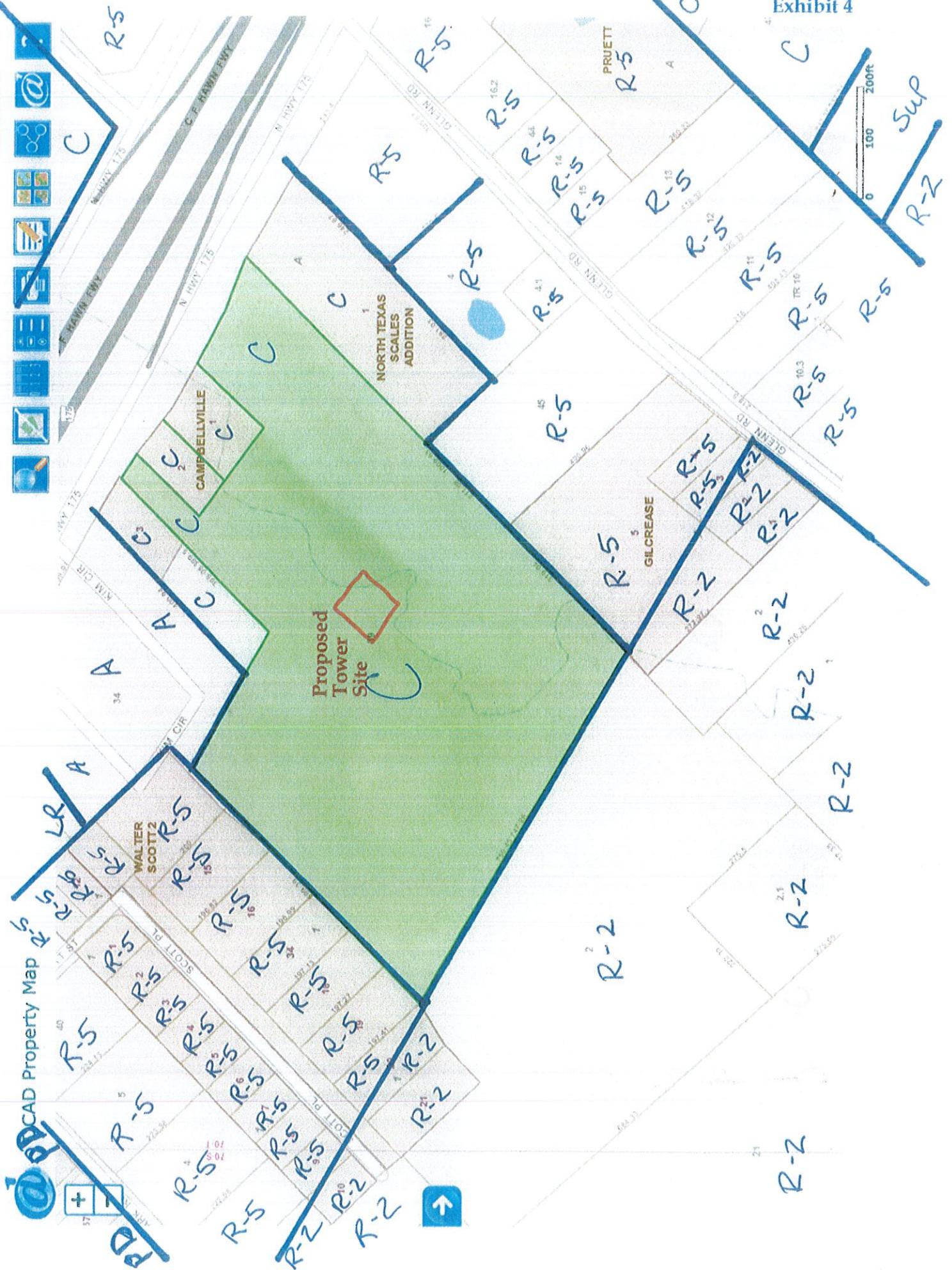
JULY 14, 2020





DCAD Property Map







# DEVELOPMENT APPLICATION

City of Seagoville, Texas

ANTICIPATED MEETING DATES: P&Z: 7/14 City Council: 8/2  
 DATE OF PRE-APPLICATION CONFERENCE WITH CITY REPS & PLANNER (required): \_\_\_\_\_

<u>Subdivision/Plat:</u>	<u>Site Plan:</u>	<u>Other:</u>
<input type="checkbox"/> Preliminary Plat	<input type="checkbox"/> Concept Plan	<input type="checkbox"/> Landscape Plan
<input type="checkbox"/> Final Plat	<input checked="" type="checkbox"/> Site Plan	<input type="checkbox"/> Irrigation Plan
<input type="checkbox"/> Plat Vacation	<input type="checkbox"/> Revised Site Plan	<input checked="" type="checkbox"/> Elevation/Façade Plan
<input type="checkbox"/> Revised Plat (check type above)		<input checked="" type="checkbox"/> Screening Wall/Fence Plan
		<input checked="" type="checkbox"/> Engineering Plans

Name of Subdivision or Project: TK 2001 Seagoville

Physical Location of Property: 2737 N. US Hwy 175  
(General Location - approximate distance to nearest existing street corner)

Brief Legal Description of Property (must also attach accurate Surveyor's metes and bounds description):  
See Attached.  
(Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block)

Acreage: 12.21 Existing # of Lots/Tracts: 1 Existing Zoning: C  
(If zoned PD, attach a copy of the PD ordinance to this application)

Owner's Name: Judy Campbell

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

Company Name: ~~\_\_\_\_\_~~

Street/Mailing Address: 412 W. Stark Rd. City: Seagoville State: TX Zip: 75159

Phone: (214) 532-0421 Fax: ( ) Email Address: CustomSeats@cbglobal.net

Representative's Name: Katley Kelly

Contact Person: \_\_\_\_\_ Title: Resident

Company Name: Kelly Communication Tower

Street/Mailing Address: 3708 Stonecreek Cir City: Atlanta State: GA Zip: 30339

Phone: (770) 330-9784 Fax: ( ) Email Address: Katley.Kelly@kellycomss.com

**SUBMITTAL DEADLINE: 28 DAYS PRIOR TO P&Z MEETING DATE.** (Residential replats must be submitted at least 30 days prior to meeting to allow time for public hearing notification - application must include letter waiving 30-day review time. Please contact City staff for all submittal deadlines.)

All applications must be COMPLETE before they will be scheduled for P&Z agenda. It is the applicant's responsibility to be familiar with, and to comply with, all City submittal requirements (in the Zoning & Subdivision Ordinances, and any separate submittal policies, requirements and/or checklists that may be obtained from City staff), including the number of plans to be submitted, application fees, etc. Please contact City staff in advance for submittal requirements.

All application materials (one copy) must be delivered directly to the City's Planner (in addition to the required submittal materials delivered to the City - check with City staff and with the City's Planner in advance for submittal requirements for each type of development application). The name, address, phone number, etc. of the City's Planner can be obtained from City staff. Failure to submit all materials (including full engineering plans, if applicable) to the City's Planner may result in delays scheduling the application for a P&Z agenda.

**Notice of Public Records.** The submission of plans/drawings/etc. with this application makes such items public record, and the applicant understands that these items may be viewed by the general public. Unless the applicant expressly states otherwise in writing, submission of this application (with associated plans/drawings/etc.) will be considered consent by the applicant that the general public may view and/or reproduce (i.e., copy) such documents.

I hereby certify that I am the Owner, or the duly authorized agent of the Owner (proof of authorization attached), for the purposes of this application, and that all information submitted herein is complete, true and correct to the best of my knowledge. I understand that submitting this application does not constitute approval, and incomplete applications will result in delays and possible denial.

Judy Campbell Title: Owner Date: 7-1-2020

SUBSCRIBED AND SWORN TO before me, this the 1<sup>st</sup> day of July, 2020

Notary Public in and for the State of Texas: Stephan Schmitt

My Commission Expires On: 4-29-21

Office Use Only: Date Rec'd: 7/1/2020 Fees Paid: \$ 25 Check #: CC Receipt #: 626352  
 Development Case # 22010-10 Accepted By: [Signature] Official Submittal Date: 7/1/2020





Mail Processing Center  
 Federal Aviation Administration  
 Southwest Regional Office  
 Obstruction Evaluation Group  
 10101 Hillwood Parkway  
 Fort Worth, TX 76177

Aeronautical Study No.  
 2019-ASW-2116-OE

Issued Date: 03/25/2019

Kathy Kelly  
 Kelly Communication Structures, LLC  
 3708 Stonewall Circle  
 Atlanta, GA 40067

**\*\* DETERMINATION OF NO HAZARD TO AIR NAVIGATION \*\***

The Federal Aviation Administration has conducted an aeronautical study under the provisions of 49 U.S.C., Section 44718 and if applicable Title 14 of the Code of Federal Regulations, part 77, concerning:

Structure:	Monopole TX2001 Seagoville
Location:	Seagoville, TX
Latitude:	32-39-55.03N NAD 83
Longitude:	96-35-01.12W
Heights:	432 feet site elevation (SE) 199 feet above ground level (AGL) 631 feet above mean sea level (AMSL)

This aeronautical study revealed that the structure does not exceed obstruction standards and would not be a hazard to air navigation provided the following condition(s), if any, is(are) met:

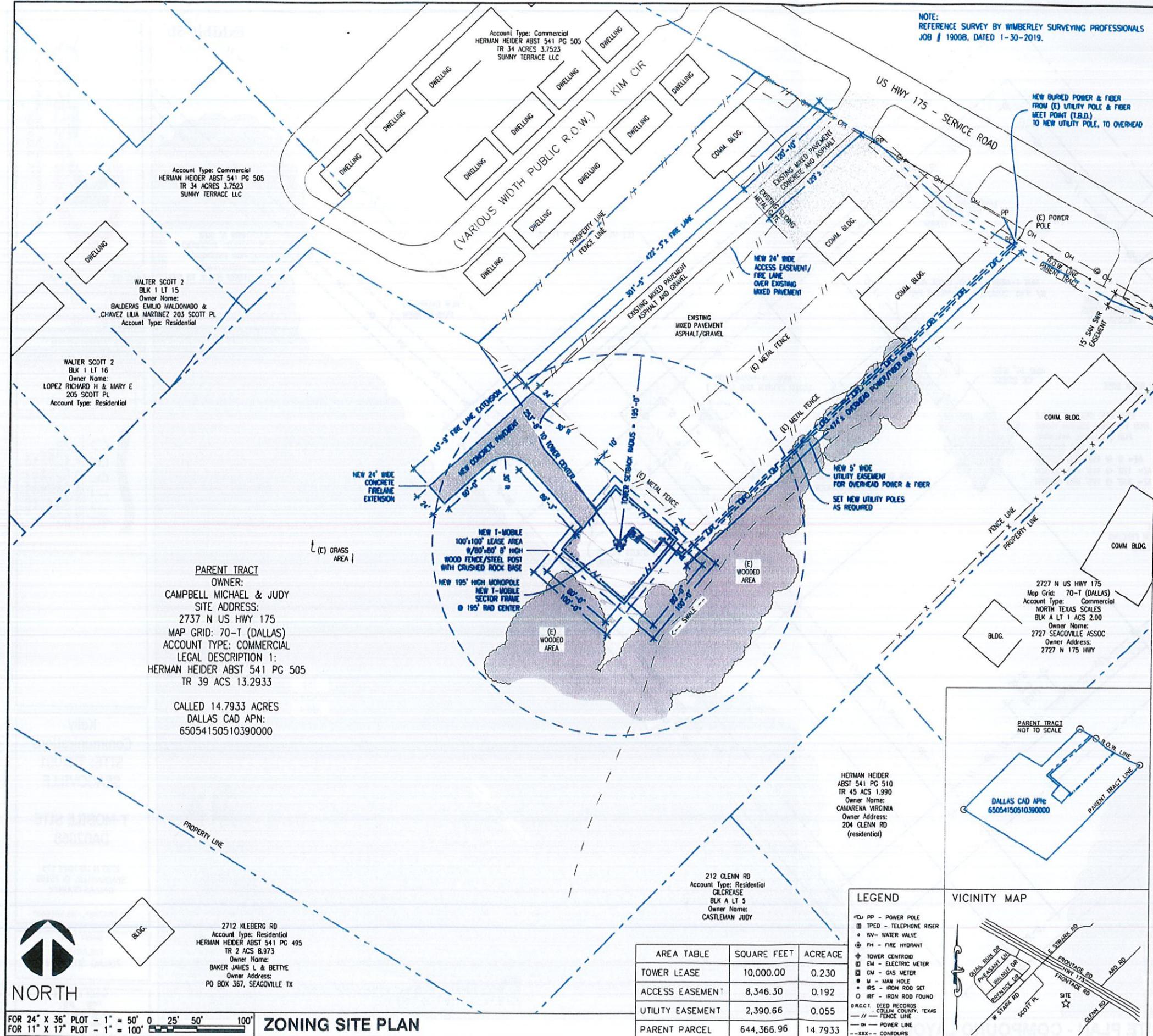
It is required that FAA Form 7460-2, Notice of Actual Construction or Alteration, be e-filed any time the project is abandoned or:

- At least 10 days prior to start of construction (7460-2, Part 1)  
 Within 5 days after the construction reaches its greatest height (7460-2, Part 2)

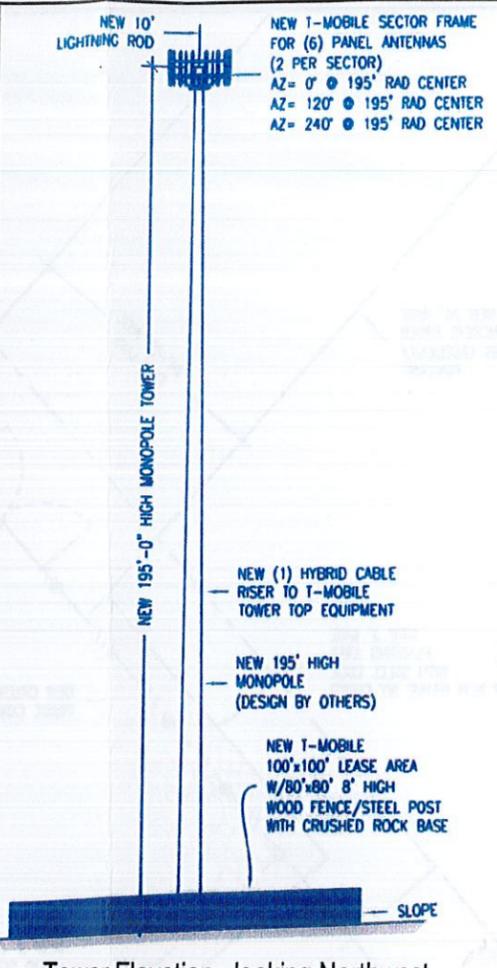
Based on this evaluation, marking and lighting are not necessary for aviation safety. However, if marking/lighting are accomplished on a voluntary basis, we recommend it be installed in accordance with FAA Advisory circular 70/7460-1 L Change 2.

This determination expires on 09/25/2020 unless:

- the construction is started (not necessarily completed) and FAA Form 7460-2, Notice of Actual Construction or Alteration, is received by this office.
- extended, revised, or terminated by the issuing office.
- the construction is subject to the licensing authority of the Federal Communications Commission (FCC) and an application for a construction permit has been filed, as required by the FCC, within 6 months of the date of this determination. In such case, the determination expires on the date prescribed by the FCC for completion of construction, or the date the FCC denies the application.



NOTE:  
REFERENCE SURVEY BY WIMBERLEY SURVEYING PROFESSIONALS  
JOB / 19008, DATED 1-30-2019.



Tower Elevation - looking Northwest  
FOR 24" X 36" PLOT - 1" = 20' 0"  
FOR 11" X 17" PLOT - 1" = 40'

Account Type: Commercial  
HERMAN HEIDER ABST 541 PG 505  
TR 34 ACRES 3.7523  
SUNNY TERRACE LLC

WALTER SCOTT 2  
BLK 1 LT 15  
Owner Name:  
BALDERAS EMILIO MALDONADO &  
CHAVEZ LILIA MARTINEZ 203 SCOTT PL  
Account Type: Residential

WALTER SCOTT 2  
BLK 1 LT 16  
Owner Name:  
LOPEZ RICHARD H & MARY E  
205 SCOTT PL  
Account Type: Residential

PARENT TRACT  
OWNER:  
CAMPBELL MICHAEL & JUDY  
SITE ADDRESS:  
2737 N US HWY 175  
MAP GRID: 70-T (DALLAS)  
ACCOUNT TYPE: COMMERCIAL  
LEGAL DESCRIPTION 1:  
HERMAN HEIDER ABST 541 PG 505  
TR 39 ACS 13.2933

CALLED 14.7933 ACRES  
DALLAS CAD APN:  
65054150510390000

2712 KLEBERG RD  
Account Type: Residential  
HERMAN HEIDER ABST 541 PG 495  
TR 2 ACS 8.973  
Owner Name:  
BAKER JAMES L & BETTYE  
Owner Address:  
PO BOX 367, SEAGOVILLE TX

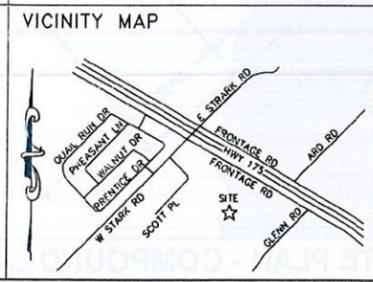
HERMAN HEIDER  
ABST 541 PG 510  
TR 45 ACS 1.990  
Owner Name:  
CAMARENA VIRGINIA  
Owner Address:  
204 CLENN RD  
(residential)

212 GLENN RD  
Account Type: Residential  
GILCREASE  
BLK A LT 5  
Owner Name:  
CASTLEMAN JUDY

2727 N US HWY 175  
Map Grid: 70-T (DALLAS)  
Account Type: Commercial  
NORTH TEXAS SCALES  
BLK A LT 1 ACS 2.00  
Owner Name:  
2727 SEAGOVILLE ASSOC  
Owner Address:  
2727 N 175 HWY

AREA TABLE	SQUARE FEET	ACREAGE
TOWER LEASE	10,000.00	0.230
ACCESS EASEMENT	8,346.30	0.192
UTILITY EASEMENT	2,390.66	0.055
PARENT PARCEL	644,366.96	14.7933

- LEGEND
- PP - POWER POLE
  - TPED - TELEPHONE RISER
  - WV - WATER VALVE
  - PH - FIRE HYDRANT
  - TOWER CENTROID
  - EM - ELECTRIC METER
  - GM - GAS METER
  - M - MAN HOLE
  - IRS - IRON ROD SET
  - IRF - IRON ROD FOUND
  - DR.C.T. DEED RECORDS COLLIN COUNTY, TEXAS
  - FENCE LINE
  - o- POWER LINE
  - xxx- CONTOURS



PROJECT SUMMARY: CONTRACTORS:

**SITE TYPE**  
NEW 195' MONOPOLE TOWER WITH NEW UNMANNED COMMUNICATION EQUIPMENT AT BASE OF TOWER

**SITE INFORMATION**  
LAT: 32.665186° N  
LONG: -96.583633° W  
ELEV: 431.8'  
JURISDICTION: CITY OF SEAGOVILLE  
OCCUPANCY: UNMANNED  
ZONING: C - COMMERCIAL  
CONSTRUCTION TYPE: NEW

**APPLICANT**  
KELLY COMMUNICATION TOWERS, LLC  
3708 STONEWALL CIRCLE DW  
ATLANTA, GA 30339  
CONTACT: KATHY KELLY  
PHONE: 803-609-0535  
PHONE: 770-330-9784

**LANDLORD**  
MICHAEL & JUDY CAMPBELL  
412 W. STARK RD.  
SEAGOVILLE, TX 75159  
PHONE: 972-287-5235

**A&E CONTRACTOR**  
ALLPRO CONSULTING GROUP, INC.  
9221 LYNDON B. JOHNSON FREEWAY,  
SUITE 204  
DALLAS, TX 75243  
CONTACT: JOE M. GEORGE, P.E.  
OFFICE: 972-231-8893  
FAX: 866-364-8375

**SURVEY**  
WIMBERLEY SURVEYING PROFESSIONALS  
RON D WIMBERLEY, R.P.L.S.  
PO BOX 9237  
GREENVILLE, TX 75404  
PHONE: 903-455-8100

**TELCO**  
AT&T  
**POWER**  
ONCOR

**TEXAS ONE CALL**  
CONTRACTOR TO CALL 48 HOURS BEFORE DIGGING  
PHONE: 800-545-6005  
INDEPENDENT LOCATORS TO BE USED ON ALL SITES

PARENT TRACT  
OWNER: CAMPBELL MICHAEL & JUDY  
CALLED 14.7933 ACRES  
HARMAN HIDER SURVEY, ABSTRACT NO. 541  
DALLAS CAD APN: 65054150510390000  
DEED REF.: VOL. 96044, PG. 1966  
D.R.D.C.T.  
TITLE EXCEPTION  
(B10-ITEM K)

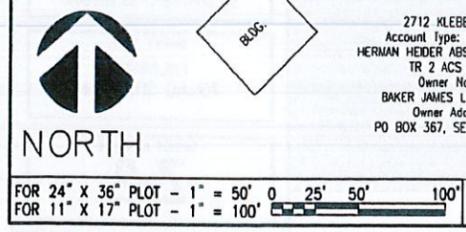


ACCI NO: 18-7869  
DRAWN BY: CG  
CHECKED BY: RS  
02/4/19 ZONING REVIEW  
13/11/19 REVISED PER COMMENTS  
23/22/19 REVISED PER COMMENTS



Kelly Communications  
SITE: TX2001  
SEAGOVILLE  
T-MOBILE SITE  
DAO2068  
2737 N US HWY 175  
SEAGOVILLE, TX 75159  
DALLAS COUNTY  
32.665286°, -96.583644°

SHEET TITLE  
ZONING SITE PLAN  
SHEET NUMBER  
Z-1



ZONING SITE PLAN

Exhibit 5b





# ZONING APPLICATION

City of Seagoville, Texas

ANTICIPATED MEETING DATES: P&Z: \_\_\_\_\_ City Council: \_\_\_\_\_  
 DATE OF PRE-APPLICATION CONFERENCE WITH CITY REPS & PLANNER (required): \_\_\_\_\_

**Application Type:**

- Initial Zoning (newly annexed or Agricultural property)
- Rezoning (property currently zoned)
- Planned Development (PD) – see Zoning Ordinance for special requirements and procedures
- Specific Use Permit (SUP) – see Zoning Ordinance for special requirements and procedures

Name of Subdivision or Project: Newell Tower, TX and Campbell Site (Seagoville, TX)

Physical Location of Property: 2737 N. US 175 75159  
(General Location -- approximate distance to nearest existing street corner)

Brief Legal Description of Property (must also attach accurate Surveyor's metes and bounds description):  
Tract 29 of Herman Heider Abstract 541, Pg 505  
(Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block)

Acreage: 13.3 Existing Zoning: C Requested Zoning: C-SUP - Reapproval  
(Attach a detailed description of requested zoning & development standards, if a PD)

Applicant / Owner's Name: Judy Campbell Applicant or Owner? (circle one)

Contact Person: Judy Campbell Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

Street/Mailing Address: 412 W. Stark Rd. City: Seagoville State: TX Zip: 75159

Phone: (214) 532-0421 Fax: ( ) Email Address: customersets@sbcglobal.net

Engineer / Representative's Name: Kathy Kelly

Contact Person: \_\_\_\_\_ Title: Owner

Company Name: Kelly Comm

Street/Mailing Address: 3708 Stearnwall Cir City: Atlanta State: GA Zip: 30339

Phone: (770) 336-9784 Fax: ( ) Email Address: Kathy.Kelly@kellycommss.com

**SUBMITTAL DEADLINE: 30 DAYS PRIOR TO P&Z PUBLIC HEARING DATE.** (All zoning applications must be advertised in the newspaper, and notices must be mailed to all property owners within 200 feet of the subject property. Please contact City staff in advance for submittal deadlines.)

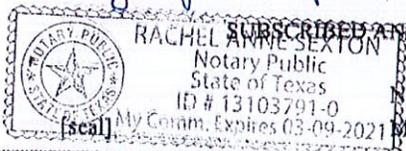
**All applications must be COMPLETE before they will be scheduled for P&Z agenda.** It is the applicant's responsibility to be familiar with, and to comply with, all City submittal requirements (in the Zoning & Subdivision Ordinances, and any separate submittal policies, requirements and/or checklists that may be obtained from City staff), including the number of plans to be submitted, application fees, etc. Please contact City staff in advance for submittal requirements.

**All application materials (one copy) must be delivered to the City's Planner.** The name, address, phone number, etc. of the City's Planner can be obtained from City staff. Failure to submit all materials to the City's Planner may result in delays scheduling the zoning application for a P&Z agenda.

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I hereby certify that I am the Owner, or the duly authorized agent of the Owner (proof of authorization attached), for the purposes of this application, and that all information submitted herein is complete, true and correct to the best of my knowledge. I understand that submitting this application does not constitute approval, and incomplete applications will result in delays and possible denial.

Signed: Judy Campbell Title: \_\_\_\_\_ Date: 6-5-20



SUBSCRIBED AND SWORN TO before me, this the 5 day of June, 2020  
(Month) (Year)  
 Notary Public in and for the State of Texas: Rachel Anne Sexton  
 My Commission Expires On: 3/9/2021

**Office Use Only:** Date Rec'd: \_\_\_\_\_ Fees Paid: \$ \_\_\_\_\_ Check #: \_\_\_\_\_ Receipt #: \_\_\_\_\_  
 Zoning Case # \_\_\_\_\_ Accepted By: \_\_\_\_\_ Official Submittal Date: \_\_\_\_\_



# ZONING APPLICATION

City of Seagoville, Texas

ANTICIPATED MEETING DATES: P&Z: \_\_\_\_\_ City Council: \_\_\_\_\_

DATE OF PRE-APPLICATION CONFERENCE WITH CITY REPS & PLANNER (required): \_\_\_\_\_

**Application Type:**

- Initial Zoning (newly annexed or Agricultural property)
- Rezoning (property currently zoned)
- Planned Development (PD) – see Zoning Ordinance for special requirements and procedures
- Specific Use Permit (SUP) – see Zoning Ordinance for special requirements and procedures

Name of Subdivision or Project: Newell Tower TX 2001 Campbell Site (Seagoville, TX)

Physical Location of Property: 2737 N. US 175 75159  
[General Location – approximate distance to nearest existing street corner]

Brief Legal Description of Property (must also attach accurate Surveyor's metes and bounds description):  
Tract 39 of Herman Heidee Abstract 541, Pg 505  
[Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block]

Acreage: 13.3 Existing Zoning: C Requested Zoning: C-SUP - Reapproval  
[Attach a detailed description of requested zoning & development standards, if a PD]

Applicant / Owner's Name: Judy Campbell Applicant or Owner (circle one)

Contact Person: Judy Campbell Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

Street/Mailing Address: 412 W. Stark Rd. City: Seagoville State: TX Zip: 75159

Phone: (214) 532-0421 Fax: ( ) Email Address: Customseats@sbcglobal.net

Engineer / Representative's Name: Kathy Kelly

Contact Person: \_\_\_\_\_ Title: Owner

Company Name: Kelly Comm

Street/Mailing Address: 3708 Strawall Cir City: Atlanta State: GA Zip: 30339

Phone: (770) 330-9784 Fax: ( ) Email Address: Kathy.Kelly@kellycommss.com

**SUBMITTAL DEADLINE: 30 DAYS PRIOR TO P&Z PUBLIC HEARING DATE.** (All zoning applications must be advertised in the newspaper, and notices must be mailed to all property owners within 200 feet of the subject property. Please contact City staff in advance for submittal deadlines.)

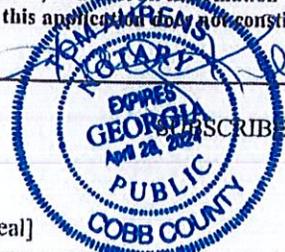
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I hereby certify that I am the Owner, or the duly authorized agent of the Owner (proof of authorization attached), for the purposes of this application, and that the information submitted herein is complete, true and correct to the best of my knowledge. I understand that submitting this application does not constitute approval, and incomplete applications will result in delays and possible denial.

Signed: \_\_\_\_\_ Title: Applicant Date: 6/9/20



Subscribed and sworn to before me, this 9<sup>th</sup> day of JUNE, 2020

Notary Public in and for the State of Texas: Tom [Signature]  
My Commission Expires On: 4-28-2024

Office Use Only: Date Rec'd: 6/11/2020 Fees Paid: \$ 750 Check #: 1131 Receipt #: 623986  
Zoning Case # 22020-09 Accepted By: ASB Official Submittal Date: 6/12/2020



Mail Processing Center  
 Federal Aviation Administration  
 Southwest Regional Office  
 Obstruction Evaluation Group  
 10101 Hillwood Parkway  
 Fort Worth, TX 76177

Aeronautical Study No.  
 2019-ASW-2116-OE

Issued Date: 03/25/2019

Kathy Kelly  
 Kelly Communication Structures, LLC  
 3708 Stonewall Circle  
 Atlanta, GA 40067

**\*\* DETERMINATION OF NO HAZARD TO AIR NAVIGATION \*\***

The Federal Aviation Administration has conducted an aeronautical study under the provisions of 49 U.S.C., Section 44718 and if applicable Title 14 of the Code of Federal Regulations, part 77, concerning:

Structure:	Monopole TX2001 Seagoville
Location:	Seagoville, TX
Latitude:	32-39-55.03N NAD 83
Longitude:	96-35-01.12W
Heights:	432 feet site elevation (SE) 199 feet above ground level (AGL) 631 feet above mean sea level (AMSL)

This aeronautical study revealed that the structure does not exceed obstruction standards and would not be a hazard to air navigation provided the following condition(s), if any, is(are) met:

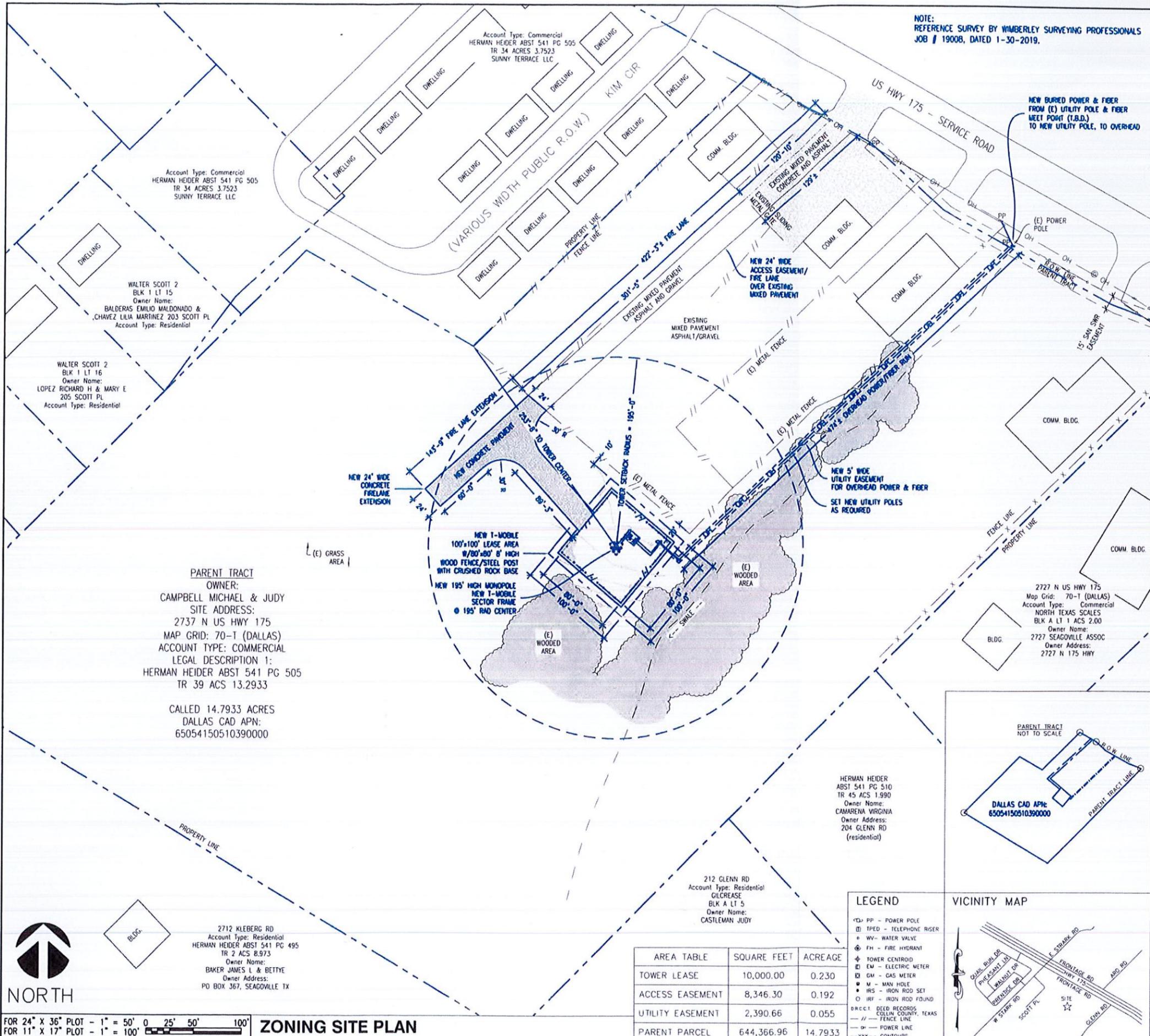
It is required that FAA Form 7460-2, Notice of Actual Construction or Alteration, be e-filed any time the project is abandoned or:

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 Within 5 days after the construction reaches its greatest height (7460-2, Part 2)

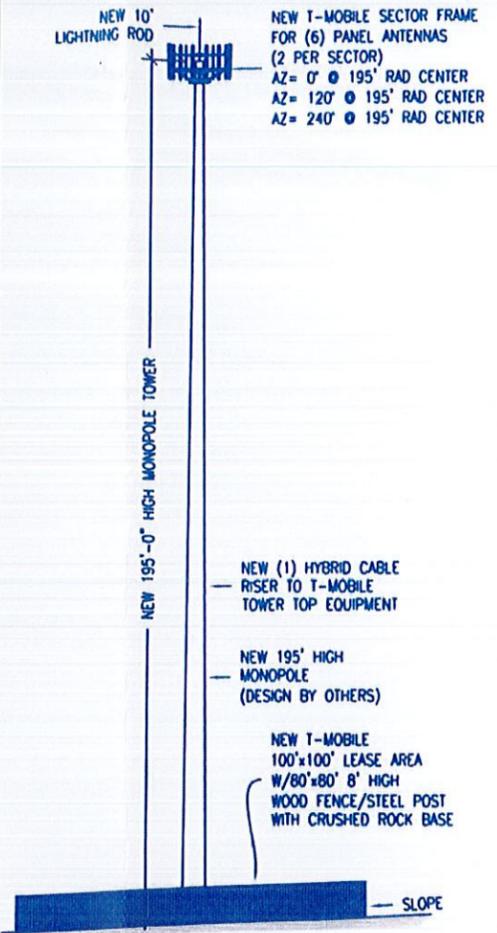
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This determination expires on 09/25/2020 unless:

- (a) the construction is started (not necessarily completed) and FAA Form 7460-2, Notice of Actual Construction or Alteration, is received by this office.
- (b) extended, revised, or terminated by the issuing office.
- (c) the construction is subject to the licensing authority of the Federal Communications Commission (FCC) and an application for a construction permit has been filed, as required by the FCC, within 6 months of the date of this determination. In such case, the determination expires on the date prescribed by the FCC for completion of construction, or the date the FCC denies the application.



NOTE:  
REFERENCE SURVEY BY WIMBERLEY SURVEYING PROFESSIONALS  
JOB / 19008, DATED 1-30-2019.



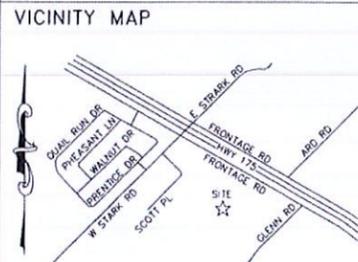
Tower Elevation - looking Northwest  
FOR 24" X 36" PLOT - 1" = 20'  
FOR 11" X 17" PLOT - 1" = 40'

**PARENT TRACT**  
OWNER:  
CAMPBELL MICHAEL & JUDY  
SITE ADDRESS:  
2737 N US HWY 175  
MAP GRID: 70-T (DALLAS)  
ACCOUNT TYPE: COMMERCIAL  
LEGAL DESCRIPTION 1:  
HERMAN HEIDER ABST 541 PG 505  
TR 39 ACS 13.2933  
  
CALLED 14.7933 ACRES  
DALLAS CAD APN:  
65054150510390000

2712 KLEBERG RD  
Account Type: Residential  
HERMAN HEIDER ABST 541 PG 495  
TR 2 ACS 8.973  
Owner Name:  
BAKER JAMES L & BETTYE  
Owner Address:  
PO BOX 367, SEAGOVILLE TX

AREA TABLE	SQUARE FEET	ACREAGE
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PARENT PARCEL	644,366.96	14.7933

- LEGEND**
- PP - POWER POLE
  - TPED - TELEPHONE RISER
  - WV - WATER VALVE
  - FH - FIRE HYDRANT
  - TOWER CENTROID
  - EM - ELECTRIC METER
  - GM - GAS METER
  - M - MAN HOLE
  - IRS - IRON ROD SET
  - IRF - IRON ROD FOUND
  - DRCC1 - DEED RECORDS COLLIN COUNTY, TEXAS
  - FENCE LINE
  - POWER LINE
  - CONTOURS



**PROJECT SUMMARY:** NEW 195' MONOPOLE TOWER WITH NEW UNMANNED COMMUNICATION EQUIPMENT AT BASE OF TOWER

**CONTRACTORS:** A&E CONTRACTOR  
ALLPRO CONSULTING GROUP, INC.  
9221 LYNDON B. JOHNSON FRY  
SUITE 204, DALLAS, TX 75243  
CONTACT: JOE W. GEORGE, P.E.  
OFFICE: 972-231-8893  
FAX: 866-364-8375

**SURVEY:** WIMBERLEY SURVEYING PROFESSIONALS  
RON D WIMBERLEY, R.P.L.S.  
PO BOX 9237  
GREENVILLE, TX 75404  
PHONE: 903-455-8100

**APPLICANT:** KELLY COMMUNICATION TOWERS, LLC  
3708 STONEWALL CIRCLE DW  
ATLANTA, GA 30339  
CONTACT: KATHY KELLY  
PHONE: 803-609-0535  
PHONE: 770-330-9784

**LANDLORD:** MICHAEL & JUDY CAMPBELL  
412 N. STARK RD.  
SEAGOVILLE, TX 75159  
PHONE: 972-287-5235

**TEXAS ONE CALL:** CONTRACTOR TO CALL 48 HOURS BEFORE DIGGING  
PHONE: 800-545-6005  
INDEPENDENT LOCATORS  
TO BE USED ON ALL SITES

**PARENT TRACT**  
OWNER: CAMPBELL MICHAEL & JUDY  
CALLED 14.7933 ACRES  
HARMAN HIDER SURVEY, ABSTRACT NO. 541  
DALLAS CAD APN: 65054150510390000  
DEED REF.: VOL. 96044, PG. 1966  
D.R.D.C.T.  
TITLE EXCEPTION  
(B10-ITEM K)



ACGI NO: 18-7869  
DRAWN BY: CG  
CHECKED BY: RS  
02/19 ZONING REVIEW  
13/19 REVISED PER COMMENTS  
23/19 REVISED PER COMMENTS

**ALLPRO**  
CONSULTING GROUP, INC.  
9221 Lyndon B. Johnson Fry  
Suite 204, Dallas, TX 75243  
Phone: 972-231-8893  
Fax: 866-364-8375  
www.allproeq.com  
registration no. 9242

**Kelly Communications**  
SITE: TX2001  
SEAGOVILLE  
  
T-MOBILE SITE  
DA02068  
  
2737 N US HWY 175  
SEAGOVILLE, TX 75159  
DALLAS COUNTY  
32.665286°, -96.583644°

SHEET TITLE  
ZONING SITE PLAN  
  
SHEET NUMBER  
**Z-1**

**NORTH**  
FOR 24" X 36" PLOT - 1" = 50'  
FOR 11" X 17" PLOT - 1" = 100'

**ZONING SITE PLAN**

Exhibit 5b





**MINUTES**  
for the  
**SEAGOVILLE PLANNING AND ZONING COMMISSION**  
**Special meeting scheduled to begin at**  
**6:30 p.m. on Tuesday, July 14, 2020**  
in the City Hall Council Chambers  
at 702 North U.S. Highway 175; Seagoville, Texas

Chairman Mike Dupuis called the meeting to order at 6:32 p.m.

**Present:** Commissioner and Chairman Mike Dupuis  
Commissioner and Vice Chairman David Grimes  
Commissioner Heather Rice  
Commissioner Tommy Lemond

**Absent:** Commissioner Tyree Roberson  
Commissioner Charles Galbreth  
Commissioner Olu Olajimi

**City Staff:** Community Development Director Ladis Barr  
Planner Jennifer Bonner

Commissioner Lemond was asked to lead the group in an invocation. Afterwards, the chairman led the Pledge of Allegiance.

Chairman Dupuis gave an opportunity for the public to comment on items not on the agenda. No one came forward so the meeting moved forward.

1. **APPROVAL OF MINUTES:** Consider the minutes of the special meeting of the Planning and Zoning Commission that was held on Tuesday, June 16, 2020.

The chairman asked if there were any corrections to the minutes supplied by staff in the meeting packet from the special P&Z meeting. Vice Chairman David Grimes moved to **APPROVE** the minutes as submitted. Commissioner Lemond seconded the motion. By a show of hands, the minutes were approved four (4) to zero (0).

2. **ELECTION OF OFFICERS:** Discuss and elect chairman and vice-chairman of the Planning and Zoning Commission for the next 12 months.

The chairman asked if there were any volunteers for the officer positions. With no comment from the commissioners, the vice chair and chairman both voiced that they would be willing to serve again if the rest of the commission wanted them to. Commissioner Lemond moved to **RETAIN**

the current officers. Commissioner Rice seconded the motion. By a show of hands, the motion was approved four (4) to zero (0).

3. **ZONING REQUEST Z2020-09: PUBLIC HEARING** Conduct a public hearing, discuss, and make a recommendation to City Council on a zoning change request on about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower.

Chairman Dupuis introduced the first item of business on the agenda. At 6:36 pm, the chairman opened the public hearing and asked for the staff report.

Planner Jennifer Bonner began describing where the tower will be located on the property per the agenda comm. She then moved on to the staff report. This application was heard by the P&Z initially in March 2019. Then a merger of the service providing companies T-Mobile and Sprint delayed the construction of this tower. The merger received federal approval as the corona virus hit. It was during the corona virus that the applicant realized their previous approval had expired. Tonight they are asking for approval again. The tower's construction is now planned for September 2020. This commission is not bound by the previous approval. Staff is recommending approval with several conditions:

- Construction of access to site per Seagoville fire lane standards.
- SUP is good for only 270 days unless the tower can be completed in that time.
- The SUP will need to be re-applied for and approved prior to any time extension on the tower's construction.
- Once the tower is completed, the SUP remains in effect until the tower is removed from the site.

Page 2 of the staff report compares the application to the 2002 Future Land Use Plan, the 2006 Master Thoroughfare Plan, and the 2009 Zoning Map. Beginning on the bottom of page 2 is the review criteria and staff analysis for a zoning change. Planner Bonner only highlighted the "no" answers of review criteria 5, 8, 10 and 11. Legal notices are listed in the middle of Page 4 with responses received. An example motion listing staff's recommended conditions of approval again on the bottom of Page 4. Planner Bonner then went through the other exhibits attached. She concluded by stating she would answer any questions the Commissioners had.

Vice Chairman Grimes stated he had some questions. Planner Bonner stated she would answer what questions she could and suggested any she could answer be saved for the applicant when they came forward. Vice Chairman Grimes asked that the fire code requires concrete fire lane? Planner Bonner said that the city's adopted fire code requires 24-foot wide concrete access drive that is engineered and is designed to meet specific weight of a fire truck. Discussion continued about a fire lane in Dallas, why Seagoville requires what we require, why concrete and not asphalt, etc. Planner Bonner then gave the background story that we applied for last year, their request was included only a 12-foot wide asphalt driveway. **The SUP was granted with the condition of a 24-foot wide concrete drive.** The applicant appealed to the Board of Adjustments for building only a 12-foot wide asphalt drive and was denied, so they are very aware that concrete 24-foot wide is required.

Commissioner Rice asked about screening. Planner Bonner replied by stating that the city's code requires screening of the lowest (six) 6 feet of an adjoining property.

There were no other questions from the commissioners.

The chairman then asked for the applicant on the project to come forward. Ms. Kathy Kelly of

Kelly Communication Towers, LLC (the proposed tower's owner) came forward introduced herself. She stated is really only here for the re-approval required because of delay from the merger. As far as screening there are existing fences on all sides of where the tower will be going, and they are adding another for security and to meet city codes for their lease area. No lighting of the site is required. Part of the planned driveway is already concrete, so will start their concrete at the end of the existing concrete. The lease contract is for 25-years, but can be renewed and the tower goes with the land if the land is sold to a new owner. Ms. Kelly said she would answer any questions the commissioner might have. There were none so the chairman thanked Ms. Kelly for coming to the meeting.

The chairman then asked for any public comments. There were none so the public hearing was closed at 6:51 pm.

The chairman then stated that he believed the commissioners were ready for someone to make a motion. Vice Chairman David Grimes moved that the Planning and Zoning Commission **APPROVE WITH CONDITIONS** the request to amend the zoning on approximately 13.3± acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit, to allow a communications cell tower. The conditions of the SUP were:

- The construction of the access drive to proposed tower's site shall meet all of Seagoville's fire lane standards.
- The Special Use Permit is only good for 270 days from its date of approval unless the tower's construction can be completed in that time.
- The Special Use Permit will need to be re-applied for **and approved** prior to granting any time extension on the tower's construction.
- Once the tower is completed, the Special Use Permit remains in effect until the tower is removed from the site.

Commissioner Rice seconded the motion. By a show of hands, the motion passed unanimously in favor (four to zero) of approving the Special Use Permit request.

4. **ZONING REQUEST Z2020-10: DEVELOPMENT REVIEW** Discuss and take necessary action on a request to approve the site and concept plans for a communications cell tower proposed to be constructed on about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175).

Chairman Dupuis introduced the next item of business on the agenda. At 6:53 pm, the chairman opened the public hearing and asked for the staff report.

Planner Jennifer Bonner began by stating the property under consideration is the same site as the item just discussed. Code requires site approval for any developments that are not one (1) single family home. Many of the items presented will be repeated information from the last item. For this item, Staff is again recommending approval with similar conditions:

- The construction of the access drive to proposed tower's site shall meet all of Seagoville's fire lane standards.
- Site plan approval will expire 270 days from the approved date of the Special Use Permit unless the tower can be completed in that time.
- The site plan will need to be re-applied for **and approved** prior to any time extension on the tower's construction.
- Once the tower is completed, the site plan remains in effect until the tower is removed from the site.

Most of page 1 and 2 of the staff report are almost exactly the same as the last item. There are fewer review criteria for a site plan approval, but several are the same as for the zoning change. Staff has provided a few code sections in the staff report that are pertinent specifically to site

plan approvals. Site plan approvals have no legal notice requirements for public comment. An example motion listing staff's recommended conditions of approval again on the bottom of Page 4. Planner Bonner then went through the other exhibits attached. The last item (zoning change) looked at the entire parcel. Site plan approvals for a cell tower shows that the tower can only go at this one location on the parcel - meaning if the tower location changes, a new site plan approval has to be acquired. She concluded by stating she would answer any questions the Commissioners had.

The chairman asked if there were any additional questions for the applicant. There were none, so he asked for a motion. Vice Chairman David Grimes moved that the Planning and Zoning Commission **APPROVE WITH CONDITIONS** the request for a site plan approval on approximately 13.3+acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) for a communications cell tower. The conditions of the site plan's approval were:

- The construction of the access drive to proposed tower's site shall meet all of Seagoville's fire lane standards.
- Site plan approval will expire 270 days from the approved date of the Special Use Permit unless the tower can be completed in that time.
- The site plan will need to be re-applied for **and approved** prior to any time extension on the tower's construction.
- Once the tower is completed, the site plan remains in effect until the tower is removed from the site.

Commissioner Rice seconded the motion. By a show of hands, the motion passed unanimously in favor (four to zero) of approving the site plan request. The chairman closed the public hearing at 6:58 pm.

5. **ZONING REQUEST Z2020-11: DEVELOPMENT REVIEW** Discuss and take necessary action on a request to approve the site and concept plans for a communications cell tower proposed to be constructed on part of Lot 2 Block A of the Sudduth Addition in PD-13-01-A2 (the Plan Development for the property at 1706 South Highway 175).

Chairman Dupuis introduced the last item of business on the agenda. At 7:01 pm, the chairman opened the public hearing and asked for the staff report.

Planner Jennifer Bonner began by stating the property in question is part of the Flea Market. She may refer to the site as the flea market or La Pulga during her presentation. The Flea Market actually sits on more than one site, but her information is focused on where the tower will be located. The property is owned by James Sudduth. Seagoville Trade Days is the official name of the business operating the flea market. Tonight they are being represented by 2 men from the applying cell phone company. The parent parcel is in a Planned Development, which does allow cell towers. Again, cell towers require site plan review and approval so that is why the P&Z is reviewing this application. She then mentioned the background of the zoning for property as listed in the agenda comm. She then moved on to the staff report, covered the location of the tower, the base zoning of the lot on which the tower will be located, and summarized the staff recommended conditions of approval. There is already a temporary cell tower on this site. Moving onto the second page of the staff report, Planner Bonner compared the subject property to the 2002 Future Land Use Map and Plan, the 2006 Thoroughfare Map and Plan, and the 2009 Zoning Map. At the time each of these maps were created, the property was in the county – not the city. The property was annexed into Seagoville in May 2012. Additionally, there is floodplain within 100-feet of the site, but the tower itself will sit above the floodplain limits. The only access will be from the Highway 175 frontage road via the internal driveways of the flea market. There are minimal issues in review criteria. The only comment of staff is that the landscape plan for the site calls for Red-tipped Photinia. Seagoville's list of

approved plant materials includes Chinese Photinia, but recommends avoiding the red-tipped Photinia. She is not sure why, but was able to determine that Photinia can easily grow into a hedge for providing the screening as well as landscaping needed. Staff has also provided various code sections that also apply to site plan approval processes, etc. At the bottom of page 4 is the example motion with the staff-recommended conditions of approval. Finally she covered the other exhibits that were attached in this portion of the meeting packet. The building plans for the tower have already been submitted so there were pages available for inclusion with this application. She concluded by stating she would answer any questions the Commissioners had.

The chairman asked about the foundation for the tower. Planner Bonner responded that most towers are designed for co-location (multiple users at different elevations on the tower). Staff and code do require a re-submittal of the tower and foundation's loading calculations with each equipment change-out or addition to confirm the tower will not fail under the revised conditions. The calculations require an engineer's stamp and signature. The chairman asked if anyone else had any questions for Planner Bonner.

The chairman then asked for a representative of the tower to come forward. Mr. Chris Cendrick of Star Towers came forward introduced himself as the developer's representative for this project. He stated that all of their towers are designed for a minimum of 4 communication carriers and the foundation is designed for the load of all 4 equipment levels. They already have an engineer looking at the access road and expect a letter from him tomorrow. Whatever is needed on the fencing will be taken care of. If the P&Z doesn't want Red-tipped Photinia, they will change it out. However, there is a camel housed on one side of where these plants are planned and he does not like anyone within 5-feet of his area. And he has eaten everything within that 5-foot area that he can.

Vice Chairman Grimes asked how long their lease is for. Mr. Cendrick responded that the lease contract is for 50-years.

Commissioner Lemond asked how far the tower will sit from the frontage road. Mr. Cendrick responded over 1,000-feet.

There were none so the chairman thanked Mr. Cendrick for coming to the meeting.

The chairman then stated that he believed the commissioners were ready for someone to make a motion. Vice Chairman David Grimes moved that the Planning and Zoning Commission **APPROVE WITH CONDITIONS** the request for the proposed site plan, tower construction and landscaping installed as submitted with application Z2020-11. The conditions of the site plan's approval were:

- Submittal of an engineer's letter by the property owner stating the existing access can support an 85,000-pound fire truck. If such a letter cannot be provided, the plans will need to be revised to include an engineered 24-foot wide concrete fire lane to the tower's site.
- Site plan approval expires in 6 months (183 days) unless the tower's construction is completed in that time.
- The site plan will need to be re-applied for **and approved** prior to any time extension on the tower's construction.

Commissioner Lemond seconded the motion. By a show of hands, the motion passed unanimously in favor (four to zero) of approving the site plan with the listed conditions. The public hearing was closed at 7:18 pm.

6. **ANNOUNCEMENTS:** Planner Bonner read the schedule of upcoming city meeting dates and times.

Chairman Dupuis adjourned the meeting at 7:20 pm.

**APPROVED:**

---

Mike Dupuis  
Planning & Zoning Commission Chairman

**ATTEST:**

---

Jennifer Bonner, Planner and  
Planning & Zoning Commission Liaison

**AN ORDINANCE OF THE CITY OF SEAGOVILLE, TEXAS**

**ORDINANCE NO. 13-2020**

**AN ORDINANCE OF THE CITY OF SEAGOVILLE, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE AND MAP OF THE CITY OF SEAGOVILLE, AS AMENDED, BY GRANTING, SUBJECT TO CONDITIONS, A SPECIAL USE PERMIT ("SUP") FOR A MONOPOLE COMMUNICATIONS TOWER TO BE LOCATED ON PROPERTY ZONED "C", COMMERCIAL, BEING APPROXIMATELY 13.3± ACRES OF REAL PROPERTY LOCATED AT 2737 NORTH HIGHWAY 175, IN THE CITY OF SEAGOVILLE, DALLAS COUNTY, TEXAS, AND BEING LEGALLY DESCRIBED AS TRACT 39 OF HERMAN HEIDER ABSTRACT 541; PROVIDING FOR THE APPROVAL OF THE SITE PLANS, WHICH ARE ATTACHED HERETO AND INCORPORATED HEREIN AS EXHIBITS "A" AND "B", RESPECTIVELY; PROVIDING FOR A REPEALING CLAUSE; PROVIDING FOR A SAVINGS CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of Seagoville ("City") received application for the placement of a monopole communication tower ("cell tower") on a portion of an approximate 13.3± acre tract of land located at 2737 North Highway 175, Seagoville, Dallas County, Texas; and

**WHEREAS**, the cell tower itself, not the property, will have a separate address upon approval; and

**WHEREAS**, the Planning and Zoning Commission of the City of Seagoville and the City Council of the City of Seagoville, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes have given requisite notices by publication and otherwise, and have held due hearings and afforded a full and fair hearing to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof, and the City Council of the City of Seagoville is of the opinion and finds that a zoning change should be granted subject to the conditions stated herein, and that the Comprehensive Zoning Ordinance and Map should be amended.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**SECTION 1:** That the Comprehensive Zoning Ordinance and Map of the City of

Seagoville, Texas, be and the same is hereby amended by granting a Special Use Permit, subject to the following conditions, for a monopole communications tower to be located on property zoned C, Commercial, being approximately 13.3± acres of real property located at 2737 North Highway 175, in the City of Seagoville, Dallas County, Texas, and being legally described as tract 39 of Herman Heider Abstract 541:

- A. Construction of the access drive to the proposed tower's site shall meet all of Seagoville's fire lane standards and requirements;
- B. The Special Use Permit granted by this Ordinance shall expire 270 days from the date of approval of this Ordinance if construction of the monopole communications tower is not completed on or before that date;
- C. If construction of the monopole communications tower is not completed within 270 days from the date of approval of this Ordinance, a new application for a special use permit will be required to provide any extension of time for completion of construction; and
- D. Upon timely completion of construction of the monopole communications tower, the Special Use Permit granted by this Ordinance remains in effect until the tower is removed.

**SECTION 2:** That the Site Plans, which are attached hereto and incorporated herein as Exhibits "A" and "B", respectively, are hereby approved.

**SECTION 3.** That the property described shall be used only for the purposes set out in accordance with the City of Seagoville's Zoning Ordinance and all other ordinances, codes, and policies of the City of Seagoville, as amended.

**SECTION 4:** That all provisions of the Ordinances of the City of Seagoville, Texas, in conflict with the provisions of this ordinance as amended be hereby repealed and all other provisions not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 5:** That should any sentence, paragraph, subdivision, clause, phrase, or section of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance or the Comprehensive Zoning Ordinance as a whole, or any part or provision thereof, other than the part declared to be invalid, illegal, or unconstitutional.

**SECTION 6:** That any person, firm, or corporation violating, disobeying, neglecting, refusing to comply with, or resisting the enforcement of any of the provisions or terms of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, shall be subject to the same penalty of two thousand dollars (\$2,000.00) for each offense as provided for in the Comprehensive Zoning Ordinance of the City of Seagoville, as heretofore amended. Each and

every day such a violation continues or is allowed to exist shall constitute a separate offense.

**SECTION 7:** That this ordinance shall take effect immediately from and after its passage and the publication of its caption, as the law and charter in such cases provide.

**DULY PASSED** by the City Council of the City of Seagoville, Texas this 3<sup>rd</sup> day of August, 2020.

**APPROVED:**

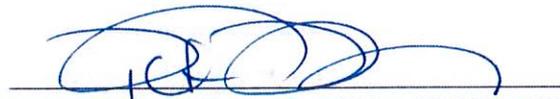


DENNIS, K. CHILDRESS, MAYOR

**ATTEST:**

  
KANDI JACKSON, CITY SECRETARY

**APPROVED AS TO FORM:**

  
VICTORIA THOMAS, CITY ATTORNEY  
(cdb R-07/28/20)







Kelly Communication Structures, Inc.  
770.330.9784

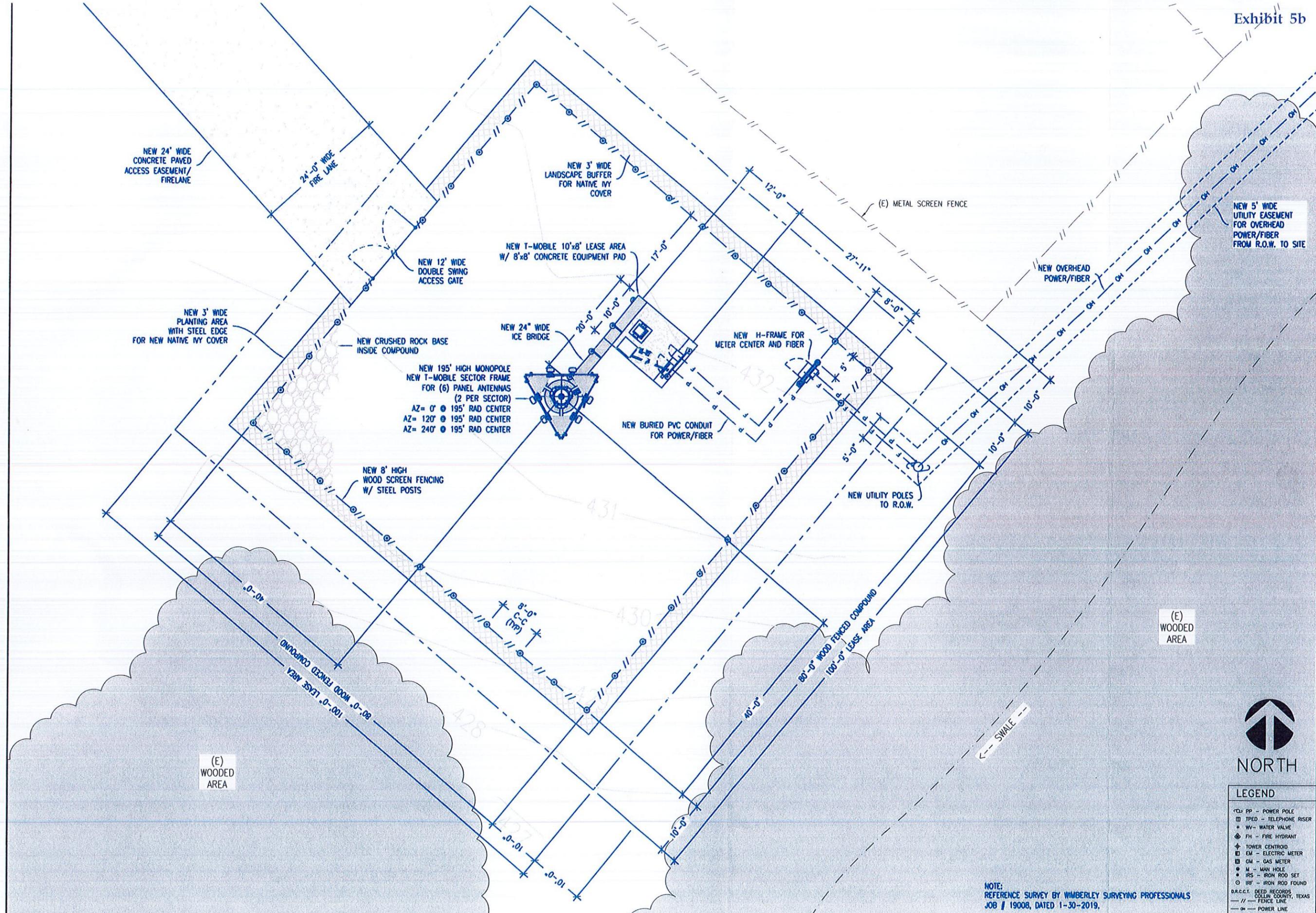
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SEAGOVILLE  
  
T-MOBILE SITE  
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2737 N US HWY 175  
SEAGOVILLE, TX 75159  
DALLAS COUNTY  
  
32.665286°, -96.583644°

SHEET TITLE  
ENLARGED  
ZONING SITE PLAN

SHEET NUMBER  
**Z-2**



NOTE:  
REFERENCE SURVEY BY WIMBERLEY SURVEYING PROFESSIONALS  
JOB / 19008, DATED 1-30-2019.

**LEGEND**

- ⊕ PP - POWER POLE
- ⊕ TPED - TELEPHONE RISER
- ⊕ WV - WATER VALVE
- ⊕ FH - FIRE HYDRANT
- ⊕ TOWER CENTROID
- ⊕ EM - ELECTRIC METER
- ⊕ GM - GAS METER
- ⊕ M - MAN HOLE
- ⊕ IRS - IRON ROD SET
- ⊕ IRF - IRON ROD FOUND
- DEED RECORDS COLLIN COUNTY, TEXAS
- FENCE LINE
- POWER LINE
- XXX--- CONTOURS



FOR 24" X 36" PLOT - 1/8" = 1'0" 2' 4" 8" 16"  
FOR 11" X 17" PLOT - 1/16" = 1'0" 2' 4" 8" 16"

**ENLARGED ZONING SITE PLAN - COMPOUND LAYOUT**

LAWRENCE









COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

**DATE:** JULY 14, 2020  
**AUTHOR:** JENNIFER BONNER, PLANNER  
**OWNER:** JUDY CAMPBELL  
**APPLICANT:** KELLY COMMUNICATION TOWERS LLC  
**LOCATION:** 2737 NORTH HIGHWAY 175 (UNPLATTED TRACT 39 OF HERMAN HEIDER ABSTRACT 541)

**REQUEST SUMMARY:**

Kathy Kelly of Kelly Communication Towers, LLC (proposed tower's owner) is representing land owner Judy Campbell in her request for a Special Use Permit to allow a new communications cell tower on the east side of Scott Place and south of U.S. Highway 175 at the location under the yellow star. The parent parcel is also outlined in yellow.

This application was initially heard by the P&Z in March 2019. Due to a merger of T-Mobile and Sprint, the construction of the tower was delayed until the merger could be approved. Then coronavirus hit after the applicant realized their initial approval had expired. The applicant has informed staff that tower construction is planned for September of this year.



**REQUEST LOCATION:** Inside City, Dallas County

SIZE OF PROPERTY	EXISTING ZONING	SURROUNDING ZONING	EXISTING LAND USE	SURROUNDING LAND USE
0.230-acres for tower; 13.3-acres for parent parcel	C, Commercial	<p><b>Northwest:</b> A, Apartment and LR, Local Retail</p> <p><b>Southwest:</b> R-2, Single Family Residential and R-5, Single Family Residential</p> <p><b>Northeast:</b> C, Commercial</p> <p><b>Southeast:</b> R-2, Single Family Residential and R-5, Single Family Residential</p>	Highway frontage has Commercial business while rest of lots is mostly vacant	<p><b>Northwest:</b> Low Density Residential, Medium Density Residential, Retail</p> <p><b>Southwest:</b> Low Density Residential</p> <p><b>Northeast:</b> Retail</p> <p><b>Southeast:</b> Low Density Residential</p>

**STAFF RECOMMENDATION:**

Approve

Approve with Conditions

Deny

**RECOMMENDED CONDITIONS:**

- Construction of access to site per Seagoville fire lane standards.
- SUP is good for only 270 days unless the tower can be completed in that time.
- The SUP will need to be re-applied for **and approved** prior to any time extension on the tower's construction.
- Once the tower is completed, the SUP remains in effect until it is removed from the site.

This request is reviewed by the Planning and Zoning Commission to make a recommendation to the City Council, which makes the final decision on approval of the request.

Detailed explanations follow on the attached pages.	
STANDARD:	STAFF ANALYSIS:
Development Calendar (Deadlines)	Has Met
Application(s) Requirements	Has Met
Zoning Code	Has Met

**COMPARISON TO ADOPTED CITY MASTER PLANS**

**STAFF ANALYSIS**

**PLAN GOALS OR GUIDELINES**

**2002 Future Land Use Plan and Map**

The tower in the request is planned for the location under bright yellow star. This parcel is in a planned area of Commercial (brown color) as shown in the map to the right. The tower will be to the left of the creek shown in this map and behind the existing commercial uses along the eastbound U.S. Highway 175 frontage road.

All light yellow colored areas are planned to be Low Density Residential. Areas in red are expected to become Local Retail. The mustard yellow colored areas are expected to become Medium Density Residential.

Meets Standard



**2006 Master Thoroughfare Plan and Map**

The proposed site for this request (green star outlined in pink) will only have access to the eastbound frontage road of U.S. Highway 175 (not labeled but shown by the wide grey line in the map) via the existing businesses parking lots and driveways.

The dashed yellow line to the left depicts the city limit line separating Seagoville from Dallas.

Meets Standard

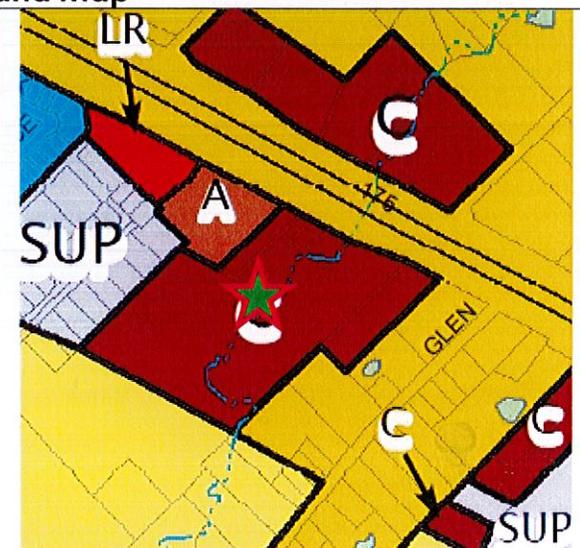


**2009 Zoning Plan and Map**

The green star outlined in pink shows the location of the planned cell tower, which will be to the left of the creek shown in the map. The red-brown color is Commercial.

The brown area labeled A is an apartment complex. The blue area is a Planned Development of single family homes on the west side of Stark Road. The red area of LR is Local Retail on the corner of Highway 175 and Stark Road. All of the mustard yellow areas are zoned R-5, Residential Single Family. The light yellow areas in the bottom half of the map are zoned R-2, Residential Single Family. The 1978 version of this map shows the SUP (light purple colored) area to the left of the star as also being R-5. Staff has not been able to locate the ordinance that created the Special Use Permit (SUP) on the map at this location.

Meets Standard



**REVIEW CRITERIA**

**STAFF ANALYSIS**

1. Will the use conform to off-street parking and loading requirements?

Yes As this Special Use Permit (SUP) is for an unmanned site, it will have limited parking and loading requirements.

REVIEW CRITERIA	STAFF ANALYSIS	
2. Has a site plan been submitted showing the layout of the proposed development and use?	Yes	A concept plan for the tower's construction was submitted with the application for the request for this SUP.
3. Are all of the ingress and egress ways adequate?	Yes	Since ingress and egress will be via a new 24-foot fire lane onto the eastbound frontage road for US Highway 175, these criteria will be met.
4. Are the size and shape of the site as well as the arrangement of the proposed structure(s) in keeping with the intent of the Code?	Yes	The application will change the zoning for the entire parent parcel (13.3±acres) even though only 0.23-acres are needed for the tower site.
5. Will granting the permit be authorizing less than the minimum requirements in regards to height, area, setbacks, parking, or landscaping?	No	The tower will require an FAA light on top. The base of the tower will be at about the same elevation as the homes on Scott Place and slightly lower than those along Highway 175 and along Glenn Road. The mature trees on the east, south, and west sides of the property plus the screening fences for the businesses along the Highway will help hide or camouflage the tower's location, but not completely eliminate it from view.
6. Are there any outside lighting or screening controls that needs to be installed?	Yes	There will only be the required safety lighting of the top of the tower during periods of non-daylight. A wood screening fence is planned for screening the tower's compound.
7. Will the proposed landscaping and screening be compliant with all City regulations?	Yes	There are trees of significant height on the east, south, and west sides of the proposed site. The north side is fenced with metal panels screening the businesses along the highway. A landscaping plan has been submitted that uses plants in the landscape section of the zoning code. It also appears to be using the alternative landscaping plan section by the use of native vines in a 3-foot landscape buffer in combination with a wood screening fence.
8. Are there any special setbacks that are needed between this use and adjoining properties?	No	Within 300-feet of the planned 195-foot tall tower, there are only parts of 1 of the 16 apartment buildings on Kim Circle.
9. What type of surfacing will be applied to parking areas and drives?	Yes	The drive used to access the tower site will be a 24-foot-wide access easement with a concrete driveway meeting the City's fire lane requirements.
10. Will curbs and drainage structures be installed as part of the project?	No	A paved driveway will be provided but no curbs, gutters, or other drainage structures.
11. Will granting the permit be authorizing any use that is not allowed or that defies the intent of the district it will be located in?	No	The Special Use Permit portion of the code allows communication towers in all zoning districts.
12. Will the use be designated, located, and operated so that the public health, safety, and welfare will be protected?	Yes	Staff has confirmed that the tower will be located so no portion of the tower would fall onto any adjoining parcel if the tower was to have a failure at its base once it was constructed.
13. Will the land use be compatible with other area properties located nearby?	Yes	The erection of the tower is the only special use being asked for on this property. The rest of the land's use will remain commercial.
14. Will the use conform to all provisions in the Code for the district in which the use is to be located?	Yes	The Special Use Permit portion of the code allows communication towers in all zoning districts

**STAFF REPORT  
Z2020-09**

REVIEW CRITERIA	STAFF ANALYSIS	
15. Will the use facilitate public convenience at that location?	Yes	Since ingress and egress will be via a new 24-foot fire lane onto the eastbound frontage road for US Highway 175, these criteria will be met.
16. Have safeguards limiting noxious or offensive emissions, including light, noise, glare, dust, and odor been addressed?	Yes	Once construction of the tower is complete, there should be no issues with any of these items as the structure as the base of the tower will be unmanned except during maintenance and repairs.
17. Will the signage conform to those portions of the Municipal Code?	Yes	There will be limited signage on-site. Any public signage will be placed on the gate or at the end of the driveway.
18. Will the open space be maintained by the owner/developer?	Yes	The current property owner will continue to maintain all areas outside the site except the landscaping at the base of the wall. The tower and area inside the site will have its own regular maintenance schedule. Landscaping maintenance will need to be coordinated between the land owner and tower operator.

**Public Comments Received:** A legal ad was also published per the Texas Local Government Code in the Friday, June 26, 2020, edition of the Daily Commercial Record newspaper. Not including the subject parcel, there are twenty-one (21) properties, one (1) federal highway, and no (zero) public streets within 200-feet of the boundary of the subject area. The owners of each parcel were notified in compliance with the 200-foot rule by mail on Monday, June 29, 2020. As of the date of this report, Wednesday, July 8, 2020, one (1) property owners have responded in favor of the request. Two (2) letters have been returned against the request. No (zero) letters have been returned as undeliverable by the U.S. Postal Service. Any responses received after the emailing of the packet to the Commissioners will be made available at the meeting.

**Planning Commission Decision:**

I, (P&Z Commissioner states their name), move that the Planning and Zoning Commission's recommendation to the City Council be for the Council members to (P&Z Commissioner to state which)

**Approve**

**Approve with Conditions**

**Deny**

the request to amend the zoning on about 13.3+ acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower.

The Planning Commission hereby ascribes the following Conditions to the Approval of this Special Use Permit request:

- The construction of the access drive to proposed tower's site shall meet all of Seagoville's fire lane standards.
- The Special Use Permit is only good for 270 days from its date of approval unless the tower's construction can be completed in that time.
- The Special Use Permit will need to be re-applied for *and approved* prior to granting any time extension on the tower's construction.
- Once the tower is completed, the Special Use Permit remains in effect until it is removed from the site.
- \_\_\_\_\_
- \_\_\_\_\_

## ***Regular Session Agenda Item: 3***

**Meeting Date:** April 15, 2019

### **ITEM DESCRIPTION:**

Conduct a public hearing on a request to grant a Special Use Permit ("SUP") for a monopole communications tower to be located on property zoned "C", Commercial, being approximately 13.3± acres of real property located at 2737 North Highway 175, in the City of Seagoville, Dallas County, Texas and being legally described as Tract 39 of Herman Heider Abstract 541 and approval of the site plans.

### **BACKGROUND OF ISSUE:**

Michael and Judy Campbell (the property owners), Kelly Communication Towers, LLC (the proposed tower's owner), and tower representative Bill Bauman are requesting a zoning change from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower on a portion of approximately about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175).

The land area for the proposed tower is currently unimproved and is located over four hundred (400) feet behind and across a creek from the part of the parcel containing the commercial business named Slick Stich Custom Upholstery. The fire lane and driveway for accessing the tower site will extend the existing driveway between 2743 and 2745 North Highway 175.

Planning & Zoning Commission makes a recommendation to City Council, who will make the final decision.

The existing zoning, land uses, and relevant portions of the City's comprehensive plan are each referenced in the attached staff report. The report also provides a recommendation from Staff on whether the P&Z and City Council should deny or approve the applicant's request.

### **FINANCIAL IMPACT:**

No city funds will be used for the development of this project.

## **RECOMMENDATION:**

Besides the parcels in question, there are twenty-four (24) properties, and no (zero) public streets within 200-feet of the boundary of the subject area. The owners of each parcel were notified in compliance for the Planning and Zoning Commission meeting with the 200-foot rule by mail on Thursday, March 7, 2019. A legal ad was also published per the Texas Local Government Code in the Wednesday, March 6, 2019, edition of the Daily Commercial Record newspaper. The applicant is also a neighboring property owner and responded in favor of the request for each of their properties. One (1) letters was returned against the request in writing. One (1) property owner spoke with Staff near the site on the day of the P&Z meeting and left a written response against the request that stated there were two (2) attached pages, but didn't leave a copy of these "attached" pages for the P&Z to have during their review. No (zero) letters were returned as undeliverable by the U.S. Postal Service. No one spoke for or against the item at the P&Z meeting. The "attached" pages from the one letter were provided 2 days after the P&Z meeting.

For the City Council meeting, the owners of each parcel were again notified in compliance with the 200-foot rule by mail on Wednesday, April 3, 2019. A legal ad was also published per the Texas Local Government Code in the Friday, March 29, 2019, edition of the Daily Commercial Record newspaper. As of the date of this report, Tuesday, April 9, 2019, no (zero) additional property owners have responded for or against the request in writing. No (zero) letters have been returned as undeliverable by the U.S. Postal Service. Any responses received after the emailing of the packet to the Commissioners will be attached to the end of the Staff Report.

On March 26<sup>th</sup>, the Planning and Zoning Commission voted four (4) to zero (0) in favor of recommending approval of the request with conditions to amend the zoning on about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower. The recommended conditions of approval were as follows:

- Approval of the SUP for 270 days unless the tower cannot be completed in that length of time.
- The SUP shall need to be re-applied for and approved prior to any time extension on the tower's construction.
- The SUP would remain once the tower is completed and would remain in effect until the tower is removed from the property.
- Construction of a 24-foot-wide concrete fire lane.

Staff recommended approval of the application with the first three (3) conditions listed above.

## **EXHIBITS:**

Each of the following are set for printing on letter-sized paper unless otherwise listed.

1. Staff Report (4 pages)
2. 2017 aerial photograph from DCAD website
3. Dimensional map from DCAD website
4. Zoning map reference (dimensional map with zoning added as well as proposed tower site)
5. Zoning application (total of 4 pages)
  - a. Application (2 pages)
  - b. Concept (2 sheets 11x17)
6. Public hearing notice to newspaper
7. Public hearing notice to property owners within 200 feet (2 pages)
8. List of property owners within 200 feet of subject parcel
9. Copies of owner letters returned for P&Z meeting (total of 8 pages: explanation cover page, 4 letters of a single page, and 1 letter of 3 pages)

**AN ORDINANCE OF THE CITY OF SEAGOVILLE, TEXAS**

**ORDINANCE NO. \_\_\_\_-2019**

**AN ORDINANCE OF THE CITY OF SEAGOVILLE, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE AND MAP OF CITY OF SEAGOVILLE, AS AMENDED, BY GRANTING A SPECIAL USE PERMIT ("SUP") AUTHORIZING A MONOPOLE COMMUNICATIONS TOWER TO BE LOCATED ON PROPERTY ZONED "C", COMMERCIAL, BEING APPROXIMATELY 13.3± ACRES OF REAL PROPERTY LOCATED AT 2737 NORTH HIGHWAY 175, IN THE CITY OF SEAGOVILLE, DALLAS COUNTY, TEXAS, AND BEING LEGALLY DESCRIBED AS TRACT 39 OF HERMAN HEIDER ABSTRACT 541; PROVIDING FOR THE APPROVAL OF THE SITE PLAN, WHICH IS ATTACHED HERETO AND INCORPORATED HEREIN AS EXHIBITS "A" AND "B", RESPECTIVELY; PROVIDING FOR A REPEALING CLAUSE; PROVIDING FOR A SAVINGS CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of Seagoville ("City") received application for the placement of a monopole communication tower ("cell tower") on a portion of an approximate 13.3± acre tract of land located at 2737 North Highway 175, Seagoville, Dallas County, Texas; and

**WHEREAS**, the cell tower itself, not the property, will have a separate address upon approval; and

**WHEREAS**, the Planning and Zoning Commission of the City of Seagoville and the City Council of the City of Seagoville, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes have given requisite notices by publication and otherwise, and have held due hearings and afforded a full and fair hearing to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof, and the City Council of the City of Seagoville is of the opinion and finds that a zoning change should be granted, and that the Comprehensive Zoning Ordinance and Map should be amended.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**SECTION 1:** That the Comprehensive Zoning Ordinance and Map of the City of

Seagoville, Texas, be and the same is hereby amended by granting a Special Use Permit authorizing a monopole communications tower to be located on property zoned C, Commercial, being approximately 13.3± acres of real property located at 2737 North Highway 175, in the City of Seagoville, Dallas County, Texas, and being legally described as tract 39 of Herman Heider Abstract 541.

**SECTION 2:** That the Site Plans, which are attached hereto and incorporated herein as Exhibits "A" and "B", respectively, are hereby approved.

**SECTION 3.** That the property described shall be used only for the purposes set out in accordance with the City of Seagoville's Zoning Ordinance and all other ordinances, codes, and policies of the City of Seagoville, as amended.

**SECTION 4:** That all provisions of the Ordinances of the City of Seagoville, Texas, in conflict with the provisions of this ordinance as amended be hereby repealed and all other provisions not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 5:** That should any sentence, paragraph, subdivision, clause, phrase, or section of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance or the Comprehensive Zoning Ordinance as a whole, or any part or provision thereof, other than the part declared to be invalid, illegal, or unconstitutional.

**SECTION 6:** That any person, firm, or corporation violating, disobeying, neglecting, refusing to comply with, or resisting the enforcement of any of the provisions or terms of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, shall be subject to the same penalty of two thousand dollars (\$2,000.00) for each offense as provided for in the Comprehensive Zoning Ordinance of the City of Seagoville, as heretofore amended. Each and every day such a violation continues or is allowed to exist shall constitute a separate offense.

**SECTION 7:** That this ordinance shall take effect immediately from and after its passage and the publication of its caption, as the law and charter in such cases provide.

**DULY PASSED** by the City Council of the City of Seagoville, Texas this 15<sup>th</sup> day of April, 2019.

**APPROVED:**

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DENNIS, K. CHILDRESS,

MAYOR  
ATTEST:

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KANDI JACKSON, CITY SECRETARY

**APPROVED AS TO FORM:**

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VICTORIA THOMAS, CITY ATTORNEY  
(/cdb 04/09/2019 TM107300)







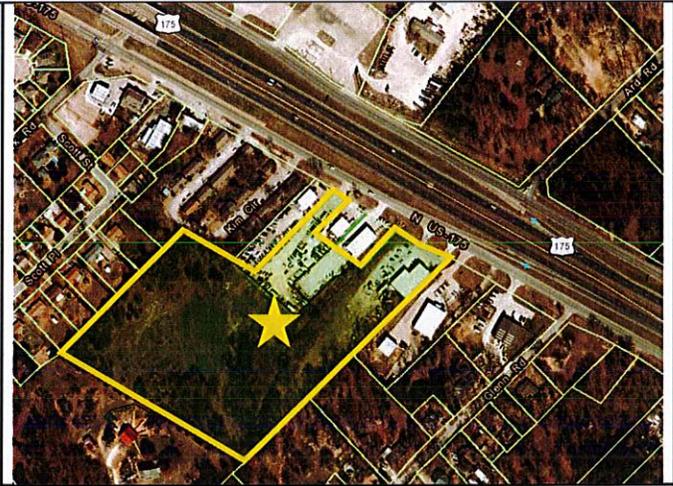
COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

**DATE:** APRIL 8, 2019  
**AUTHOR:** JENNIFER BONNER, JUNIOR PLANNER  
**OWNERS:** MICHAEL AND JUDY CAMPBELL  
**APPLICANT:** KELLY COMMUNICATION TOWERS LLC  
**PARCEL:** 65054150510390000  
**LOCATION:** UNPLATTED TRACT 39 OF HERMAN HEIDER ABSTRACT 541

**REQUEST SUMMARY:**

The applicant Kelly Communication Towers LLC (represented by Bill Bauman) is requesting a Special Use Permit to allow a communications cell tower on the east side of Scott Place and south of U.S. Highway 175 at the location under the yellow star. The parent parcel is also outlined in yellow.

Once the decision is made on this SUP, the applicant will know whether they will be able to build a new cell tower at this location or whether they will need to find somewhere else to build it.



**REQUEST LOCATION:** Inside City, Dallas County

SIZE OF PROPERTY	EXISTING ZONING	SURROUNDING ZONING	EXISTING LAND USE	SURROUNDING LAND USE
0.230-acres for tower; 13.3-acres for parent parcel	C, Commercial	<b>Northwest:</b> A, Apartment and LR, Local Retail <b>Southwest:</b> R-2, Single Family Residential and R-5, Single Family Residential <b>Northeast:</b> C, Commercial <b>Southeast:</b> R-2, Single Family Residential and R-5, Single Family Residential	Commercial	<b>Northwest:</b> Low Density Residential, Medium Density Residential, Retail <b>Southwest:</b> Low Density Residential <b>Northeast:</b> Retail <b>Southeast:</b> Low Density Residential

**PLANNING AND ZONING COMMISSION RECOMMENDATION:**

On March 26<sup>th</sup>, the Commission voted four (4) to zero (0) in favor of recommending approval of the request with conditions to amend the zoning on about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower. The recommended conditions of approval were as follows:

- Approval of the SUP for 270 days unless the tower cannot be completed in that length of time.
- The SUP shall need to be re-applied for and approved prior to any time extension on the tower's construction.
- The SUP would remain once the tower is completed and would remain in effect until the tower is removed from the property.
- Construction of a 24-foot-wide concrete fire lane.

Detailed explanations follow on the attached pages.

STANDARD:	ANALYSIS:
Development Calendar (Deadlines)	Has Met
Application Requirements	Has Met
Zoning Code	Has Met

Staff recommended approval of the application with the first three (3) conditions listed above.

**COMPARISON TO ADOPTED CITY MASTER PLANS**

STAFF ANALYSIS	PLAN GOALS OR GUIDELINES
----------------	--------------------------

**2002 Future Land Use Plan and Map**

The tower in the request is planned for the location under bright yellow star. This parcel is in a planned area of Commercial (brown color) as shown in the map to the right. The tower will be to the left of the creek shown in this map and behind the existing commercial uses along this part of the eastbound U.S. Highway 175 frontage road.

All light yellow colored areas are planned to be Low Density Residential. Areas in red are expected to become Local Retail. The orange-brownish colored areas area expected to become Medium Density Residential.

Meets Standard



**2009 Master Thoroughfare Plan and Map**

The proposed site for this request (green star outlined in pink) will only have access to the eastbound frontage road of U.S. Highway 175 (not labeled but shown by the wide grey line in the map to the right) via the existing businesses parking lots and driveways.

The dashed yellow line to the left depicts the city limit line separating Seagoville from Dallas.

Meets Standard

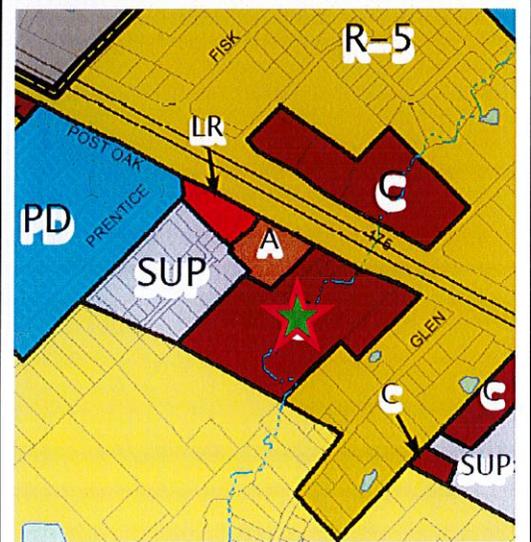


**2009 Zoning Plan and Map**

The green star outlined in pink shows the location of the planned cell tower, which will be to the left of the creek shown in the map. The red-brown color is Commercial.

The brown area labeled A is an apartment complex. The blue area is a Planned Development of Residential Single Family homes on the west side of Stark Road. The red area labeled LR is Local Retail on the southeast corner of the intersection of U.S. Highway 175 and Stark Road. All of the mustard yellow areas are zoned R-5, Residential Single Family. The light yellow areas in the bottom half of the map are zoned R-2, Residential Single Family. The 1978 version of this map shows the SUP (light purple colored) area to the left of the star as also being R-5. Staff has not been able to locate the ordinance that created the Special Use Permit (SUP) on the map at this location. The grey area in the top left corner is in the City of Dallas.

Meets Standard



REVIEW CRITERIA	STAFF ANALYSIS	
1. Will the use conform to off-street parking and loading requirements?	Yes	As this Special Use Permit (SUP) is for an unmanned site, it will have limited parking and loading requirements.
2. Has a site plan been submitted showing the layout of the proposed development and use?	Yes	A concept plan for the tower's construction was submitted with the application for the request for this SUP.
3. Are all of the ingress and egress ways adequate?	Yes	Since ingress and egress will be via a new 24-foot fire lane onto the eastbound frontage road for US Highway 175, these criteria will be met.
4. Are the size and shape of the site as well as the arrangement of the proposed structure(s) in keeping with the intent of the Code?	Yes	The application will change the zoning for the entire parent parcel (13.2+acres) even though only 0.23-acres are needed for the tower site.
5. Will granting the permit be authorizing less than the minimum requirements in regards to height, area, setbacks, parking, or landscaping?	No	These items have code-defined minimums for permanent installations. Setbacks and parking requirements have been met. The tower will be tall enough to require an FAA light on top for warning airplanes about the tower's location. The base of the tower will be at about the same elevation as the homes on Scott Place and slightly lower than those along Highway 175 and along Glenn Road. The mature trees on the east and south sides of the tower as well as the existing screening fence for the businesses along the Highway will help partially hide or camouflage the tower's location, but not completely eliminate it from view.
6. Are there any outside lighting or screening controls that needs to be installed?	Yes	There will only be the required safety lighting of the top of the tower during periods of non-daylight. A concrete masonry wall and landscaping is planned for screening the tower's compound.
7. Will the proposed landscaping and screening be compliant with all City regulations?	Yes	There are existing mature trees of significant height on both the east and south sides of the proposed tower's site. The north side of the proposed tower is already fenced with metal panels that provide screening of the existing businesses along Highway 175's frontage road. A landscaping plan has been submitted that uses plants in the landscape section of the zoning code. It also appears to be using the alternative landscaping plan section by the use of native vines in a 3-foot landscape buffer in combination with a wood screening fence.
8. Are there any special setbacks that are needed between this use and adjoining properties?	No	Within 620-feet of the planned 195-foot tall tower, there are parts of 4 residences and 1 accessory structure on Glenn Road; 15 of the 16 apartment buildings on Kim Circle; none of the residences on Scott Place; and 6 commercial buildings along the Highway 175 frontage road.
9. What type of surfacing will be applied to parking areas and drives?	Yes	The drive used to access the tower site will be a 24-foot-wide access easement with a concrete driveway meeting the City's fire lane requirements.
10. Will curbs and drainage structures be installed as part of the project?	No	A paved driveway will be provided but no curbs, gutters, or other drainage structures.
11. Will granting the permit be authorizing any use that is not allowed or that defies the intent of the district it will be located in?	No	The Special Use Permit portion of the code allows communication towers in all zoning districts.

**STAFF REPORT  
Z2019-08**

REVIEW CRITERIA	STAFF ANALYSIS	
12. Will the use be designated, located, and operated so that the public health, safety, and welfare will be protected?	Yes	Staff has confirmed that the tower will be located to ensure that there are no portions of the tower would fall onto any adjoining parcel if the tower was to have a failure at its base once it was constructed.
13. Will the land use be compatible with other area properties located nearby?	Yes	The erection of the tower is the only special use being asked for on this property. The rest of the land's use will remain commercial.
14. Will the use conform to all provisions in the Code for the district in which the use is to be located?	Yes	The Special Use Permit portion of the code allows communication towers in all zoning districts
15. Will the use facilitate public convenience at that location?	Yes	Since ingress and egress will be via a new 24-foot fire lane onto the eastbound frontage road for US Highway 175, these criteria will be met.
16. Have safeguards limiting noxious or offensive emissions, including light, noise, glare, dust, and odor been addressed?	Yes	Once construction of the tower is complete, there should be no issues with any of these items as the structure as the base of the tower will be unmanned except during maintenance and repairs.
17. Will the signage conform to those portions of the Municipal Code?	Yes	There will be limited signage on-site. Any public signage will be placed on the gate or at the end of the driveway.
18. Will the open space be maintained by the owner/developer?	Yes	The current property owner will continue to maintain all areas outside the walled area except the landscaping at the base of the wall. The tower and area inside the walled area will have its own regular maintenance schedule. Landscaping maintenance will need to be coordinated between the property owner and the tower operator.

**Public Comments Received:** Besides the parcels in question, there are twenty-four (24) properties, and no (zero) public streets within 200-feet of the boundary of the subject area. The owners of each parcel were notified in compliance for the Planning and Zoning Commission meeting with the 200-foot rule by mail on Thursday, March 7, 2019. A legal ad was also published per the Texas Local Government Code in the Wednesday, March 6, 2019, edition of the Daily Commercial Record newspaper. The applicant is also a neighboring property owner and responded in favor of the request for each of their properties. One (1) letters was returned against the request in writing. One (1) property owner spoke with Staff near the site on the day of the P&Z meeting and left a written response against the request that stated there were two (2) attached pages, but didn't leave a copy of these "attached" pages for the P&Z to have during their review. No (zero) letters were returned as undeliverable by the U.S. Postal Service. No one spoke for or against the item at the P&Z meeting. The "attached" pages from the one letter were provided 2 days after the P&Z meeting.

For the City Council meeting, the owners of each parcel were again notified in compliance with the 200-foot rule by mail on Wednesday, April 3, 2019. A legal ad was also published per the Texas Local Government Code in the Friday, March 29, 2019, edition of the Daily Commercial Record newspaper. As of the date of this report, Tuesday, April 9, 2019, no (zero) additional property owners have responded for or against the request in writing. No (zero) letters have been returned as undeliverable by the U.S. Postal Service. Any responses received after the emailing of the packet to the Commissioners will be attached to the end of the Staff Report.

Exhibit 2



DCAD Property Map

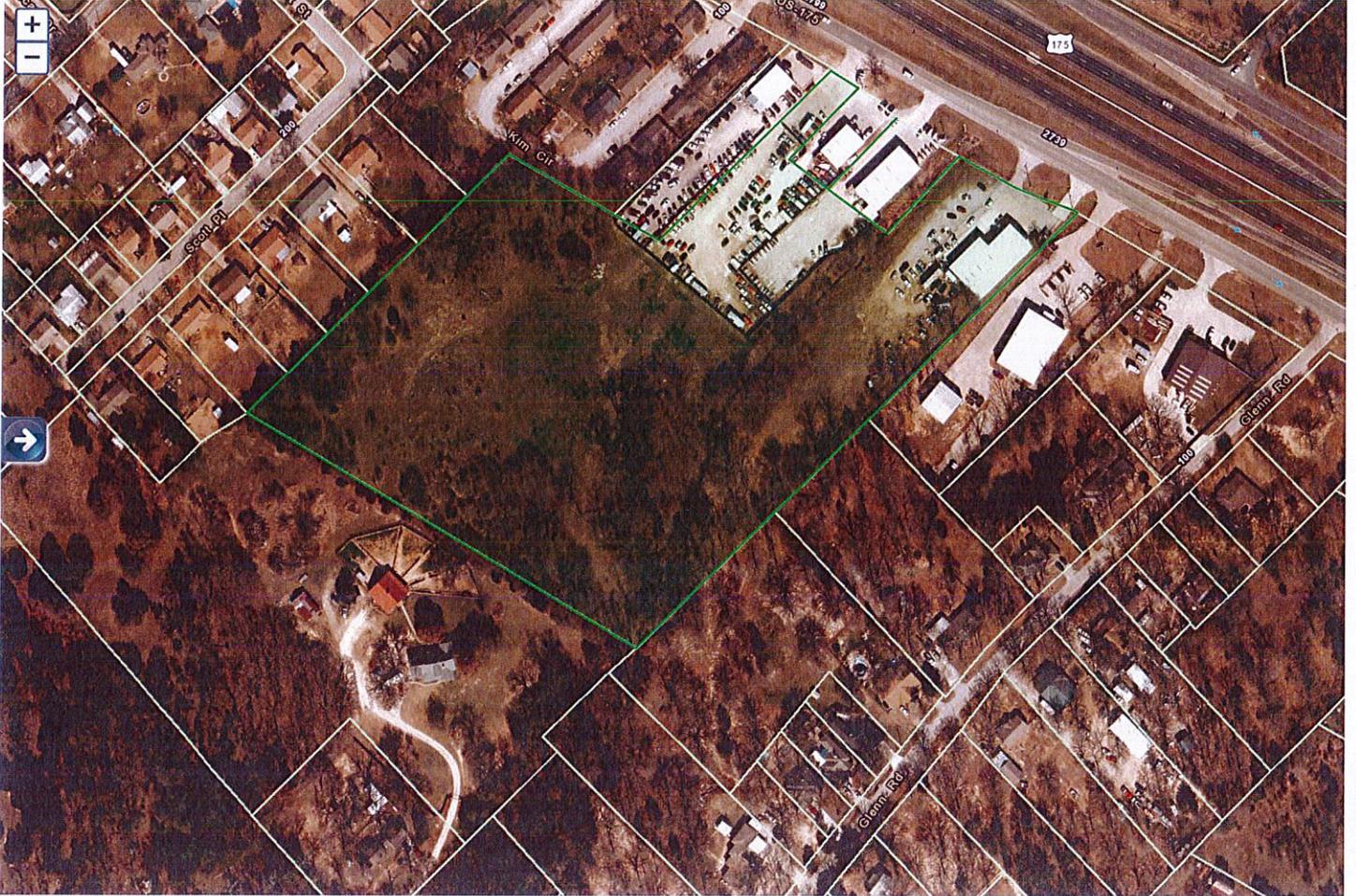
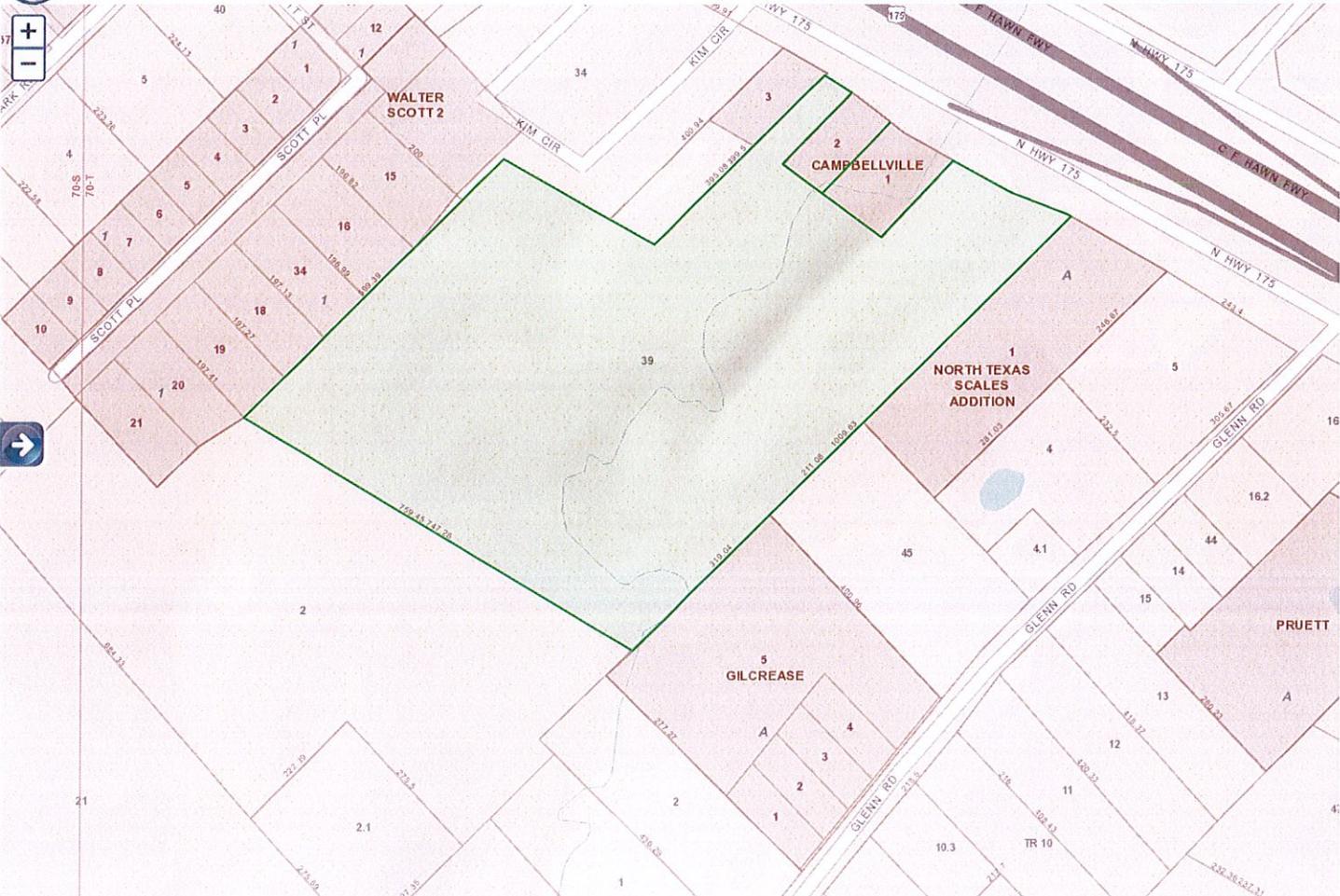


Exhibit 2



DCAD Property Map



0 100 200ft

Exhibit 4

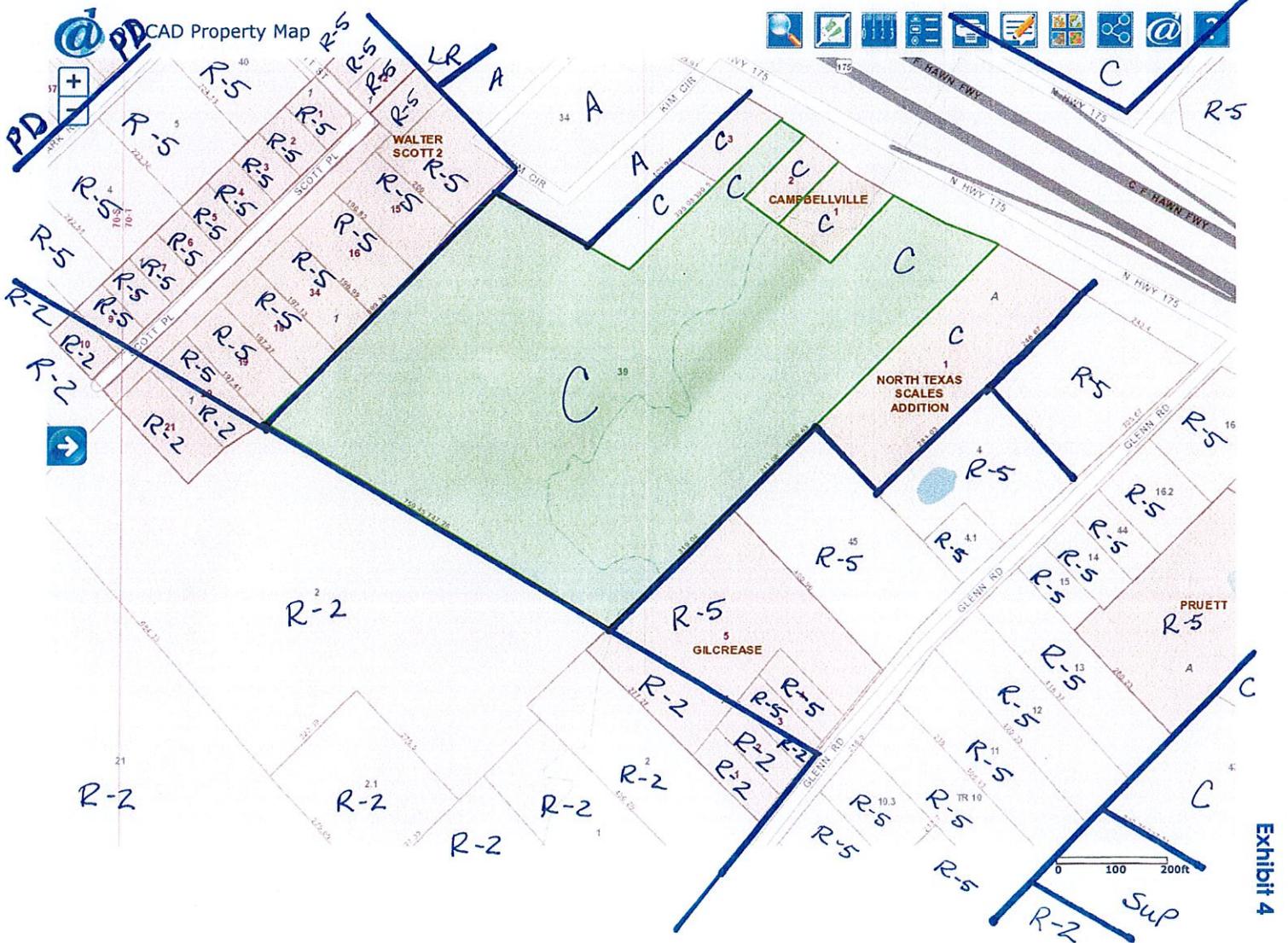


Exhibit 4



# ZONING APPLICATION

City of Seagoville, Texas

ANTICIPATED MEETING DATES: P&Z: 3/12 City Council: 4/1  
DATE OF PRE-APPLICATION CONFERENCE WITH CITY REPS & PLANNER (required): \_\_\_\_\_

**Application Type:**

- Initial Zoning (newly annexed or Agricultural property)
- Rezoning (property currently zoned)
- Planned Development (PD) – see Zoning Ordinance for special requirements and procedures
- Specific Use Permit (SUP) – see Zoning Ordinance for special requirements and procedures

Name of Subdivision or Project: New Cell Tower TX2001 Campbell Site (Seagoville, TX)

Physical Location of Property: 2737 N US175 7515 9  
[General Location – approximate distance to nearest existing street corner]

Brief Legal Description of Property (must also attach accurate Surveyor's metes and bounds description):  
TBD with Survey Metes and Bounds  
[Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block]

Acreage: 1/4 ac Existing Zoning: \_\_\_\_\_ Requested Zoning: \_\_\_\_\_  
[Attach a detailed description of requested zoning & development standards, if a PD]

Applicant / Owner's Name: Michael Campbell Applicant or Owner (circle one)

Contact Person: Michael Campbell Title: Property Owner

Company Name: \_\_\_\_\_

Street/Mailing Address: 412 W Stark Rd City: Seagoville State: TX Zip: 75159

Phone: ( ) 972-287-5235 Fax: ( ) \_\_\_\_\_ Email Address: \_\_\_\_\_

~~Engineer/Representative's Name:~~ Bill Bauman, Bauman Consultants

Contact Person: Bill Bauman Title: Sr Partner

Company Name: Bauman Consultants

Street/Mailing Address: 2300 Springmere DR City: Arlington State: TX Zip: 76012

Phone: (817.) 271-0022 Fax: ( ) \_\_\_\_\_ Email Address: billbauman@icloud.com

**SUBMITTAL DEADLINE: 30 DAYS PRIOR TO P&Z PUBLIC HEARING DATE.** (All zoning applications must be advertised in the newspaper, and notices must be mailed to all property owners within 200 feet of the subject property. Please contact City staff in advance for submittal deadlines.)

**All applications must be COMPLETE before they will be scheduled for P&Z agenda.** It is the applicant's responsibility to be familiar with, and to comply with, all City submittal requirements (in the Zoning & Subdivision Ordinances, and any separate submittal policies, requirements and/or checklists that may be obtained from City staff), including the number of plans to be submitted, application fees, etc. Please contact City staff in advance for submittal requirements.

**All application materials (one copy) must be delivered to the City's Planner.** The name, address, phone number, etc. of the City's Planner can be obtained from City staff. Failure to submit all materials to the City's Planner may result in delays scheduling the zoning application for a P&Z agenda.

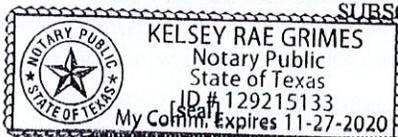
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I hereby certify that I am the Owner, ~~or the duly authorized agent of the Owner (proof of authorization attached)~~, for the purposes of this application, and that all information submitted herein is complete, true and correct to the best of my knowledge. I understand that submitting this application does not constitute approval, and incomplete applications will result in delays and possible denial.

Signed: Michael Campbell Title: \_\_\_\_\_ Date: 1/15/19

**PROPERTY OWNER SIGNATURE MUST BE NOTARIZED**

SUBSCRIBED AND SWORN TO before me, this 15<sup>th</sup> day of January, 19.



Notary Public in and for the State of Texas: Kelsey Rae Grimes

My Commission Expires On: 11/27/2020

Office Use Only: Date Rec'd: 2/15/19 Fees Paid: \$ 750 Check #: 1100 Receipt #: \_\_\_\_\_  
Zoning Case # 22019-08 Accepted By: AOB Official Submittal Date: 2/15/19



# ZONING APPLICATION

City of Seagoville, Texas

ANTICIPATED MEETING DATES: P&Z: \_\_\_\_\_ City Council: \_\_\_\_\_  
DATE OF PRE-APPLICATION CONFERENCE WITH CITY REPS & PLANNER (required): \_\_\_\_\_

**Application Type:**

- Initial Zoning (newly annexed or Agricultural property)
- Rezoning (property currently zoned)
- Planned Development (PD) – see Zoning Ordinance for special requirements and procedures
- Specific Use Permit (SUP) – see Zoning Ordinance for special requirements and procedures

Name of Subdivision or Project: New Cell Tower TX2001 Campbell Site (Seagoville, TX)

Physical Location of Property: 2737 N US175 75159  
[General Location – approximate distance to nearest existing street corner]

Brief Legal Description of Property (must also attach accurate Surveyor's metes and bounds description):  
TBD with Survey Metes and Bounds TR 39 Herman Heider A 541 19505  
[Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block]

Acreage: 1/4 ac Existing Zoning: \_\_\_\_\_ Requested Zoning: \_\_\_\_\_  
[Attach a detailed description of requested zoning & development standards, if a PD]

Applicant / Owner's Name: Kelly Communication Towers LLC **Tower Owner? (circle one)**

Contact Person: Kathy Kelly Title: Tower Owner

Company Name: Kelly Communication Towers LLC

Street/Mailing Address: 3708 Stonewall Circle SW City: Atlanta State: GA Zip: 30339

Phone: ( ) 770 330 9784 Fax: ( ) \_\_\_\_\_ Email Address: kathy.kelly@kellycomss.com

Engineer / Representative's Name: Bill Bauman, Bauman Consultants

Contact Person: Bill Bauman Title: Sr Partner

Company Name: Bauman Consultants

Street/Mailing Address: 2300 Springmere DR City: Arlington State: TX Zip: 76012

Phone: (817.) 271-0022 Fax: ( ) \_\_\_\_\_ Email Address: billbauman@icloud.com

**SUBMITTAL DEADLINE: 30 DAYS PRIOR TO P&Z PUBLIC HEARING DATE.** (All zoning applications must be advertised in the newspaper, and notices must be mailed to all property owners within 200 feet of the subject property. Please contact City staff in advance for submittal deadlines.)

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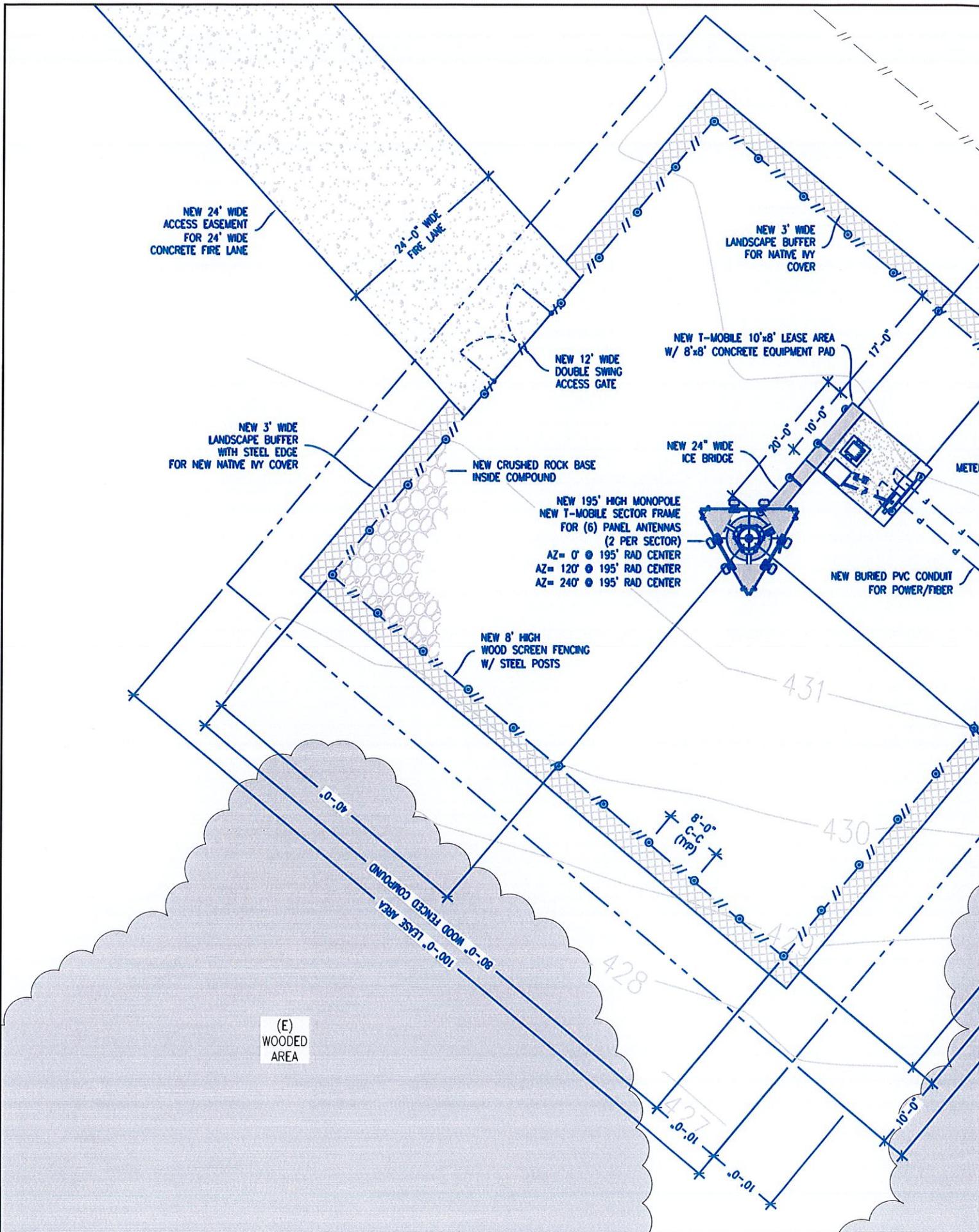
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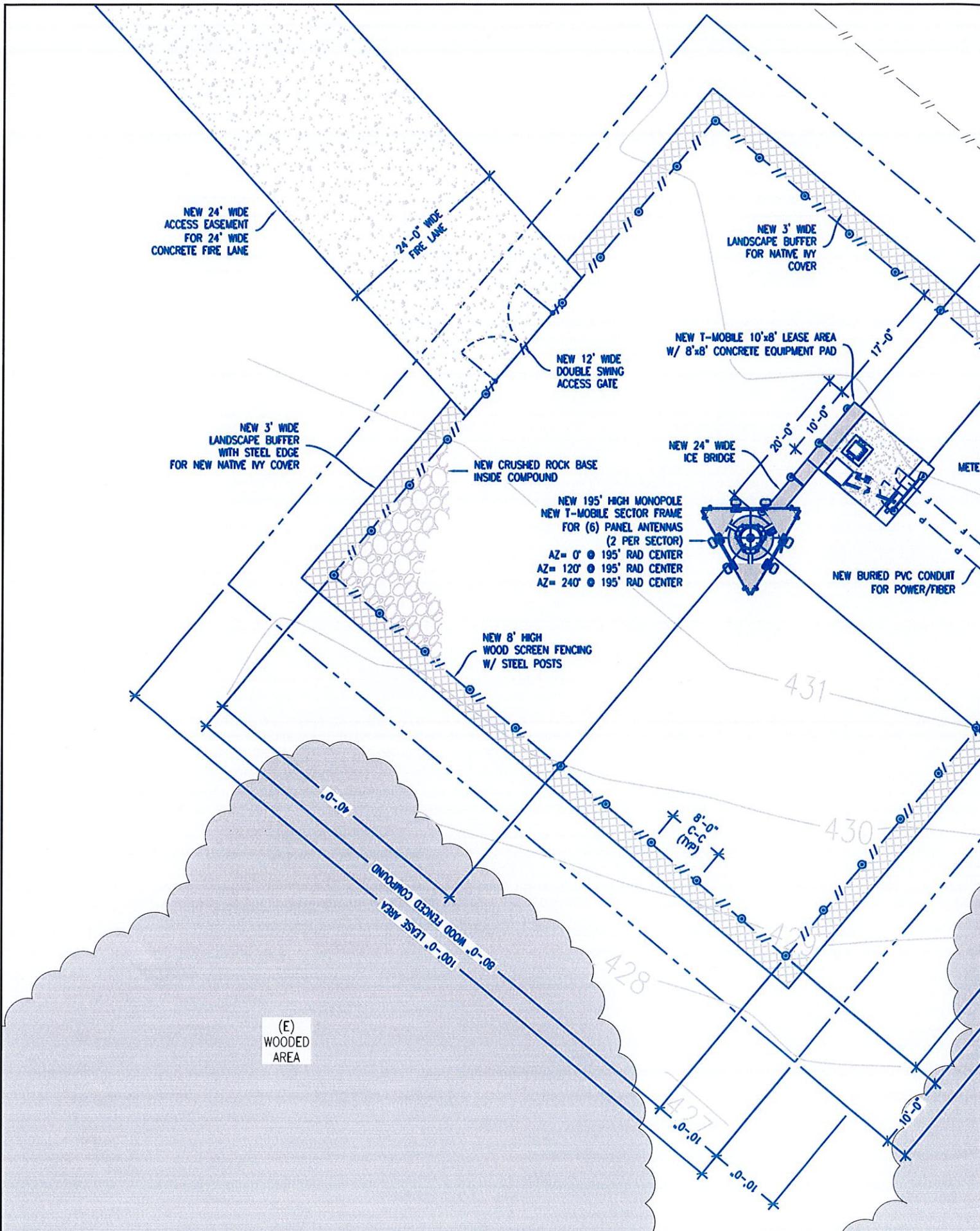
Signed: Kathy Kelly Title: Applicant / Tower Owner Date: 1/14/19

**Office Use Only:** Date Rec'd: \_\_\_\_\_ Fees Paid: \$ \_\_\_\_\_ Check #: \_\_\_\_\_ Receipt #: \_\_\_\_\_  
Zoning Case # \_\_\_\_\_ Accepted By: \_\_\_\_\_ Official Submittal Date: \_\_\_\_\_



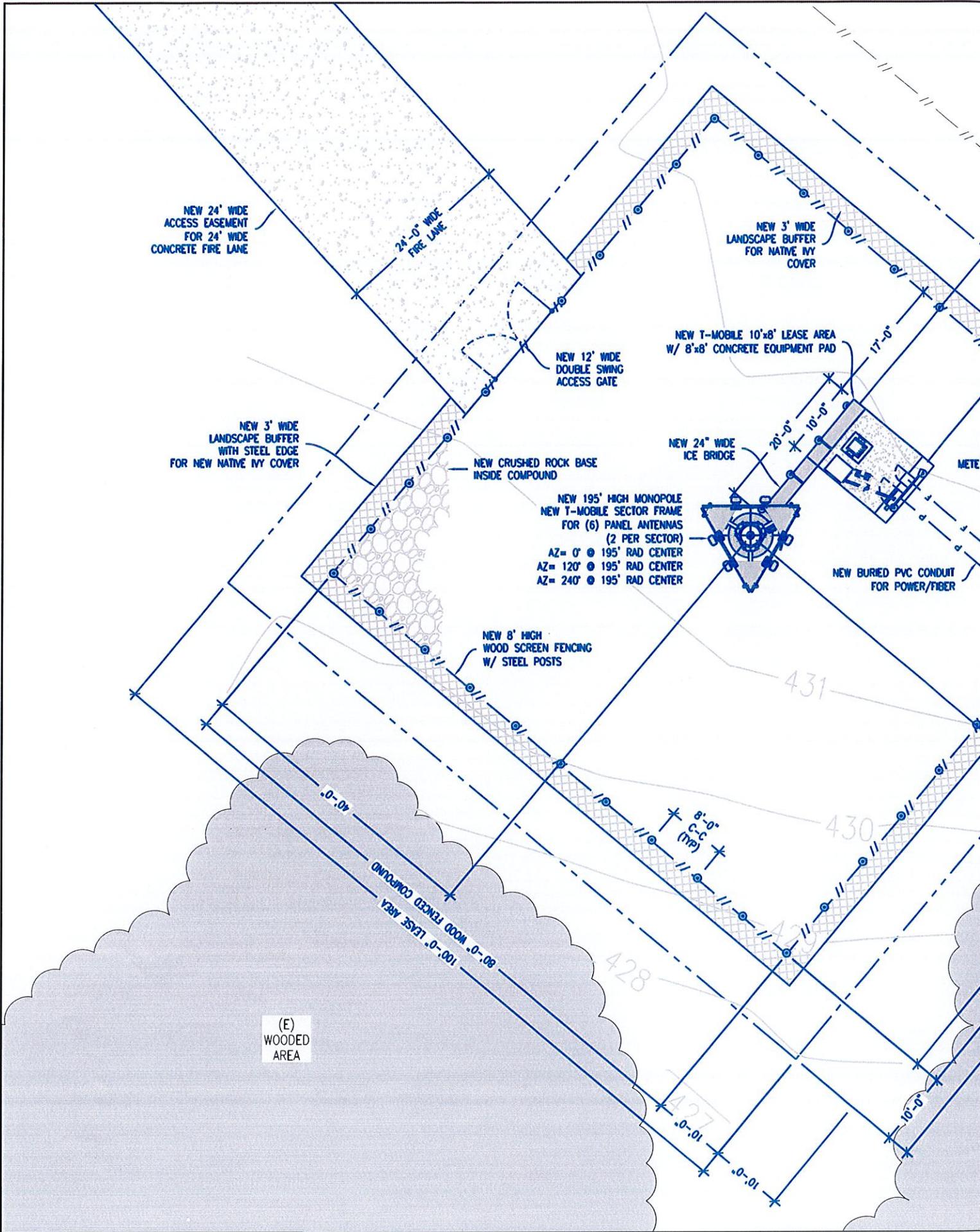
FOR 24" X 36" PLOT - 1/8" = 1'0" 2' 4" 8" 16"  
 FOR 11" X 17" PLOT - 1/16" = 1'

**ENLARGED ZONING SITE PLAN - COMPOUND LAYOUT**



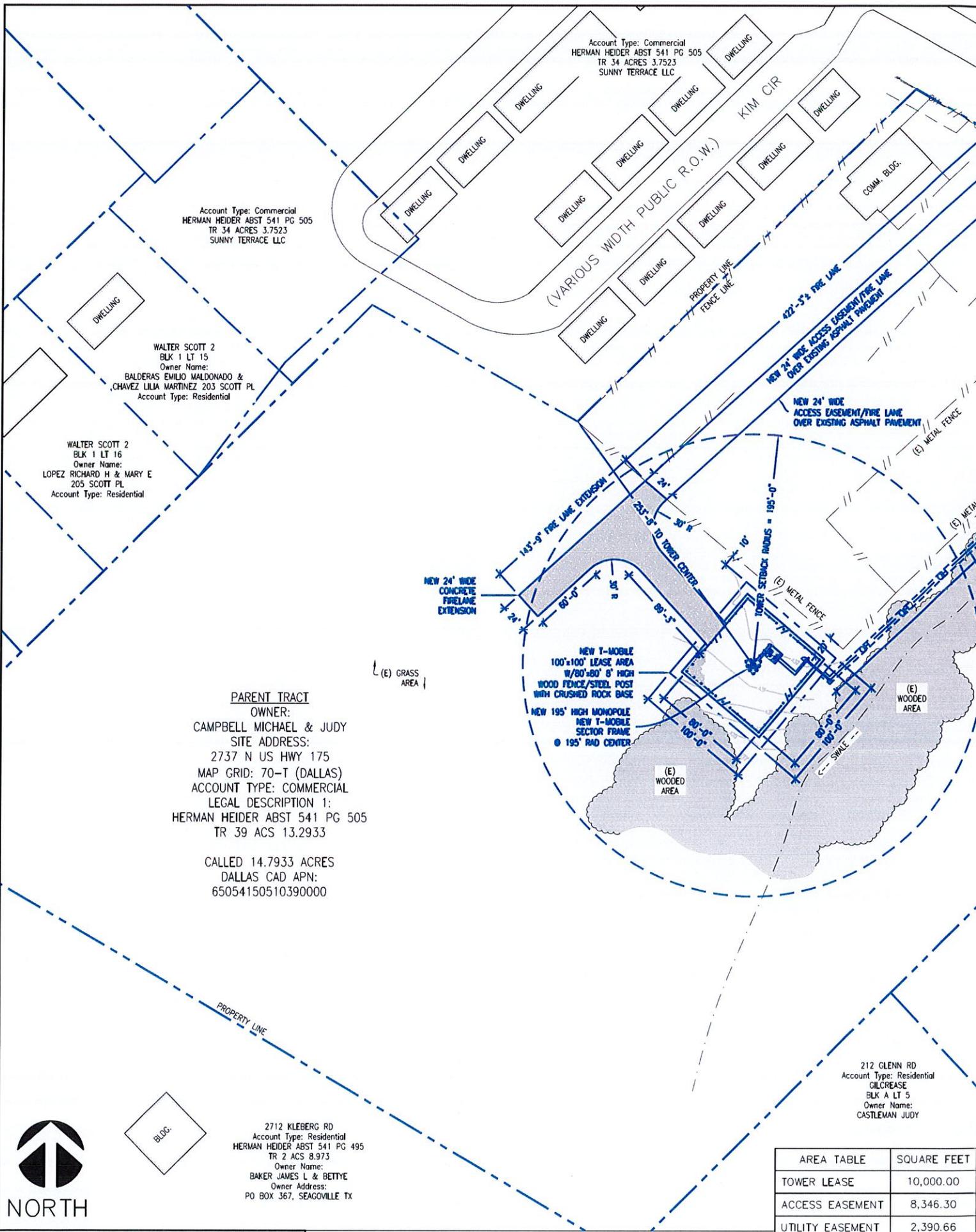
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**ENLARGED ZONING SITE PLAN - COMPOUND LAYOUT**



FOR 24" X 36" PLOT - 1/8" = 1'0" 2' 4" 8" 16"  
 FOR 11" X 17" PLOT - 1/16" = 1'0" 2' 4" 8" 16"

**ENLARGED ZONING SITE PLAN - COMPOUND LAYOUT**



Account Type: Commercial  
 HERMAN HEIDER ABST 541 PG 505  
 TR 34 ACRES 3.7523  
 SUNNY TERRACE LLC

Account Type: Commercial  
 HERMAN HEIDER ABST 541 PG 505  
 TR 34 ACRES 3.7523  
 SUNNY TERRACE LLC

WALTER SCOTT 2  
 BLK 1 LT 15  
 Owner Name:  
 BALDERAS EMILIO MALDONADO &  
 CHAVEZ LILIA MARTINEZ 203 SCOTT PL  
 Account Type: Residential

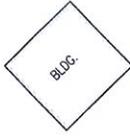
WALTER SCOTT 2  
 BLK 1 LT 16  
 Owner Name:  
 LOPEZ RICHARD H & MARY E  
 205 SCOTT PL  
 Account Type: Residential

PARENT TRACT  
 OWNER:  
 CAMPBELL MICHAEL & JUDY  
 SITE ADDRESS:  
 2737 N US HWY 175  
 MAP GRID: 70-T (DALLAS)  
 ACCOUNT TYPE: COMMERCIAL  
 LEGAL DESCRIPTION 1:  
 HERMAN HEIDER ABST 541 PG 505  
 TR 39 ACS 13.2933

CALLED 14.7933 ACRES  
 DALLAS CAD APN:  
 65054150510390000

2712 KLEBERG RD  
 Account Type: Residential  
 HERMAN HEIDER ABST 541 PG 495  
 TR 2 ACS 8.973  
 Owner Name:  
 BAKER JAMES L & BETTYE  
 Owner Address:  
 PO BOX 367, SEAGOVILLE TX

212 GLENN RD  
 Account Type: Residential  
 GILCREASE  
 BLK A LT 5  
 Owner Name:  
 CASTLEMAN JUDY



FOR 24" X 36" PLOT - 1" = 50' 0 25' 50' 100'  
 FOR 11" X 17" PLOT - 1" = 100'

**ZONING SITE PLAN**

AREA TABLE	SQUARE FEET
TOWER LEASE	10,000.00
ACCESS EASEMENT	8,346.30
UTILITY EASEMENT	2,390.66
PARENT PARCEL	644,366.96



# ZONING APPLICATION

City of Seagoville, Texas

ANTICIPATED MEETING DATES: P&Z: 3/12 City Council: 4/1  
DATE OF PRE-APPLICATION CONFERENCE WITH CITY REPS & PLANNER (required): \_\_\_\_\_

**Application Type:**

- Initial Zoning (newly annexed or Agricultural property)
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Name of Subdivision or Project: New Cell Tower TX2001 Campbell Site (Seagoville, TX)

Physical Location of Property: 2737 N US175 7515 9  
[General Location – approximate distance to nearest existing street corner]

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TBD with Survey Metes and Bounds  
[Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block]

Acreage: 1/4 ac Existing Zoning: \_\_\_\_\_ Requested Zoning: \_\_\_\_\_  
[Attach a detailed description of requested zoning & development standards, if a PD]

Applicant / Owner's Name: Michael Campbell Applicant or Owner (circle one)

Contact Person: Michael Campbell Title: Property Owner

Company Name: \_\_\_\_\_

Street/Mailing Address: 412 W Stark Rd City: Seagoville State: TX Zip: 75159

Phone: ( ) 972-287-5235 Fax: ( ) \_\_\_\_\_ Email Address: \_\_\_\_\_

Engineer / Representative's Name: Bill Bauman, Bauman Consultants

Contact Person: Bill Bauman Title: Sr Partner

Company Name: Bauman Consultants

Street/Mailing Address: 2300 Springmere DR City: Arlington State: TX Zip: 76012

Phone: (817.) 271-0022 Fax: ( ) \_\_\_\_\_ Email Address: billbauman@icloud.com

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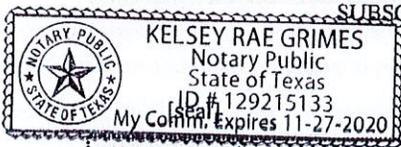
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Signed: Michael H. Campbell Title: \_\_\_\_\_ Date: 1/15/19

PROPERTY OWNER SIGNATURE MUST BE NOTARIZED

SUBSCRIBED AND SWORN TO before me, this 15<sup>th</sup> day of January, 1919.



Notary Public in and for the State of Texas: Kelsey Rae Grimes

My Commission Expires On: 11/27/2020

Office Use Only: Date Rec'd: 2/15/19 Fees Paid: \$ 750 Check #: 1100 Receipt #: \_\_\_\_\_  
Zoning Case # 22019-08 Accepted By: AOB Official Submittal Date: 2/15/19



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City of Seagoville, Texas

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[Attach a detailed description of requested zoning & development standards, if a PD]

Applicant / Owner's Name: Kelly Communication Towers LLC Tower Owner? (circle one)

Contact Person: Kathy Kelly Title: Tower Owner

Company Name: Kelly Communication Towers LLC

Street/Mailing Address: 3708 Stonewall Circle SW City: Atlanta State: GA Zip: 30339

Phone: ( ) 770 330 9784 Fax: ( ) \_\_\_\_\_ Email Address: kathy.kelly@kellycomss.com

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Signed: Kathy Kelly Title: Applicant / Tower Owner Date: 1/14/19

**Office Use Only:** Date Rec'd: \_\_\_\_\_ Fees Paid: \$ \_\_\_\_\_ Check #: \_\_\_\_\_ Receipt #: \_\_\_\_\_  
 Zoning Case # \_\_\_\_\_ Accepted By: \_\_\_\_\_ Official Submittal Date: \_\_\_\_\_







March 27, 2019

COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

Daily Commercial Record  
706 Main Street  
Dallas, Texas 75202

via email: [notices@dailycommercialrecord.com](mailto:notices@dailycommercialrecord.com)

Please publish the legal notice below in the March 29, 2019 issue of your newspaper. Please send the affidavit of publication to the ATTN: Kandi Jackson at the address above. If you need to contact Kandi, her office direct number is (972) 287-6819 and her email is [citysecretary@seagoville.us](mailto:citysecretary@seagoville.us) Kandi's normal office hours are Monday through Friday from 8:00 AM to 5:00 PM.



**NOTICE OF PUBLIC HEARING  
SEAGOVILLE CITY COUNCIL  
ZONING CASE Z2019-08**

The Seagoville City Council will hold a public hearing on Monday, April 15, 2019, at 6:30 PM in the Council Chambers of City Hall at 702 North U.S. Highway 175; Seagoville, TX 75159 to consider a request to amend the current zoning on about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower.

Individuals may appear at the public hearing to state their opinions or may send a written notice prior to 4:30 PM on the day of the public hearing to Jr. Planner Jennifer Bonner at 702 North U.S. Highway 175; Seagoville, TX 75159.

CITY OF SEAGOVILLE  
Kandi Jackson  
City Secretary



March 27, 2019

COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
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As an adjoining property owner, this is the first opportunity to voice your opinion about this project. The second and third opportunities will be at each of the public hearings listed above.

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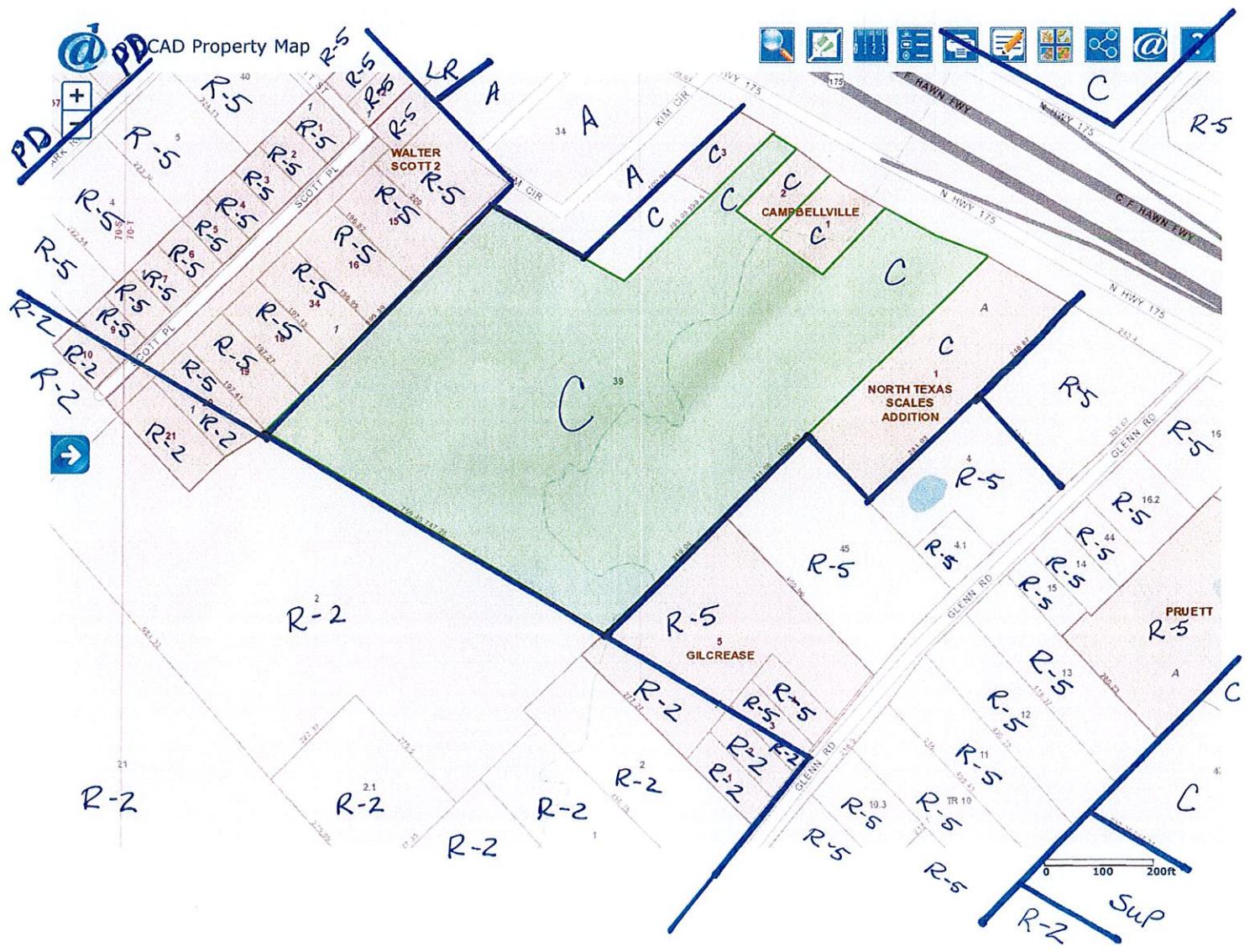
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Please provide any additional comments that you might have in the provided space.  
Please also sign and complete the name and address portion below.*

I am in favor of  against  Zoning Request Z2019-08 as it is described herein.

Additional Comments (attach additional sheets as necessary): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature(s): \_\_\_\_\_  
Printed Name(s): \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State & Zip code: \_\_\_\_\_  
Phone Number: \_\_\_\_\_

MARCH 27, 2019





The next several pages are scanned copies of the returned letters from neighbors regarding the SUP for the communications cell tower on property addressed 2737 North Highway 175.



March 8, 2019

COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

NOTICE OF PUBLIC HEARING  
SEAGOVILLE PLANNING AND ZONING COMMISSION  
ZONING CASE Z2019-08

The Seagoville Planning and Zoning Commission will hold a public hearing on Tuesday, March 26, 2019, at 6:30 PM in the Council Chambers of City Hall at 702 North U.S. Highway 175; Seagoville, TX 75159 to consider a request to amend the current zoning on about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower.

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Additional Comments (attach additional sheets as necessary):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature(s): Judy Campbell  
Printed Name(s): Judy Campbell  
Address: 412 W. Stark Rd.  
City, State & Zip code: Seagoville, Texas 75159  
Phone Number: (972) 287-5235

RECEIVED  
MAR 25 2009

MARCH 8, 2019  
1



March 8, 2019

COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

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Printed Name(s): Judy Campbell  
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3/19/2019

do cell phone towers present a problem - Google Search

**Cell tower** emissions are at lower levels than **cell phones**. However, with **cell tower** exposure, the exposure is non- stop day and night and full body exposure. A significant body of peer reviewed research has found **harmful effects** from **cell tower radiation**.

Signature(s): Bill White  
Printed Name(s): BILL F WHITE  
Address: 215 SCOTT PLACE  
City, State & Zip code: SEAGOVILLE TX 75159  
Phone Number: 469-688-1291

RECEIVED

MAR 25 2009

MARCH 8, 2019



March 8, 2019

COMMUNITY DEVELOPMENT  
702 NORTH HIGHWAY 175  
SEAGOVILLE, TX 75159  
PHONE: (972) 287-2050

NOTICE OF PUBLIC HEARING  
SEAGOVILLE PLANNING AND ZONING COMMISSION  
ZONING CASE Z2019-08

The Seagoville Planning and Zoning Commission will hold a public hearing on Tuesday, March 26, 2019, at 6:30 PM in the Council Chambers of City Hall at 702 North U.S. Highway 175; Seagoville, TX 75159 to consider a request to amend the current zoning on about 13.3-acres of unplatted Tract 39 of Herman Heider Abstract 541 Page 505 (commonly known as 2737 North Highway 175) from C, Commercial, to C-SUP, Commercial with a Special Use Permit to allow a communications cell tower.

Individuals may appear at the public hearing to state their opinions or may send a written notice prior to 4:30 PM on the day of the public hearing to Jr. Planner Jennifer Bonner at 702 North U.S. Highway 175; Seagoville, TX 75159.

As an adjoining property owner, this is the first opportunity to voice your opinion about this project. The second and third opportunities will be at each of the public hearings listed above.

*Please indicate your opinion in this matter by checking the appropriate box below.  
Please provide any additional comments that you might have in the provided space.  
Please also sign and complete the name and address portion below.*

I am in favor of  against  Zoning Request Z2019-08 as it is described herein.

Additional Comments (attach additional sheets as necessary): See Attached Pages <sup>Two</sup>

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature(s): Judy Castleman  
Printed Name(s): Judy Castleman  
Address: 212 Glenn Road & ~~2803~~ <sup>2803</sup> Glenn Road  
City, State & Zip code: Seagoville, Texas  
Phone Number: 972-287-1441

MARCH 8, 2019

My name is Judy Castleman. I have owned property at 212 Glenn Road since 1967. My concern is that the proposed addition of a cell phone tower on land adjoining my property would negatively impact the value of my property. Numerous studies have shown that declining values on property in close proximity to a cell tower are a real possibility.

Below is a report on the effect of cell phone tower in residential areas published by the National Association of Realtors:

A study on "The impact of cell phone towers on house prices: evidence from Brisbane, Australia"

#### Abstract

The growing public pressure against the spread of cell phone towers in urban areas has created a need to understand their impact on adjacent house prices. A few existing studies are, however, controversial in their methodology and inconclusive in their results. Therefore, our study on the effect of cell phone towers on house prices is designed to avoid these deficiencies. Property transaction data collected from two suburbs within the Brisbane City Council were analyzed adopting the spatial hedonic property valuation model. The estimated models were statistically significant and were largely in line with theoretical expectations. The results revealed that proximity to cell phone towers negatively affects house values, decreasing as the distance from the tower increases. A suitable compensation program for nearby property owners is, therefore, suggested as being an appropriate policy response. <https://link.springer.com/article/10.1007/s10018-017-0190-9>

A survey conducted in June 2014 by the National Institute for Science, Law and Public Policy (NISLAPP) in Washington, D.C., "*Neighborhood Cell Towers & Antennas—Do They Impact a Property's Desirability?*", shows home buyers and renters are less interested in properties located near cell towers and antennas, as well as in properties where a cell tower or group of antennas are placed on top of, or attached to a building.

Of the 1,000 survey respondents:

- 94% said a nearby cell tower or group of antennas would negatively impact interest in a property or the price they would be willing to pay for it.
- 94% said a cell tower or group of antennas on top of, or attached to, an apartment building would negatively impact interest in the apartment building or the price they would be willing to pay for it.
- 95% said they would opt to buy or rent a property that had zero antennas on the building over a comparable property that had several antennas on the building.
- 79% said under no circumstances would they ever purchase or rent a property within a few blocks of a cell tower or antennas.
- 88% said that under no circumstances would they ever purchase or rent a property with a cell tower or group of antennas on top of, or attached to, the apartment building.
- 89% said they were generally concerned about the increasing number of cell towers and antennas in their residential neighborhood.

Concern was expressed in the comments section by respondents about potential property valuation declines near antennas and cell towers. While the NISLAPP survey did not evaluate property price declines, a study

on this subject by Sandy Bond, PhD of the New Zealand Property Institute, and Past President of the Pacific Rim Real Estate Society (PRRES), *The Impact of Cell Phone Towers on House Prices in Residential Neighborhoods*, was published in *The Appraisal Journal* of the Appraisal Institute in 2006. The Appraisal Institute is the largest global professional organization for appraisers with 91 chapters. The study indicated that homebuyers would pay from 10%–19% less to over 20% less for a property if it were in close proximity to a cell phone base station. The ‘opinion’ survey results were then confirmed by a market sales analysis. The results of the sales analysis showed prices of properties were reduced by around 21% after a cell phone base station was built in the neighborhood.

*The Appraisal Journal* study added,

*“Even buyers who believe that there are no adverse health effects from cell phone base stations, knowing that other potential buyers might think the reverse, will probably seek a price discount for a property located near a cell phone base station.”*

James S. Turner, Esq., Chairman of the National Institute for Science, Law & Public Policy and Partner, Swankin & Turner in Washington, D.C., says,

*“The recent NISLAPP survey suggests there is now a high level of awareness about potential risks from cell towers and antennas. In addition, the survey indicates respondents believe they have personally experienced cognitive (57%) or physical (63%) effects from radiofrequency radiation from towers, antennas or other radiating devices, such as cell phones, routers, smart meters and other consumer electronics. Almost 90% are concerned about the increasing number of cell towers and antennas generally.”*

The Appraisal Institute, the largest global professional organization for appraisers says, *‘A cell tower should, in fact, cause a decrease in home value.’*



**MINUTES OF CITY COUNCIL  
REGULAR SESSION  
APRIL 15, 2019**

**The Regular Session of the City Council of the City of Seagoville, Texas was called to order at 7:15 p.m. on Monday, April 15, 2019, at City Hall, 702 N. Hwy 175, Seagoville, Texas with a quorum present, to wit:**

Dennis Childress	Mayor
Jon Epps	Mayor Pro Tem
Jose Hernandez	Councilmember
Rick Howard	Councilmember
Harold Magill	Councilmember
Mike Fruin	Councilmember

The following staff members were also present: Police Chief Ray Calverley, Library Director Liz Gant, City Attorney Victoria Thomas, Director of Administrative Services Cindy Brown, and City Secretary Kandi Jackson.

**Invocation** – *Invocation was led Councilmember Magill.*

**Pledge of Allegiance** – *Pledge of Allegiance was led by Mayor Childress.*

**Proclamation – Telecommunications Week** – *Mayor Childress presented a Proclamation to the Telecommunicators. Communications Supervisor Becky Vrzak presented dispatchers with a sweatshirt provided by North Central Texas Council of Governments (NCTCOG). Police Chief Calverley thanked the dispatcher for a job well done.*

**Mayor's Report** – *Mayor Childress stated early voting begins Monday, April 22, 2019 and ends Tuesday April 30, 2019. He also stated Saturday, May 4, 2019 is Election Day.*

**Citizens Public Comment Period**- *This portion of the meeting is to allow each speaker up to six (6) minutes to address the council on items not posted on the current agenda. Council may not discuss these items but may respond with factual data or policy information, or place the item on a future agenda. Citizens wishing to speak on posted agenda items will be called upon at that time. Anyone wishing to speak shall submit a Speaker Request Form to the City Secretary.*

**CONSENT AGENDA**- The Consent Agenda contains items which are routine in nature and will be acted upon in one motion.

**1. Consider approving City Council Meeting minutes for April 1, 2019 (City Secretary)**

*Motion to approve City Council Meeting minutes for April 1, 2019 – Howard, seconded by Magill; motion passed with all ayes. 5/0*

**REGULAR AGENDA-**

- 2. Consider and approve a Resolution of the City of Seagoville, Texas approving and ratifying the City Manager's execution of a contract change order for the increase in the width of construction base and asphalt pavement for the east Malloy Bridge Road Rehabilitation of 7300 linear feet full depth reclamation in an amount not to exceed twenty three thousand seven hundred twenty four dollars and fifty cents (\$23,724.50); and providing an effective date (Community Development)**

*Motion to approve a Resolution of the City of Seagoville, Texas approving and ratifying the City Manager's execution of a contract change order for the increase in the width of construction base and asphalt pavement for the east Malloy Bridge Road Rehabilitation of 7300 linear feet full depth reclamation in an amount not to exceed twenty three thousand seven hundred twenty four dollars and fifty cents (\$23,724.50); and providing an effective date – Magill, seconded by Hernandez; motion passed with all ayes. 5/0*

- 3. Conduct a public hearing on a request to grant a Special Use Permit ("SUP") for a monopole communications tower to be located on property zoned "C", Commercial, being approximately 13.3± acres of real property located at 2737 North Highway 175, in the City of Seagoville, Dallas County, Texas and being legally described as Tract 39 of Herman Heider Abstract 541 and approval of the site plans (Community Development)**

*Mayor Childress opened the public hearing at 7:24 p.m.*

*Applicant Bill Bauman at 2300 Springmere Dr., Arlington, Texas stated this is a tower for cell phones. He stated this tower is for T-Mobile and as many as three (3) or four (4) carriers can utilize the tower. He also stated the tower will be one hundred ninety-five feet (195) high.*

*Mayor Childress closed the public hearing at 7:25 p.m.*

4. **Discuss and consider approving an Ordinance of the City of Seagoville, Texas, amending the Comprehensive Zoning Ordinance and map of City of Seagoville, as amended, by granting a Special Use Permit ("SUP") subject to specified conditions authorizing a monopole communications tower to be located on property zoned "C", Commercial, being approximately 13.3± acres of real property located at 2737 North Highway 175, in the City of Seagoville, Dallas County, Texas, and being legally described as Tract 39 of Herman Heider Abstract 541; providing for the approval of the site plan, which is attached hereto and incorporated herein as Exhibits "A" and "B", respectively; providing for a repealing clause; providing for a savings clause; providing for a severability clause; providing for a penalty of fine not to exceed Two Thousand Dollars (\$2,000.00) for each offense; and providing for an effective date (Community Development)**

*Councilmember Hernandez stated he counted four (4) towers in a short distant and there are only 4 carriers. He asked why would another tower need to be erected. Applicant Bauman stated towers to support 5g network for the cell phone carriers will need to be in place for the arrival of 5g. He also stated 5g is denser.*

*Councilmember Magill asked if lesser poles would serve as a repeater. Applicant Bauman stated yes, and the speed is two (2) times faster than LTE.*

*Motion to approve Agenda Item #3 – Fruin, seconded by Hernandez. Mayor stated this is Agenda Item #4. Councilmember Hernandez rescinded his second. Councilmember Fruin rescinded his motion.*

*Motion to approve an Ordinance of the City of Seagoville, Texas, amending the Comprehensive Zoning Ordinance and map of City of Seagoville, as amended, by granting a Special Use Permit ("SUP") subject to specified conditions authorizing a monopole communications tower to be located on property zoned "C", Commercial, being approximately 13.3± acres of real property located at 2737 North Highway 175, in the City of Seagoville, Dallas County, Texas, and being legally described as Tract 39 of Herman Heider Abstract 541; providing for the approval of the site plan, which is attached hereto and incorporated herein as Exhibits "A" and "B", respectively; providing for a repealing clause; providing for a savings clause; providing for a severability clause; providing for a penalty of fine not to exceed Two Thousand Dollars (\$2,000.00) for each offense; and providing for an effective date– Fruin, seconded by Hernandez; motion passed with all ayes. 5/0*

5. **Discuss and consider approving a Resolution of the City of Seagoville, Texas approving the terms and conditions of an interlocal agreement between the Cities of Garland and Mesquite and the City of Seagoville, Texas for Seagoville's participation in a shared public safety radio system, which is attached hereto as Exhibit A and approving the terms and conditions of an interlocal radio system usage agreement between the same parties governing the City of Seagoville's use of the shared public safety radio system; authorizing the City Manager to execute these agreements; repealing all Resolutions in conflict; providing an effective date (Police Chief)**

*Motion to approve a Resolution of the City of Seagoville, Texas approving the terms and conditions of an interlocal agreement between the Cities of Garland and Mesquite and the City of Seagoville, Texas for Seagoville's participation in a shared public safety radio system, which is attached hereto as Exhibit A and approving the terms and conditions of an interlocal radio system usage agreement between the same parties governing the City of Seagoville's use of the shared public safety radio system; authorizing the City Manager to execute these agreements; repealing all Resolutions in conflict; providing an effective date – Fruin, seconded by Magill; motion passed with all ayes. 5/0*

6. **Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, creating a Census 2020 Complete Count Committee for the purpose of planning and implementing local outreach efforts to increase community awareness and participation in census 2020; and providing for an effective date (Library Director)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas, creating a Census 2020 Complete Count Committee for the purpose of planning and implementing local outreach efforts to increase community awareness and participation in census 2020; and providing for an effective date – Epps, seconded by Howard; motion passed with all ayes. 5/0*

7. **Discuss security measures for public meetings at City Hall (Councilmember Hernandez)**

*Mayor Childress stated this item will be tabled to a future Agenda.*

8. **Receive Councilmember Reports/Items of Community Interest – as authorized by Section 551.0415 of the Texas Government Code.**

*Councilmember Hernandez stated Starbucks is open.*

*Mayor Pro Tem Epps stated Starbucks has good drinks.*

9. **Future Agenda Items** – Council to provide direction to staff regarding future agenda items. These items will not be discussed and no action will be taken at this meeting.

*Councilmember Magill stated he would like to revisit the noise abatement Ordinance. He stated Ms. Taylor's daughter has complained and he has issues at his home. He also stated this is becoming a real problem in some sections of the City.*

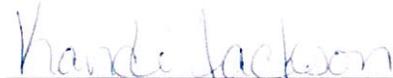
**Adjourned at 7:46 p.m.**

**APPROVED:**



\_\_\_\_\_  
Mayor Dennis K. Childress

**ATTEST:**

  
\_\_\_\_\_  
Kandi Jackson, City Secretary



**AN ORDINANCE OF THE CITY OF SEAGOVILLE, TEXAS**

**ORDINANCE NO. 19-2019**

**AN ORDINANCE OF THE CITY OF SEAGOVILLE, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE AND MAP OF CITY OF SEAGOVILLE, AS AMENDED, BY GRANTING A SPECIAL USE PERMIT ("SUP") AUTHORIZING A MONOPOLE COMMUNICATIONS TOWER TO BE LOCATED ON PROPERTY ZONED "C", COMMERCIAL, BEING APPROXIMATELY 13.3± ACRES OF REAL PROPERTY LOCATED AT 2737 NORTH HIGHWAY 175, IN THE CITY OF SEAGOVILLE, DALLAS COUNTY, TEXAS, AND BEING LEGALLY DESCRIBED AS TRACT 39 OF HERMAN HEIDER ABSTRACT 541; PROVIDING FOR THE APPROVAL OF THE SITE PLAN, WHICH IS ATTACHED HERETO AND INCORPORATED HEREIN AS EXHIBITS "A" AND "B", RESPECTIVELY; PROVIDING FOR A REPEALING CLAUSE; PROVIDING FOR A SAVINGS CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of Seagoville ("City") received application for the placement of a monopole communication tower ("cell tower") on a portion of an approximate 13.3± acre tract of land located at 2737 North Highway 175, Seagoville, Dallas County, Texas; and

**WHEREAS**, the cell tower itself, not the property, will have a separate address upon approval; and

**WHEREAS**, the Planning and Zoning Commission of the City of Seagoville and the City Council of the City of Seagoville, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes have given requisite notices by publication and otherwise, and have held due hearings and afforded a full and fair hearing to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof, and the City Council of the City of Seagoville is of the opinion and finds that a zoning change should be granted, and that the Comprehensive Zoning Ordinance and Map should be amended.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**SECTION 1:** That the Comprehensive Zoning Ordinance and Map of the City of

**SECTION 1:** That the Comprehensive Zoning Ordinance and Map of the City of Seagoville, Texas, be and the same is hereby amended by granting a Special Use Permit authorizing a monopole communications tower to be located on property zoned C, Commercial, being approximately 13.3± acres of real property located at 2737 North Highway 175, in the City of Seagoville, Dallas County, Texas, and being legally described as tract 39 of Herman Heider Abstract 541 subject to the following conditions:

- A. The Special Use Permit shall expire if construction of the monopole communications tower, including access and any required fire lane, is not completed on or before the 270<sup>th</sup> day after issuance of the Special Use Permit; and
- B. The SUP shall remain in effect until the monopole communications tower is removed from the property, provided that construction of the monopole communications tower, including access and any required fire lane, is completed on or before the 270<sup>th</sup> day after issuance of the Special Use Permit.

**SECTION 2:** That the Site Plans, which are attached hereto and incorporated herein as Exhibits "A" and "B", respectively, are hereby approved.

**SECTION 3.** That the property described shall be used only for the purposes set out in accordance with the City of Seagoville's Zoning Ordinance and all other ordinances, codes, and policies of the City of Seagoville, as amended.

**SECTION 4:** That all provisions of the Ordinances of the City of Seagoville, Texas, in conflict with the provisions of this ordinance as amended be hereby repealed and all other provisions not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 5:** That should any sentence, paragraph, subdivision, clause, phrase, or section of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance or the Comprehensive Zoning Ordinance as a whole, or any part or provision thereof, other than the part declared to be invalid, illegal, or unconstitutional.

**SECTION 6:** That any person, firm, or corporation violating, disobeying, neglecting, refusing to comply with, or resisting the enforcement of any of the provisions or terms of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, shall be subject to the same penalty of two thousand dollars (\$2,000.00) for each offense as provided for in the Comprehensive Zoning Ordinance of the City of Seagoville, as heretofore amended. Each and every day such a violation continues or is allowed to exist shall constitute a separate offense.

**SECTION 7:** That this ordinance shall take effect immediately from and after its passage and the publication of its caption, as the law and charter in such cases provide.

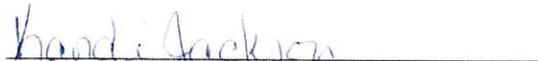
**DULY PASSED** by the City Council of the City of Seagoville, Texas this 15<sup>th</sup> day of April, 2019.

**APPROVED:**



DENNIS, K. CHILDRESS, MAYOR

**ATTEST:**

  
KANDI JACKSON, CITY SECRETARY

**APPROVED AS TO FORM:**

  
VICTORIA THOMAS, CITY ATTORNEY  
(/cdb 04/09/2019 TM107361)





## ARTICLE 9.03 FIRE CODE

**Sec. 9.03.001 Adopted**

replaced by 2018 codes in Jan. 2019

The International Fire Code, 2012 edition, including appendices B–J, and amendments are hereby adopted by reference. A copy of the code, with approved amendments, shall be kept on file in the office of the fire marshal for reference and inspection, and the same are hereby adopted and incorporated as fully as if set out at length herein, and the provisions thereof shall be controlling within the limits of the city.

**Sec. 9.03.002 Definitions**

*Building official.* Whenever the words “building official” are used in the International Fire Code, 2012 edition, they shall be held to mean the building official for the city.

*Bureau of fire prevention.* Whenever the words “bureau of fire prevention” are used in the International Fire Code, 2012 edition, they shall be held to mean the fire department of the city.

*Chief of the bureau of fire prevention.* Whenever the words “chief of the bureau of fire prevention” are used in the International Fire Code, 2012 edition, they shall be held to mean the fire chief of the city or the chief’s authorized representatives.

*City.* Whenever the word “city” is used in the International Fire Code, 2012 edition, it shall be held to mean the city.

*Corporate counsel.* Whenever the words “corporate counsel” are used in the International Fire Code, 2012 edition, they shall be held to mean the city attorney.

*Fleet vehicle.* Whenever the words “fleet vehicle” are used in the International Fire Code, 2012 edition, they shall be held to mean a motor vehicle which is one (1) of a group of motor vehicles owned or operated as a unit and used in the ongoing course of business.

*Jurisdiction.* Whenever the word “jurisdiction” is used in the International Fire Code, 2012 edition, it shall be held to mean the corporate limits of the city.

*Police chief.* Whenever the words “police chief” are used in the International Fire Code, 2012 edition, they shall be held to mean the chief of police for the city.

**Sec. 9.03.003 Amendments**

The sections of the International Fire Code that are changed, added, or deleted are as follows:

Section 102.1; change #3 to read as follows:

3. Existing structures, facilities and conditions when required in chapter 11 or in specific sections of this code.

Section 102.7; change to read as follows:

**102.7 Referenced codes and standards.** The codes and standards referenced in this code shall be those that are listed in chapter 80, and such codes, when specifically adopted, and standards shall be considered part of the requirements of this code to the prescribed extent of each such reference and as further regulated in sections 102.7.1 and 102.7.2.

**102.7.1 Conflicts.** Where conflicts occur between provisions of this code and referenced codes and standards, the provisions of this code shall apply.

**102.7.2 Provisions in referenced codes and standards.** Where the extent of the reference to a referenced code or standard includes subject matter that is within the scope of this code and any adopted amendments, the provisions of this code and any adopted amendments, as applicable, shall take precedence over the provisions in the referenced code or standard.

Section 105.3.3; change to read as follows:

**105.3.3 Occupancy prohibited before approval.** The building or structure shall not be occupied prior to the fire code official issuing a permit when required and conducting associated inspections indicating the applicable provisions of this code have been met.

Section 105.7; add section 105.7.17 to read as follows:

**105.7.17 Smoke control or exhaust systems.** Construction permits are required for smoke control or exhaust systems as specified in section 909 and section 910 respectively. Maintenance performed in accordance with this code is not considered a modification and does not require a permit.

Section 105.7; add section 105.7.18 to read as follows:

**105.7.18 Electronic access control systems.** Construction permits are required for the installation or modification of an electronic access control system, as specified in section 503 and section 1008. A separate construction permit is required for the installation or modification of a fire alarm system that may be connected to the access control system. Maintenance performed in accordance with this code is not considered a modification and does not require a permit.

Section 202; amend and add definitions to read as follows:

**[B] AMBULATORY CARE FACILITY.** Buildings or portions thereof used to provide medical, surgical, psychiatric, nursing, or similar care on a less than 24-hour basis to persons who are rendered incapable of self-preservation by the services provided. This group may include but not be limited to the following:

- Dialysis centers
- Sedation dentistry
- Surgery centers

Section 307.4.4 and 5; add section 307.4.4 and 307.4.5 to read as follows:

**307.4.4 Permanent outdoor firepit.** Permanently installed outdoor firepits for recreational fire purposes shall not be installed within 10 feet of a structure or combustible material.

**Exception:** Permanently installed outdoor fireplaces constructed in accordance with the International Building Code.

**307.4.5 Trench burns.** Trench burns shall be conducted in air curtain trenches and in accordance with section 307.2.

Section 307.5; change to read as follows:

**307.5 Attendance.** *Open burning, trench burns, bonfires, recreational fires, and use of portable outdoor fireplaces shall be constantly attended until the... {remainder of section unchanged}*

Section 308.1.1; add sentence to read as follows:

Unmanned free-floating devices containing an open flame or other heat source, such as but not limited to sky lanterns shall be prohibited.

Section 308.1.4; change to read as follows:

**308.1.4 Open-flame cooking devices.** ~~Charcoal burners and other~~ Open-flame cooking devices, charcoal grills and other similar devices used for cooking shall not be operated located or used on combustible balconies, decks, or within 10 feet (3048 mm) of combustible construction.

**Exceptions:**

1. One- and two-family dwellings, except that LP-gas containers are limited to a water capacity not greater than 50 pounds (22.68 kg) [nominal 20 pound (9.08 kg) LP-gas capacity] with an aggregate LP-gas capacity not to exceed 100 lbs (5 containers).
2. Where buildings, balconies and decks are protected by an approved automatic sprinkler system, except that LP-gas containers are limited to a water capacity not greater than 50 pounds (22.68 kg) [nominal 20 pound (9.08 kg) LP-gas capacity], with an aggregate LP-gas capacity not to exceed 40 lbs (2 containers).
3. {No change.}

Section 308.1.6.2, exception #3; change to read as follows:

**Exceptions:**

3. Torches or flame-producing devices in accordance with section ~~308.4~~ 308.1.3.

- d. To direct and assist the event attendees in evacuation during an emergency
- e. Assist emergency response personnel if requested.
- f. Other duties outlined by the fire code official
- g. Other duties outlined in the emergency plan

Section 501.4; change to read as follows:

**501.4 Timing of installation.** When fire apparatus access roads or a water supply for fire protection is required to be installed for any structure or development, they shall be installed, tested, and approved prior to the time of which construction has progressed beyond completion of the foundation of any structure. ~~such protection shall be installed and made serviceable prior to and during the time of construction except when approved alternative methods of protection are provided. Temporary street signs shall be installed at each street intersection when construction of new roadways allows passage by vehicles in accordance with section 505.2.~~

Section 503.1.1; add sentence to read as follows:

Except for one- or two-family dwellings, the path of measurement shall be along a minimum of a ten foot (10') wide unobstructed pathway around the external walls of the structure.

Section 503.2.1; change to read as follows:

**503.2.1 Dimensions.** Fire apparatus access roads shall have an unobstructed width of not less than 20 24 feet (6096 mm-7315 mm), exclusive of shoulders, except for approved security gates in accordance with section 503.6, and an unobstructed vertical clearance of not less than 13 feet 6 inches (4115 mm) 14 feet (4267 mm). Fire apparatus access roads shall be located outside the collapse zone, equal to no less than the full height of the building plus ten (10) feet.

**Exception:** Vertical clearance may be reduced; provided such reduction does not impair access by fire apparatus and approved signs are installed and maintained indicating the established vertical clearance when approved.

Section 503.2.2; change to read as follows:

**503.2.2 Authority.** The *fire code official* shall have the authority to require an increase in the minimum access widths and vertical clearances where they are inadequate for fire or rescue operations.

Section 503.3; change to read as follows:

**503.3 Marking.** ~~Where required by the fire code official, approved signs or other approved notices or markings that include the words NO PARKING FIRE LANE~~ Striping, signs, or other markings, when approved by the fire code official, shall be provided for fire apparatus

**Exception:** R-3 single-family occupancies shall have approved numerals of a minimum 4 inches in height and a color contrasting with the background clearly visible and legible from the street fronting the property and rear alleyway where such alleyway exists.

Section 507.4; change to read as follows:

**507.4 Water supply test date and information.** The water supply test used for hydraulic calculation of fire protection systems shall be conducted in accordance with NFPA 291 “Recommended Practice for Fire Flow Testing and Marking of Hydrants” and within one year of sprinkler plan submittal. The fire code official shall be notified prior to the water supply test. Water supply tests shall be witnessed by the fire code official, as required or approved documentation of the test shall be provided to the fire code official prior to final approval of the water supply system. The exact location of the static/residual hydrant and the flow hydrant shall be indicated on the design drawings. All fire protection plan submittals shall be accompanied by a hard copy of the waterflow test report, or as approved by the fire code official. The report must indicate the dominant water tank level at the time of the test and the maximum and minimum operating levels of the tank, as well, or identify applicable water supply fluctuation. The licensed contractor must then design the fire protection system based on this fluctuation information, as per the applicable referenced NFPA standard. Reference section 903.3.5 for additional design requirements.

Section 507.5.4; change to read as follows:

**507.5.4 Obstruction.** Unobstructed access to fire hydrants shall be maintained at all times. Posts, fences, vehicles, growth, trash, storage and other materials or objects shall not be placed or kept near fire hydrants, fire department inlet connections or fire protection system control valves in a manner that would prevent such equipment or fire hydrants from being immediately discernible. The fire department shall not be deterred or hindered from gaining immediate access to fire protection equipment or fire hydrants.

Section 509.1.2; add new section 509.1.2 to read as follows:

**509.1.2 Sign requirements.** Unless more stringent requirements apply, lettering for signs required by this section shall have a minimum height of 2 inches (50.8 mm) when located inside a building and 4 inches (101.6 mm) when located outside, or as approved by the fire code official. The letters shall be of a color that contrasts with the background.

Section 603.3.2.1, Exception; change exception to read as follows:

**Exception:** The aggregate capacity limit shall be permitted to be increased to 3,000 gallons (11,356 L) in accordance with all requirements of chapter 57, of class II or III liquid for storage in protected above-ground tanks... *{delete remainder of exception}*

Section 603.3.2.2; change to read as follows:

**603.3.2.2. Restricted use and connection.** Tanks installed in accordance with section 603.3.2 shall be used only to supply fuel oil to fuel-burning or generator equipment installed in accordance with section 603.3.2.4. Connections between tanks and equipment supplied by such tanks shall be made using closed piping systems.

**604.2.4 Means of egress illumination.** Emergency power shall be provided for *means of egress* illumination in accordance with section 1006.3. (90 minutes)

**604.2.5 Accessible means of egress elevators.** Standby power shall be provided for elevators that are part of an *accessible means of egress* in accordance with section 1007.4.

**604.2.6 Accessible means of egress platform lifts.** Standby power in accordance with this section or ASME A18.1 shall be provided for platform lifts that are part of an *accessible means of egress* in accordance with section 1007.5

**604.2.7 Horizontal sliding doors.** Standby power shall be provided for horizontal sliding doors in accordance with section 1008.1.4.3.

**604.2.8 Semiconductor fabrication facilities.** Emergency power shall be provided for semiconductor fabrication facilities in accordance with section 2703.15.

**604.2.9 Membrane structures.** Emergency power shall be provided for *exit* signs in temporary tents and membrane structures in accordance with section 3103.12.6.1. (90 minutes) Standby power shall be provided for auxiliary inflation systems in permanent membrane structures in accordance with the *International Building Code*. (4 hours)

**604.2.10 Hazardous materials.** Emergency or standby power shall be provided in occupancies with hazardous materials in accordance with section 5004.7 and 5005.1.5.

**604.2.11 Highly toxic and toxic materials.** Emergency power shall be provided for occupancies with highly *toxic* or *toxic* materials in accordance with sections 6004.2.2.8 and 6004.3.4.2.

**604.2.12 Organic peroxides.** Standby power shall be provided for occupancies with organic peroxides in accordance with section 6204.1.11.

**604.2.13 Covered and open mall buildings.** (no change).

**604.2.14 High-rise buildings.** (no change).

**604.2.15 Underground buildings.** (no change).

**604.2.16 Group I-3 occupancies.** (no change).

**604.2.17 Airport traffic-control towers.** (no change).

**604.2.18 Elevators.** (no change).

**604.2.19 Smokeproof enclosures and stair pressurization alternative.** Standby power shall be provided for smokeproof enclosures, stair pressurization alternative and associated automatic fire detection systems as required by the *International Building Code*, section 909.20.6.2.

Section 807.4.3.2; change to read as follows:

**807.4.3.2 Artwork.** Artwork and teaching materials shall be limited on the walls of corridors to not more than 20 percent of the wall area and on the walls of classrooms to not more than 50 percent of each wall area. Such materials shall not be continuous from floor to ceiling or wall to wall.

Curtains, draperies, wall hangings and other decorative material suspended from the walls or ceilings shall meet the flame propagation performance criteria of NFPA 701 in accordance with section 807 or be noncombustible.

**Exception:** Corridors protected by an approved automatic sprinkler system installed in accordance with section 903.3.1.1 shall be limited to 50 percent of the wall area.

Section 807.4.4.2; change to read as follows:

**807.4.4.2 Artwork.** Artwork and teaching materials shall be limited on the walls of corridors to not more than 20 percent of the wall area and on the walls of classrooms to not more than 50 percent of each wall area. Such materials shall not be continuous from floor to ceiling or wall to wall.

Curtains, draperies, wall hangings and other decorative material suspended from the walls or ceilings shall meet the flame propagation performance criteria of NFPA 701 in accordance with section 807 or be noncombustible.

**Exception:** Corridors protected by an approved automatic sprinkler system installed in accordance with section 903.3.1.1 shall be limited to 50 percent of the wall area.

Section 901.4.3; change to read as follows:

**901.4.3 Fire areas.** {First part of section unchanged} ...determined in accordance with section 707.3.910 of the *International Building Code*.

Section 901.6.1; add section 901.6.1.1 to read as follows:

**901.6.1.1 Standpipe testing.** Building owners/managers must maintain and test standpipe systems as per NFPA 25 requirements. The following additional requirements shall be applied to the testing that is required every 5 years:

1. The piping between the fire department connection (FDC) and the standpipe shall be backflushed when foreign material is present, and also hydrostatically tested for all FDC's on any type of standpipe system. Hydrostatic testing shall also be conducted in accordance with NFPA 25 requirements for the different types of standpipe systems.
2. For any manual (dry or wet) standpipe system not having an automatic water supply capable of flowing water through the standpipe, the tester shall connect hose from a fire hydrant or portable pumping system (as approved by the fire code official) to each FDC, and flow water through the standpipe system to the roof outlet to verify that each inlet connection functions properly. Confirm that

terminated for any reason, or a change in alarm monitoring provider occurs. Notice shall be made in writing to the *fire code official* by the building owner and monitoring service provider prior to the service being terminated.

Section 903.1.1; change to read as follows:

**903.1.1 Alternative protection.** Alternative automatic fire-extinguishing systems complying with section 904 shall be permitted in lieu of addition to automatic sprinkler protection where recognized by the applicable standard ~~and, or as~~ approved by the fire code official.

Section 903.2; add paragraph to read as follows:

Automatic sprinklers shall not be installed in elevator machine rooms, elevator machine spaces, and elevator hoistways, other than pits where such sprinklers would not necessitate shunt trip requirements under any circumstances. Storage shall not be allowed within the elevator machine room. Signage shall be provided at the entry doors to the elevator machine room indicating "ELEVATOR MACHINERY - NO STORAGE ALLOWED."

Section 903.2.9; add section 903.2.9.3 to read as follows:

**903.2.9.3 Self-service storage facility.** An automatic sprinkler system shall be installed throughout all self-service storage facilities.

Section 903.2.11; change 903.2.11.3 and add 903.2.11.7, 903.2.11.8, 903.2.11.9 and 903.2.11.10 as follows:

**903.2.11.3 Buildings 55 35 feet or more in height.** An automatic sprinkler system shall be installed throughout buildings with a floor level, other than penthouses in compliance with section 1509 of the International Building Code, having an occupant load of 30 or more that is located ~~55 35 feet (16,764 10,668 mm)~~ or more above the lowest level of fire department vehicle access.

**Exceptions:**

- ~~1.~~ — Airport control towers.
- ~~2.~~ — Open parking structures in compliance with section 406.5 of the International Building Code.
- ~~3.~~ — Occupancies in group F-2.

**903.2.11.7 High-piled combustibile storage.** For any building with a clear height exceeding 12 feet (4572 mm), see chapter 32 to determine if those provisions apply.

**903.2.11.8 Spray booths and rooms.** New and existing spray booths and spraying rooms shall be protected by an approved automatic fire extinguishing system.

Section 903.3.5; add a second paragraph to read as follows:

Water supply as required for such systems shall be provided in conformance with the supply requirements of the respective standards; however, every fire protection system shall be designed with a 10 psi safety factor. Reference section 507.4 for additional design requirements.

Section 903.4; add a second paragraph after the exceptions to read as follows:

Sprinkler and standpipe system water-flow detectors shall be provided for each floor tap to the sprinkler system and shall cause an alarm upon detection of water flow for more than 45 seconds. All control valves in the sprinkler and standpipe systems except for fire department hose connection valves shall be electrically supervised to initiate a supervisory signal at the central station upon tampering.

Section 903.4.2; add second paragraph to read as follows:

The alarm device required on the exterior of the building shall be a weatherproof horn/strobe notification appliance with a minimum 75 candela strobe rating, installed as close as practicable to the fire department connection.

Section 905.2; change to read as follows:

**905.2 Installation standards.** Standpipe systems shall be installed in accordance with this section and NFPA 14. Manual dry standpipes shall be supervised with a minimum of 10 psig and a maximum 40-psig-air pressure with a high/low alarm.

Section 905.3; add section 905.3.9 and exception to read as follows:

**905.3.9 Building area.** In buildings exceeding 10,000 square feet in area per story, class I automatic wet or manual wet standpipes shall be provided where any portion of the building's interior area is more than 150 feet (45 720 mm) of travel, vertically and horizontally, from the nearest point of fire department vehicle access.

**Exceptions:** Automatic dry and semiautomatic dry standpipes are allowed as provided for in NFPA 14.

Section 905.4, item 5; change to read as follows:

5. Where the roof has a slope less than four units vertical in 12 units horizontal (33.3-percent slope), each standpipe shall be provided with a two-way hose connection located to serve the roof or at the highest landing of a stairway with stair access to the roof provided in accordance with section 1009.16. An additional hose connection shall be provided at the top of the most hydraulically remote standpipe for testing purposes.

alarms system. An approved smoke detection system shall be installed in group E day care occupancies. Unless separated by a minimum of 100' open space, all buildings, where portable buildings or the main building, will be considered one building for alarm occupant load consideration and interconnection of alarm systems.

Exception:

1. A manual fire alarm system is not required in group E educational and day care occupancies with an occupant load of less than 30 or less when provided with an approved automatic sprinkler system.
  - 1.1 Residential in-home day care with not more than 12 children may use hard-wired interconnected single station detectors with battery backup in all habitable rooms. (For care of more than five children 2-1/2 or less years of age, see section 907.2.6.)

Section 907.2.13, exception 3; change to read as follows:

3. Open air portions of buildings with an occupancy in group A-5 in accordance with section 303.1 of the International Building Code; however, this exception does not apply to accessory uses including but not limited to skyboxes, restaurants and similarly enclosed areas.

Section 907.4.2; add section 907.4.2.7 to read as follows:

**907.4.2.7 Type.** Manual alarm actuating devices shall be an approved double action type.

Section 907.6.1; add section 907.6.1.1 to read as follows:

**907.6.1.1 Wiring installation.** All fire alarm systems shall be installed in such a manner that a failure of any single initiating device or single open in an initiating circuit conductor will not interfere with the normal operation of other such devices. All signaling line circuits (SLC) shall be installed in such a way that a single open will not interfere with the operation of any addressable devices (class A). Outgoing and return SLC conductors shall be installed in accordance with NFPA 72 requirements for class A circuits and shall have a minimum of four feet separation horizontal and one foot vertical between supply and return circuit conductors. The initiating device circuit (IDC) from an addressable input (monitor) module may be wired class B, provided the distance from the addressable module to the initiating device is ten feet or less.

Section 907.6.5; add section 907.6.5.3 to read as follows:

**907.6.5.3 Communication requirements.** All alarm systems, new or replacement, shall transmit alarm, supervisory and trouble signals descriptively to the approved central station, remote supervisory station or proprietary supervising station as defined in NFPA 72, with the correct device designation and location of addressable device identification. Alarms shall not be permitted to be transmitted as a general alarm or zone condition.

**Section 910.3.2.3 Nonsprinklered buildings.** Where installed in buildings not equipped with an approved automatic sprinkler system, smoke and heat vents shall operate automatically by actuation of a heat-responsive device rated at between 100 degrees F (56 degrees C) and 220 degrees F (122 degrees C) above ambient.

**Exception:** Gravity-operated drop out vents complying with section 910.3.2.1.

**Section 910.3.3 Vent dimensions.** The effective venting area shall not be less than 16 square feet with no dimension less than 4 feet, excluding ribs or gutters having a total width not exceeding 6 inches.

Section 912.2; add section 912.2.3 to read as follows:

**912.2.3 Hydrant distance.** An approved fire hydrant shall be located within 25 feet of the fire department connection as the fire hose lays along an unobstructed path.

Section 913.1; add second paragraph and exception to read as follows:

When located on the ground level at an exterior wall, the fire pump room shall be provided with an exterior fire department access door that is not less than 3 ft. in width and 6 ft. - 8 in. in height, regardless of any interior doors that are provided. A key box shall be provided at this door, as required by section 506.1.

Exception: When it is necessary to locate the fire pump room on other levels or not at an exterior wall, the corridor leading to the fire pump room access from the exterior of the building shall be provided with equivalent fire resistance as that required for the pump room, or as approved by the fire code official. Access keys shall be provided in the key box as required by section 506.1.

Chapter 10: sections 1001 through 1029; replace all references to "fire code official": with "building official."

Section 1004.1.2; delete exception in its entirety.

Section 1007.1; add a new exception number 4 to read as follows:

Exceptions:

4. Buildings regulated under state law and built in accordance with state registered plans, including any variances or waivers granted by the state, shall be deemed to be in compliance with the requirements of section 1007.

Section 1007.5; Platform lifts, amend to read as follows:

**1007.5 Platform lifts.** Platform (wheelchair) lifts .... required accessible route in section 1109.87, items 1 through 910, of the International Building Code. Standby power .... {remainder unchanged}.

Section 1026.6; amend exception 4 to read as follows:

Exceptions: {previous exceptions unchanged}

4. Separation from the ~~interior open-ended corridors~~ of the building.... *{remaining text unchanged}*

Section 1028.1.1.1; delete in its entirety.

Section 1029.1; amend to read as follows:

**1029.1 General.** In addition to the means of egress required by this chapter, provisions shall be made for emergency escape and rescue openings in group R and I-1 occupancies ~~in accordance with tables 1021.2(1) and 1021.2(2) and group 3 occupancies.~~ *{remainder unchanged}*

Exceptions:

1. {Exception unchanged}
2. {Exception unchanged}
3. {Exception unchanged}
4. In other than group R-3 occupancies, buildings equipped throughout with an approved automatic sprinkler system in accordance with section 903.3.1.1 or 903.3.1.2.

Section 1030.2; change to read as follows:

**1030.2 Reliability.** Required exit accesses, exits and exit discharges shall be continuously maintained free from obstructions or impediments to full instant use in the case of fire or other emergency ~~when the building area served by the means of egress is occupied.~~ An exit or exit passageway shall not be used for any purpose that interferes with a means of egress.

Section 1103.3; add sentence to end of paragraph as follows:

Provide emergency signage as required by section 607.2.

Section 1103.5; add section 1103.5.3 to read as follows:

**1103.5.3 Spray booths and rooms.** New and existing spray booths and spray rooms shall be protected by an approved automatic fire-extinguishing system in accordance with section 2404.

Section 2304.1; change to read as follows:

**2304.1 Supervision of dispensing.** The dispensing of fuel at motor fuel-dispensing facilities shall be conducted by a qualified attendant or shall be under the supervision of a

the city. It shall further be lawful for bona fide fireworks dealers to transport interstate commerce commission class c fireworks along and upon state and federally numbered highways within the city.

Section 3301.4 Exemption of signal flares and starter's pistols; add a new section to read as follows:

**3301.4 Exemption of signal flares and starter's pistols.** This article shall not apply to signal flares, road flares and torpedoes of the type and kind commonly used by any railroads, which signal flares and torpedoes are received by and stored or transported by any railroad for use in railroad operation; nor shall this article apply to any marine signal flare or rocket of the type and kind commonly carried by a vessel at sea or lake for its own use and which signal flare or rocket is transported or received or stored for use only at marine vessel stores; nor shall this article apply to signal flares or rockets for military or police use; nor shall this article apply to starter's blanks and pistols used in athletic events.

Section 3301.4.1 Exemption of toy pistol caps, poppers and party poppers; add a new section to read as follows:

**3301.4.1 Exemption of toy pistol caps, poppers and party poppers.** Toy paper pistol caps, poppers and party poppers which contain less than twenty-five one-hundredths (25/100) grain of explosive compounds shall not be affected by this article, and the sale and use is permitted at all times.

Section 3302.1 Seizure and destruction of illegal fireworks; add a new section to read as follows:

**3302.1 Seizure and destruction of illegal fireworks.** The presence of any fireworks within the jurisdiction of the city in violation of this article is hereby declared to be a common and public nuisance. The fire chief, fire marshal, police chief or their designated representatives are directed and required to seize and cause to be safely destroyed any fireworks found in violation of this article, providing said seizure complies with section 1. Section 342.003, Local Government Code, is amended by adding subsection (c) subsection (a)(8) does not authorize a municipality to confiscate package, unopened fireworks. All opened fireworks may be seized and destroyed in accordance with the terms of this section. Notwithstanding any penal provision of this article, the city attorney is authorized to file suit on behalf of the city or the fire chief, fire marshal, police chief or their designated representatives for such injunction relief as may be necessary to prevent unlawful storage, transportation, keeping or use of fireworks within the jurisdiction of the city, and to aid the fire chief, fire marshal, police chief or their designated representatives in the discharge of their duties, and to particularly prevent any person from interfering with the seizure and destruction of such fireworks, but it shall not be necessary to obtain any such injunctive relief as a prerequisite to such seizure and destruction.

Section 3302.2 Applicability outside the city limits; add a new section to read as follows:

**3302.2 Applicability outside the city limits.** This article shall also be applicable and in force within the area immediately adjacent and contiguous to the city limits and extending for a distance outside the city limits for a total of five thousand (5,000) feet, and it shall be unlawful to do or perform any act in violation of this article within such area of five

Section 3303.4 Issuance or bond; add a new section to read as follows:

- **3303.4 Issuance or bond.** The applicant for a display permit under this article shall, at the time of making application, furnish proof that he/she carries compensation insurance for his/her employees as provided by the laws of the state, and he/she shall file with the city secretary a certificate of insurance evidencing the carrying of public liability insurance in an amount not less than one million (\$1,000,000) dollars issued by an insurance carrier authorized to transact business in the state, for the benefit of the person named therein as assured, as evidence of ability to respond in damages in at least the amount of one million (\$1,000,000) dollars, such policy to be approved by the fire chief, fire marshal, police chief or their designated representatives. In lieu of insurance, the applicant may file with the city secretary a bond in the amount of one million (\$1,000,000) dollars issued by an authorized surety company approved by the fire chief, fire marshal, police chief or their designated representatives, conditioned upon the applicant's payment of all damages to persons or property which shall or may result from or be caused by such public display of fireworks or any negligence on the part of the applicant or his/her agents, servants, employees or subcontractors in the presentation of the public display. The city shall also be designated as an insured by the insurance policy and bonded by the bond.

Section 3303.5 Type of display; add a new section to read as follows:

- **3303.5 Type of display.** Any fireworks display authorized under this article shall be limited to an aerial display.

Section 3303.6 Storage of material; add a new section to read as follows:

- **3303.6 Storage of material.** The material to be used for a public display authorized by this article shall not be stored within the city limits, but shall be brought in on the day of the public display and then shall be taken immediately to the place of display for further handling and storage.

Section 3303.7 Hazardous conditions prohibited; add a new section to read as follows:

- **3303.7 Hazardous conditions prohibited.** No public display of fireworks shall be of such a character and so located, discharged or fired as to be hazardous or dangerous to persons or property, and this determination shall be within the sound discretion of the fire chief, fire marshal, police chief or their designated representatives.

Section 3303.8 Qualifications of operators; add a new section to read as follows:

- **3303.8 Qualifications of operators.** The persons handling the display of fireworks under this article shall be competent, adult persons and experienced pyrotechnic operators approved by the fire chief, fire marshal, police chief or their designated representatives, and no person not approved by the fire chief, fire marshal, police chief or their designated representatives shall handle fireworks at the public display. The names of the experienced pyrotechnic operators shall be designated on the permit issued.

Section 3303.9 Firefighters to be present at display; add a new section to read as follows:

- **3303.9 Firefighters to be present at display.** For each public display of fireworks under this article, not less than two (2) firefighters of the city and one piece of fire apparatus are

The quantity of combustible liquid stored in tanks complying with this section shall not be counted towards the maximum allowable quantity set forth in table 5003.1.1(1), and such tanks shall not be required to be located in a control area. Such tanks shall not be located more than two stories below grade.

Section 5704.2.11.5; add a sentence to read as follows:

**5704.2.11.5 Leak prevention.** Leak prevention for underground tanks shall comply with sections 5704.2.11.5.1 and ~~5704.2.11.5.2~~ through 5704.2.11.5.3. An approved method of secondary containment shall be provided for underground tank and piping systems.

Section 5704.2.11.5.2; change to read as follows:

**5704.2.11.5.2 Leak detection.** Underground storage tank systems shall be provided with an approved method of leak detection from any component of the system that is designed and installed in accordance with NFPA 30 and as specified in section 5704.2.11.5.3.

Section 5704.2.11.5; add section 5704.2.11.5.3 to read as follows:

**5704.2.11.5.3 Observation wells.** Approved sampling tubes of a minimum 4 inches in diameter shall be installed in the backfill material of each underground flammable or combustible liquid storage tank. The tubes shall extend from a point 12 inches below the average grade of the excavation to ground level and shall be provided with suitable surface access caps. Each tank site shall provide a sampling tube at the corners of the excavation with a minimum of 4 tubes. Sampling tubes shall be placed in the product line excavation within 10 feet of the tank excavation and one every 50 feet routed along product lines towards the dispensers, a minimum of two are required.

Section 5704.2.13.1.3; change to read as follows:

**5704.2.13.1.3 Out of service for one year.** Underground tanks that have been out of service for a period of one year shall be removed from the ground in accordance with section 5704.2.14 ~~or abandoned in place in accordance with section 5704.2.13.1.4.~~

Section 5704.2.13.1.4 Tanks abandoned in place; deleted in its entirety.

Section 5706.5.4; add section 5706.5.4.5 to read as follows:

**5706.5.4.5 Commercial, industrial, governmental or manufacturing.** Dispensing of class II and III motor vehicle fuel from tank vehicles into the fuel tanks of motor vehicles located at commercial, industrial, governmental or manufacturing establishments is allowed where permitted, provided such dispensing operations are conducted in accordance with sections 5706.5.4.5.1 through 5706.5.4.5.3.

**Section 5706.5.4.5.1 Site requirements:**

1. Dispensing may occur at sites that have been permitted to conduct mobile fueling.

7. Absorbent materials, nonwater absorbent pads, and 10 foot long containment boom, an approved container with lid, and a nonmetallic shovel shall be provided to mitigate a minimum 5-gallon fuel spill.
8. Tanker vehicles shall be equipped with a fuel limit switch such as a count-back switch, limiting the amount of a single fueling operation to a maximum of 500 gallons between resetting of the limit switch.

**Exception:** Tankers utilizing remote emergency shut-off device capability where the operator constantly carries the shut-off device which, when activated, immediately causes flow of fuel from the tanker to cease.

9. Persons responsible for dispensing operations shall be trained in the appropriate mitigating actions in the event of a fire, leak, or spill. Training records shall be maintained by the dispensing company and shall be made available to the fire code official upon request.
10. Operators of tank vehicles used for mobile fueling operations shall have in their possession at all times an emergency communications device to notify the proper authorities in the event of an emergency.

**Section 5706.5.4.5.3 Operational requirements.**

1. The tank vehicle dispensing equipment shall be constantly attended and operated only by designated personnel who are trained to handle and dispense motor fuels.
2. Prior to beginning dispensing operations, precautions shall be taken to assure ignition sources are not present.
3. The engines of vehicles being fueled shall be shut off during dispensing operations.
4. Nighttime fueling operations shall only take place in adequately lighted areas.
5. The tank vehicle shall be positioned with respect to vehicles being fueled so as to preclude traffic from driving over the delivery hose and between the tank vehicle and the motor vehicle being fueled.
6. During fueling operations, tank vehicle brakes shall be set, chock blocks shall be in place and warning lights shall be in operation.
7. Motor vehicle fuel tanks shall not be topped off.
8. The dispensing hose shall be properly placed on an approved reel or in an approved compartment prior to moving the tank vehicle.



CONSULTING GROUP, INC.

9221 Lyndon B. Johnson Freeway, #204, Dallas, TX 75243 \* PHONE 972-231-8893 \* FAX 1-866-364-8375  
www.allprocgi.com \* e-mail: info@allprocgi.com \* Firm Reg # 8242

August 10, 2020

Kathy Kelly  
Kelly Communications  
(770)-330-9784

**Driveway Engineering Letter**

**Ref:** Kelly Communications Site Name: TX2001 Seagoville  
T-Mobile Site ID: DA02068A  
T-Mobile Site Name: Seagoville TX2001  
2737 N. US Highway 175, Seagoville, TX 75159  
Dallas County  
Latitude: 32.665186, Longitude: -96.583633  
ACGI Job# 20-2904\_Rev1

Dear Kathy,

As per your request, we are providing the Driveway Engineering Letter for New T-Mobile (Cell Site) located at the above referenced location.

The compacted gravel access road for the site is designed to satisfy requirements by City of Seagoville fire department and City's TCSS. The access road is 24' wide and will be able to support imposed load of fire apparatus weighing 85,000lbs. The access road is designed for all weather.

We appreciate the opportunity to be of service to you for this phase of the project. If you have any questions concerning this report please contact us.

Snehalsinh Vansia, E.I.T.  
Staff Engineer



08/10/2020  
Approved By:  
Chiyu Zhang, P.E.  
TX PE # 128187  
Firm Reg. # 8242

Enclosed:  
-Driveway details



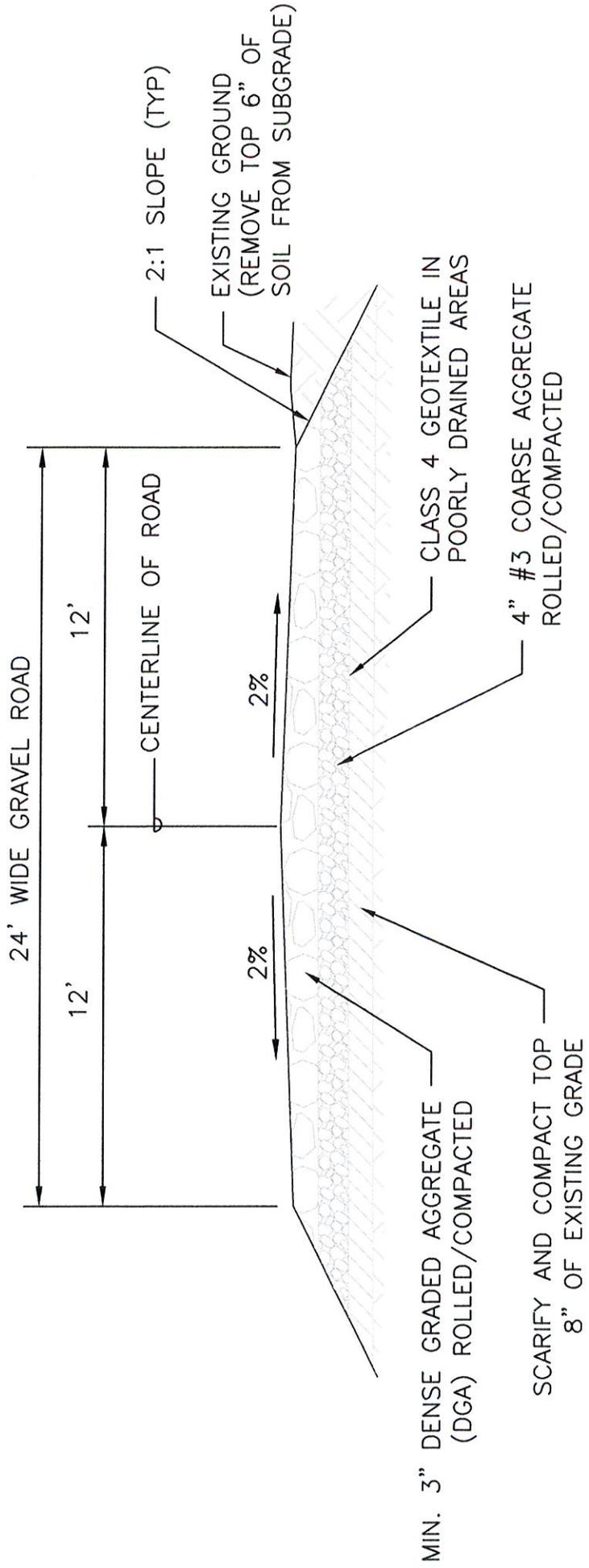
*Note: by LA  
This is how to Design on all weather Rd.*

**NOTES:**

1. CLEAR AND GRUB EXISTING VEGETATION
  2. MAINTAIN EXISTING DRAINAGE PATTERNS
  3. SUBGRADE TO BE COMPACTED TO 98% (MINIMUM) STANDARD PROCTOR DENSITY
- THE NEW ACCESS ROAD OUTSIDE THE FENCED COMPOUND SHALL BE SURFACED AS FOLLOWS:
- MIN 4" CRUSHER RUN FINISHED DRIVING SURFACE. #3 GRAVEL ROLLED SUB-BASE COURSE
  - 3" MINIMUM CRUSHER RUN (DENSE GRADED AGGREGATE) OVER THE SUB-BASE AND ROLLED.
  - SUB-BASE COURSE COMPACTED TO 98% STANDARD PROCTOR DENSITY

**NOTES:**

1. CONTRACTOR TO FOLLOW CURRENT EDITION OF STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTIONS BY NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS (NCTCOG) FOR CONSTRUCTION RELATED REQUIREMENTS.
2. WHERE REWORKING OR EXTENDING EXISTING ROAD, MATCH EXISTING CONSTRUCTION OR AS DETAILED ABOVE AS A MINIMUM ACCEPTABLE STANDARD.
3. TO BE USED FOR GRADES 0-2%



**COPY**

**JOB WEATHER CARD**

**Seawville COPY PAID**

AUG 31 2020

**BUILDING PERMIT**

DEMOLITION

**FILE**

PERMIT # **C20-801**  
DATE **8/31/2020**

APPLICANT **ENERTECH RESOURCES, LLC**

1820 WATSON LN EAST NEW BRAUNFELS, TX 78130  
(NO.) (STREET) CONTRS LICENSE

PERMIT TO **CELL TOWER** STORIES **1** PROPOSED USE **COMMERCIAL** # OF DWELLING UNITS

LOCATION **2737 N HWY 175** ZONING DISTRICT **C-SUP**

BETWEEN **GLENN RD** AND **US HWY 175**  
(GROSS STREET)

SUBDIVISION **HERMAN HEIDER ABST 541 PG 505** LOT BLOCK LOT SIZE

EACH EXT. IS TO BE **FT. WIDE BY FT. LONG BY FT. IN HEIGHT W / FOUNDATION** (TYPE)

REMARKS: **NEW CELL TOWER**

**CALL THE 24 HOUR INSPECTION LINE AT 469-319-5019 FOR AN INSPECTION**

TOTAL AREA (SQ FT) ESTIMATED COST \$ **85,000.00** PERMIT FEE \$ **888.75**

PER DALLAS COUNTY APPRAISAL DISTRICT (AT THE TIME PERMIT WAS ISSUED):  
PLAN REVIEW FEE = **50.00**  
WATER DEPOSIT = **0.00**  
RADIO READ METER SET FEE = **0.00**  
ADMINISTRATIVE FEE = **25.00**

OWNER **COMMUNICATION TOWERS** BUILDING DEPARTMENT  
2737 N HWY 175  
ADDRESS **SEAGOVILLE, TX 75159** BY *Cary Johnson for JR*

**PERMIT IS NON REFUNDABLE AND NON TRANSFERABLE/EXPIRES WITHIN 6 MONTHS OF DATE**  
**\*\*\* ALL CONTRACTORS & SUB-CONTRACTORS ARE TO BE REGISTERED WITH THE CITY PRIOR TO WORK BEGINNING 8/31/2020**

**POST THIS CARD SO IT IS VISIBLE FROM THE STREET**



8%  
LF

City of Seagoville  
This is Your Receipt

08/31/2020 14:34:52 rcorbin  
Receipt Number: 634108 10.10.10.128  
Subsys: 0193300000  
MISC. LICENSES 60.00 N  
Payee: CONTRACTOR REG.  
ENERTECH RESOURCES

Subsys: 0193110000  
BUILDING PERMIT FEES 888.75 N  
Payee: BUILDING PERMIT C20-801  
Payee: 2737 N. HWY 175  
ENERTECH RESOURCES

Subsys: 0193110000  
BUILDING PERMIT FEES 50.00 N  
PLAN REVIEW FEE

Subsys: 0193110000  
BUILDING PERMIT FEES 25.00 N  
ADMIN FEE

Total: 1023.75  
Master Charge 1023.75  
Tender Reference: 501824  
Change Due: .00

Thank You





**APPLICATION FOR PLAN EXAMINATION AND BUILDING PERMIT**

Name of Owner \_\_\_\_\_ Contractor \_\_\_\_\_

**IMPORTANT - Applicant must complete all items in Sections: I, II, III and IV**

<b>I. LOCATION OF BUILDING</b>	AT (LOCATION) <u>2737 N. US Highway 175</u> ZONING DISTRICT <u>C-Sul</u>	
	(NO.) _____ (STREET) _____	
	BETWEEN <u>Glenn Rd</u> AND <u>US Hwy 175</u>	
	(CROSS STREET) _____ (CROSS STREET) _____	
	SUBDIVISION <u>Herman Heider ABST 541 PG 505</u> LOT _____ BLOCK _____ LOT SIZE <u>13.2933</u>	

**II. TYPE AND COST OF BUILDING - All applicants complete Parts A - D**

<p><b>A. TYPE OF IMPROVEMENT</b></p> <p>1. <input checked="" type="checkbox"/> New Building</p> <p>2. <input type="checkbox"/> Addition (If residential, enter number of new housing units added, if any, in Part D, 13)</p> <p>3. <input type="checkbox"/> Alteration (See 2 above)</p> <p>4. <input type="checkbox"/> Repair, replacement</p> <p>5. <input type="checkbox"/> Wrecking (If multifamily in residential, enter number of units building in Part D, 13)</p> <p>6. <input type="checkbox"/> Moving (relocation)</p> <p>7. <input type="checkbox"/> Foundation only</p>	<p><b>D. PROPOSED USE - (For "Wrecking" most recent use)</b></p> <table style="width:100%;"> <tr> <td style="width:50%;"> <p>Residential</p> <p>12. <input type="checkbox"/> One family</p> <p>13. <input type="checkbox"/> Two or more families <i>Enter number of units</i> _____</p> <p>14. <input type="checkbox"/> Transient hotel, motel, or dormitory <i>Enter number of units</i> _____</p> <p>15. <input type="checkbox"/> Garage</p> <p>16. <input type="checkbox"/> Carport</p> <p>17. <input type="checkbox"/> Other - (Specify) _____</p> </td> <td style="width:50%;"> <p>Nonresidential</p> <p>18. <input type="checkbox"/> Amusement, recreational</p> <p>19. <input type="checkbox"/> Church, other religious</p> <p>20. <input type="checkbox"/> Industrial</p> <p>21. <input type="checkbox"/> Parking Garage</p> <p>22. <input type="checkbox"/> Service Station, repair garage</p> <p>23. <input type="checkbox"/> Hospital, institutional</p> <p>24. <input type="checkbox"/> Office, bank, professional</p> <p>25. <input type="checkbox"/> Public Utility</p> <p>26. <input type="checkbox"/> School, library, other educational</p> <p>27. <input type="checkbox"/> Stores, mercantile</p> <p>28. <input type="checkbox"/> Tanks, towers</p> <p>29. <input checked="" type="checkbox"/> Other - (Specify) <u>cell tower</u></p> </td> </tr> </table>	<p>Residential</p> <p>12. <input type="checkbox"/> One family</p> <p>13. <input type="checkbox"/> Two or more families <i>Enter number of units</i> _____</p> <p>14. <input type="checkbox"/> Transient hotel, motel, or dormitory <i>Enter number of units</i> _____</p> <p>15. <input type="checkbox"/> Garage</p> <p>16. <input type="checkbox"/> Carport</p> <p>17. <input type="checkbox"/> Other - (Specify) _____</p>	<p>Nonresidential</p> <p>18. <input type="checkbox"/> Amusement, recreational</p> <p>19. <input type="checkbox"/> Church, other religious</p> <p>20. <input type="checkbox"/> Industrial</p> <p>21. <input type="checkbox"/> Parking Garage</p> <p>22. <input type="checkbox"/> Service Station, repair garage</p> <p>23. <input type="checkbox"/> Hospital, institutional</p> <p>24. <input type="checkbox"/> Office, bank, professional</p> <p>25. <input type="checkbox"/> Public Utility</p> <p>26. <input type="checkbox"/> School, library, other educational</p> <p>27. <input type="checkbox"/> Stores, mercantile</p> <p>28. <input type="checkbox"/> Tanks, towers</p> <p>29. <input checked="" type="checkbox"/> Other - (Specify) <u>cell tower</u></p>
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<p><b>B. OWNERSHIP</b></p> <p>8. <input checked="" type="checkbox"/> Private (individual, corporation, nonprofit institution, etc.)</p> <p>9. <input type="checkbox"/> Public (Federal, State or local government)</p>			

<p><b>C. COST</b></p> <p>10. Cost of Improvement.... <i>To be installed but not included in the above cost</i></p> <p>a. Electrical .....</p> <p>b. Plumbing .....</p> <p>c. Heat, air conditioning</p> <p>d. Other (elevator, etc.)....</p> <p>11. TOTAL COST OF IMPROVEMENT</p>	<p>(Omit cents)</p> <p>\$ _____</p>	<p><b>Nonresidential</b> - Describe proposed use of buildings, e.g., food processing plant, machine shop, laundry building at hospital, elementary school, secondary school, college, parochial school, parking garage for department store, rental office building at industrial plant. If use of existing building is being changed, enter proposed use.</p> <p align="center"><b>Proposed 195' monopole and outdoor equipment on 10' X 10' concrete pad</b></p>
	<p>\$ <b>85000</b></p>	

**III. SELECTED CHARACTERISTICS OF BUILDING - For new buildings and additions, complete Parts E - L; For wrecking, complete only Part J; for all others, skip to IV**

<p><b>E. PRINCIPAL TYPE - FRAME</b></p> <p>30. <input type="checkbox"/> Masonry (wall bearing)</p> <p>31. <input type="checkbox"/> Wood frame</p> <p>32. <input checked="" type="checkbox"/> Structural steel</p> <p>33. <input checked="" type="checkbox"/> Reinforced concrete</p> <p>34. <input type="checkbox"/> Other - (Specify) _____</p>	<p><b>G. TYPE OF SEWAGE DISPOSAL</b></p> <p>40. <input type="checkbox"/> Public/private company</p> <p>41. <input type="checkbox"/> Private (septic tank, etc.)</p>	<p><b>J. DIMENSIONS</b></p> <p>48. Number of stories.....</p> <p>49. Total square feet of floor area all floors, based on exterior dimensions.....</p> <p>50. Total land area, sq. ft. ....</p>	<p align="center" style="font-size: 2em; border: 2px solid black; padding: 5px;"><b>RECEIVED</b></p> <p align="center" style="color: red; font-weight: bold;">AUG 18 2020</p> <p align="center">BY: <u>APP</u></p>
<p><b>F. PRINCIPAL TYPE - HEATING FUEL</b></p> <p>35. <input type="checkbox"/> Gas</p> <p>36. <input type="checkbox"/> Oil</p> <p>37. <input type="checkbox"/> Electricity</p> <p>38. <input type="checkbox"/> Coal</p> <p>39. <input type="checkbox"/> Other - (Specify) _____</p>	<p><b>H. TYPE OF WATER SUPPLY</b></p> <p>42. <input type="checkbox"/> Public/private company</p> <p>43. <input type="checkbox"/> Private (well, cistern)</p>	<p><b>K. # OF OFF-STREET PARKING SPACES</b></p> <p>51. Enclosed .....</p> <p>52. Outdoors .....</p>	
<p><b>I. TYPE OF MECHANICAL</b></p> <p>Will there be central air conditioning?</p> <p>44. <input type="checkbox"/> Yes   45. <input type="checkbox"/> No</p> <p>Will there be an elevator?</p> <p>46. <input type="checkbox"/> Yes   47. <input type="checkbox"/> No</p>		<p><b>L. RESIDENTIAL BUILDINGS ONLY</b></p> <p>53. Number of bedrooms .....</p> <p>54. Number of bathrooms Full .....</p> <p>Partial .....</p>	

NO. STREET



**VALIDATION - To be completed by all applicants**

	Name	Mailing address - Number, street, city, and state	ZIP code	Tel. #
1. Owner or Lessee	Kelly Communication Towers	3708 Stonewall Circle, Atlanta, GA	30339	(803 ) 609-0535
2. Contractor	Enertech Resources	1820 Watson Lane East, New Braunfels, TX	78130	(830 ) 387-4502
3. Architect or Engineer	Allpro	9221 Lyndon B Johnson Fwy, Dallas, TX	75243	(972 ) 231-8893
The owner of this building and the undersigned agree to conform to all applicable laws of this jurisdiction.				
Signature of applicant		Address		Application date
		1715 Capital of Tx. Hwy. S., Austin, TX 78746		8/17/2020

Sherry Huebinger/Vincent Gerard & Associates, Inc. - Agent for Kelly Communication Towers

**SITE OR PLOT PLAN - For Applicant Use**

See Attached CDs

**VALIDATION**

Building Permit # \_\_\_\_\_ *not platked*  
*yes zoned C-sup > A.D.B 8/18/2020*

Building Permit issued \_\_\_\_\_ 20\_\_\_\_

Building Permit Fee \$ \_\_\_\_\_

BUILDING FINALIZED \_\_\_\_\_ Approved by: \_\_\_\_\_

DATE *8.25.2020* \_\_\_\_\_

BY *[Signature]* \_\_\_\_\_ TITLE \_\_\_\_\_





CONSULTING GROUP, INC.

9221 Lyndon B. Johnson Freeway, #204, Dallas, TX 75243 \* PHONE 972-231-8893 \* FAX 1-866-364-8375  
 www.allprocgi.com \* e-mail: info@allprocgi.com \* Firm Reg # 8242

September 16, 2020

Kathy Kelly  
 Kelly Communications  
 (770)-330-9784

### Driveway Engineering Letter

**Ref:** Kelly Communications Site Name: TX2001 Seagoville  
 T-Mobile Site ID: DA02068A  
 T-Mobile Site Name: Seagoville TX2001  
 2737 N. US Highway 175, Seagoville, TX 75159  
 Dallas County  
 Latitude: 32.665186, Longitude: -96.583633  
 ACGI Job# 20-2904\_Rev2

Dear Kathy,

As per your request, we are providing the Driveway Engineering Letter for New T-Mobile (Cell Site) located at the above referenced location.

The new compacted gravel access road for the site is designed to satisfy requirements by City of Seagoville fire department and City's TCSS. The access road is 24' wide and will be able to support imposed load of fire apparatus weighing 85,000lbs. The access road is designed for all weather.

Based on field observation, the existing mixed asphalt and gravel pavement will be able to support 85,000lbs of imposed load, given the compacted top surface layer is at least 3" thick. Contractor will field verify the compacted layer thickness along the designed fire lane and apply dense graded aggregate (DGA) rolled/compacted with bituminous surface treatment where needed to meet the requirement.

We appreciate the opportunity to be of service to you for this phase of the project. If you have any questions concerning this report please contact us.

Snehalsinh Vansia, E.I.T.  
 Staff Engineer



09/16/2020  
 Approved By:  
 Chiyu Zhang, P.E.  
 TX PE # 128187  
 Firm Reg. # 8242

Enclosed:  
 -Driveway details

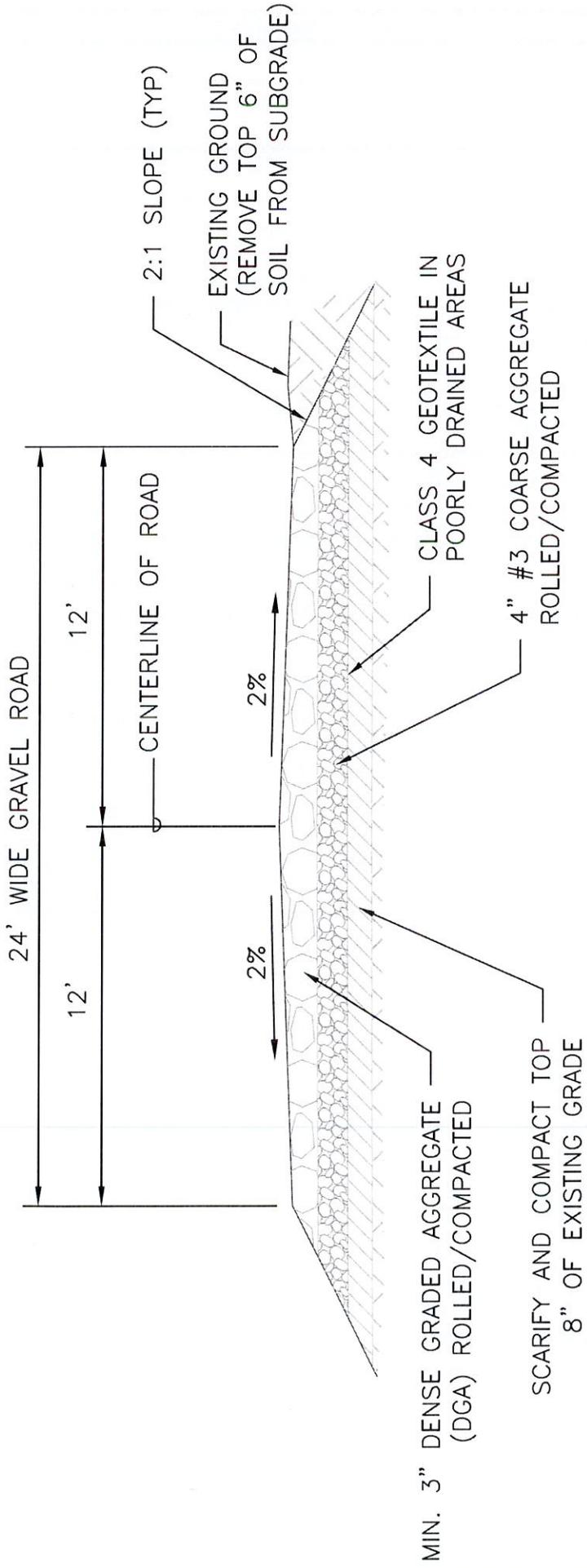


**NOTES:**

1. CLEAR AND GRUB EXISTING VEGETATION
  2. MAINTAIN EXISTING DRAINAGE PATTERNS
  3. SUBGRADE TO BE COMPACTED TO 98% (MINIMUM) STANDARD PROCTOR DENSITY
- THE NEW ACCESS ROAD OUTSIDE THE FENCED COMPOUND SHALL BE SURFACED AS FOLLOWS:
- MIN 4" CRUSHER RUN FINISHED DRIVING SURFACE. #3 GRAVEL ROLLED SUB-BASE COURSE
  - 3" MINIMUM CRUSHER RUN (DENSE GRADED AGGREGATE) OVER THE SUB-BASE AND ROLLED.
  - SUB-BASE COURSE COMPACTED TO 98% STANDARD PROCTOR DENSITY

**NOTES:**

1. CONTRACTOR TO FOLLOW CURRENT EDITION OF STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTIONS BY NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS (NCTCOG) FOR CONSTRUCTION RELATED REQUIREMENTS.
2. WHERE REWORKING OR EXTENDING EXISTING ROAD, MATCH EXISTING CONSTRUCTION OR AS DETAILED ABOVE AS A MINIMUM ACCEPTABLE STANDARD.
3. TO BE USED FOR GRADES 0-2%







**MINUTES OF CITY COUNCIL  
REGULAR SESSION  
AUGUST 3, 2020**

**The Regular Session of the City Council of the City of Seagoville, Texas was called to order at 7:00 p.m. on Monday, August 3, 2020, at City Hall, 702 N. Hwy 175, Seagoville, Texas with a quorum present, to wit:**

Dennis Childress	Mayor	
Jon Epps	Mayor Pro Tem	Absent
Jose Hernandez	Councilmember	Absent
Rick Howard	Councilmember	
Harold Magill	Councilmember	
Mike Fruin	Councilmember	

The following staff members were also present: City Manager Patrick Stallings, Police Chief Ray Calverley, Community Development Director Ladis Barr, City Attorney Victoria Thomas, Fire Chief Todd Gilcrease, Director of Water Utilities Chris Ryan, Director of Health & Code Inspector Jimmy Stephens, Director of Administrative Services Cindy Brown, and City Secretary Kandi Jackson.

**Invocation** – *Invocation was led by Councilmember Magill.*

**Pledge of Allegiance** – *Pledge of Allegiance was led by Mayor Childress.*

**Mayor's Report** – *Mayor Childress stated there is a ninety-five (95) year old resident in the City of Seagoville that is a retired Volunteer Fire Fighter for the City of Seagoville and he would like to get him a Proclamation.*

**Citizens Public Comment Period**- *This portion of the meeting is to allow each speaker up to six (6) minutes to address the council on items not posted on the current agenda. Council may not discuss these items but may respond with factual data or policy information, or place the item on a future agenda. Citizens wishing to speak on posted agenda items will be called upon at that time. Anyone wishing to speak shall submit a Speaker Request Form to the City Secretary.*

*Charles Miller at 509 North Kaufman, Seagoville, Texas stated he would like to see a Board of Ethics. He also explained the reasons he would like a Board of Ethics.*

**CONSENT AGENDA-** The Consent Agenda contains items which are routine in nature and will be acted upon in one motion.

**1. Consider approving Joint City Council and Seagoville Economic Development Meeting minutes for July 20, 2020 (City Secretary)**

*Motion to approve Joint City Council and Seagoville Economic Development Meeting minutes for July 20, 2020 – Howard, seconded by Magill; motion passed with all ayes. 3/0*

**REGULAR AGENDA-**

**2. Discuss and consider a modified version of Seagofest (Chamber of Commerce)**

*President of Chamber of Commerce Mike McDaniel at 217 North Kaufman, Seagoville Texas explained the Chamber of Commerce would like to host a modified version of Seagofest. President of Chamber of Commerce Mr. McDaniel explained the safety measures that will be taken due to CoVID-19.*

*Motion to allow a modified version of Seagofest– Fruin, seconded by Howard.*

*City Attorney Thomas stated Mayor Childress will have to approve the modified Seagofest. Mayor Childress stated he will allow Council to vote and then approve the event. City Manager Stallings stated there is still time to make any necessary changes to the event for safety.*

*Motion passed with all ayes. 3/0*

**3. Direct Staff concerning the first Council Meeting for September, 2020 (City Secretary)**

*City Secretary Jackson stated the first Council Meeting for September 2020 falls on the Labor Day Holiday and City Offices are closed that day. She also explained that Staff is seeking direction from Council concerning the first September, 2020 meeting.*

*After some discussion, Council directed Staff to reschedule the first meeting in September for September 14, 2020.*

**4. Receive an update concerning the CARES Act Funding (Director of Health and Code)**

*Director of Health and Code Stephens updated Council concerning the CARES Act Funding. He also sought direction from Council concerning the amount of the second stimulus check for businesses.*

**5. Receive an update regarding the streets under construction (Community Development Director)**

*Community Development Director Barr provided an update concerning streets that are currently under construction in the City of Seagoville.*

*City Manager Stallings thanked Council and Community Development Director Barr for all their hard work.*

**6. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas approving Anderson Asphalt & Concrete Paving to perform repair work on East Farmers Road, from Kaufman Street to the US Highway 175 Service Road, for compensation in an amount not to exceed One Hundred Seventy Two Thousand One Hundred Forty Seven Dollars and No Cents (\$172,147.00) as set forth in Exhibit A, attached hereto and incorporated herein; authorizing the City Manager to execute any and all necessary documents; and providing an effective date (Community Development Director)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas approving Anderson Asphalt & Concrete Paving to perform repair work on East Farmers Road, from Kaufman Street to the US Highway 175 Service Road, for compensation in an amount not to exceed One Hundred Seventy Two Thousand One Hundred Forty Seven Dollars and No Cents (\$172,147.00) as set forth in Exhibit A, attached hereto and incorporated herein; authorizing the City Manager to execute any and all necessary documents; and providing an effective date – Fruin, seconded by Magill; motion passed with all ayes. 3/0*

**7. Receive an update concerning Police Department staffing levels within the City of Seagoville on major holidays that historically involve celebratory gunfire and fireworks (Police Chief)**

*Police Chief Calverley presented staffing levels within the City of Seagoville on major holidays that historically involve celebratory gunfire and fireworks. He also explained the increase in advertising for illegal and dangerous use of gunfire and fireworks.*

**8. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, designating the City Manager as the City's Authorized Official with regard to Grant Number 4142701 Titled Clean Environment; authorizing the City Manager to submit the grant application to the Office of the Governor, Criminal Justice Division; providing for the repeal of any and all Resolutions in conflict; providing for a severability clause; and providing an effective date (Police Chief)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas, designating the City Manager as the City's Authorized Official with regard to Grant Number 4142701 Titled Clean Environment; authorizing the City Manager to submit the grant application to the Office of the Governor, Criminal Justice Division; providing for the repeal of any and all*

*Resolutions in conflict; providing for a severability clause; and providing an effective date – Fuin, seconded by Howard; motion passed with all ayes. 3/0*

**9. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas approving an agreement for Professional Engineering Services on a defined Scope of Services Basis (“Agreement”) with Halff Associates, Inc. for the purpose of providing additional Professional Engineering Services for the Geotechnical Services in Northern Basin Interceptor System in an amount not to exceed \$37,900; authorizing the City Manager to sign; providing a repealing clause; providing a severability clause; providing a savings clause; and providing an effective date (Water Utilities Director)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas approving an agreement for Professional Engineering Services on a defined Scope of Services Basis (“Agreement”) with Halff Associates, Inc. for the purpose of providing additional Professional Engineering Services for the Geotechnical Services in Northern Basin Interceptor System in an amount not to exceed \$37,900; authorizing the City Manager to sign; providing a repealing clause; providing a severability clause; providing a savings clause; and providing an effective date – Magill, seconded by Howard; motion passed with all ayes. 4/0*

**10. Conduct a public hearing on a request to grant a Special Use Permit ("SUP") for a monopole communications tower to be located on property zoned "C", Commercial, being approximately 13.3± acres of real property located at 2737 North Highway 175, in the City of Seagoville, Dallas County, Texas and being legally described as Tract 39 of Herman Heider Abstract 541 and approval of the site plans (Community Development Director)**

*Mayor Childress opened the public hearing at 7:58 p.m.*

*Cathy Kelly at 3708 Stonewall Circle, Atlanta, Georgia stated the monopole communications tower was approved last year but they were not able to build in the allotted timeframe. She stated they are seeking a second approval in order to build.*

*Mayor Childress closed the public hearing at 8:01 p.m.*

**11. Discuss and consider approval for an Ordinance of the City of Seagoville, Texas, amending the Comprehensive Zoning Ordinance and Map of the City of Seagoville, as amended, by granting a Special Use Permit ("SUP") for a monopole communications tower to be located on property zoned "C", Commercial, being approximately 13.3± acres of real property located at 2737 North Highway 175, in the City of Seagoville, Dallas County, Texas and being legally described as Tract 39 of Herman Heider Abstract 541; providing for the approval of the site plans, which are attached hereto and incorporated herein as Exhibits "A" and "B", providing for a repealing clause; providing a savings clause; providing a severability clause; providing a penalty of fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense; and providing an effective date (Community Development)**

*City Attorney Thomas stated Planning & Zoning approved this Ordinance with conditions which are in the Ordinance provided on the dais to Council. She stated if Council approves the Ordinance she recommends approving the Ordinance with the conditions.*

*Motion to approve an Ordinance of the City of Seagoville, Texas, amending the comprehensive zoning ordinance and map of the City of Seagoville, as amended, by granting, subject to conditions, a special use permit ("SUP") for a monopole communications tower to be located on property zoned "C", Commercial, being approximately 13.3± acres of real property located at 2737 North Highway 175, in the City of Seagoville, Dallas County, Texas, and being legally described as Tract 39 of Herman Heider Abstract 541; providing for the approval the site plans, which are attached hereto and incorporated herein as Exhibits "A" and "B", respectively; providing for a repealing clause; providing for a severability clause; providing for a penalty of fine not to exceed Two Thousand Dollars (\$2,000.00) for each offense; and providing for an effective date – Magill, seconded by Howard; motion passed. 2/1 (For: Howard, Magill, Against: Fruin)*

**12. Discuss and consider approving a Resolution of the City of Seagoville, Texas, approving C&M Concrete to perform concrete repairs to Hall Street, between Oakbrook Lane and Shadybrook Lane, and to perform sidewalk and curb repairs at nine (9) locations in the 1200 and 1300 blocks of Hall Street for compensation in an amount not to exceed Twenty Four Thousand Nine Hundred Fifty Three Dollars and Sixty Five Cents (\$24,953.65), as set forth in Exhibit "A", which is attached hereto and incorporated herein; authorizing the City Manager to execute any and all necessary documents for the work to be performed; and providing an effective date (Community Development Director)**

*Motion to approve a Resolution of the City of Seagoville, Texas, approving C&M Concrete to perform concrete repairs to Hall Street, between Oakbrook Lane and Shadybrook Lane, and to perform sidewalk and curb repairs at nine (9) locations in the 1200 and 1300 blocks of Hall Street for compensation in an amount not to exceed Twenty Four Thousand Nine Hundred Fifty Three Dollars and Sixty Five Cents (\$24,953.65), as set forth in Exhibit "A", which is attached hereto and incorporated herein; authorizing the City Manager to execute any and all necessary documents for the work to be performed; and providing an effective date – Howard, seconded by Magill; motion passed with all ayes. 3/0*

**13. Receive Councilmember Reports/Items of Community Interest** - as authorized by Section 551.0415 of the Texas Government Code.

*None.*

**14. Future Agenda Items** – Council to provide direction to staff regarding future agenda items. These items will not be discussed and no action will be taken at this meeting.

*None.*

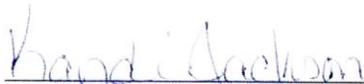
**Adjourned at 8:08 p.m.**

**APPROVED:**



\_\_\_\_\_  
Mayor Dennis K. Childress

**ATTEST:**



\_\_\_\_\_  
Kandi Jackson, City Secretary



## ***Regular Session Agenda Item: 5***

**Meeting Date:     October 5, 2020**

### **ITEM DESCRIPTION:**

Discuss and consider approving a Resolution of the City Council of the City of Seagoville, TX revising the signatory authority of American National Bank.

### **BACKGROUND OF ISSUE:**

The City of Seagoville is revising the signatory authority on its American National Bank accounts to add the following individual: Interim Finance Director Gail French and remove Patrick Harvey. The City checks are designed with dual signatures.

The American National Bank of Texas (“Bank”) is hereby designated as a depository of the City of Seagoville, Texas (“City”) and a checking account or accounts shall be established in the name of the City with Bank, under and subject to the rules and regulations as from time to time are prescribed by Bank and wherein may be deposited any of the funds of the City whether represented by cash, checks, notes or other evidences of debt and from which withdrawals are hereby authorized in the name of the City upon the authorized signature of any two (2) of the following: (1) Dennis K. Childress, Mayor, (2) Gail French, Interim Director of Finance, and (3) Patrick Stallings, City Manager.

### **FINANCIAL IMPACT:**

N/A

### **RECOMMENDATION:**

Approval

### **EXHIBITS:**

Resolution

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS**

**RESOLUTION NO. \_\_\_\_\_**

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS THAT:**

**SECTION 1.** The American National Bank of Texas (“Bank”) is hereby designated as a depository of the City of Seagoville, Texas (“City”) and a checking account or accounts shall be established in the name of the City with Bank, under and subject to the rules and regulations as from time to time are prescribed by Bank and wherein may be deposited any of the funds of the City whether represented by cash, checks, notes or other evidences of debt and from which withdrawals are hereby authorized in the name of the City upon the authorized signature of any two (2) of the following: (1) Dennis K. Childress, Mayor, (2) Gail French, Interim Director of Finance, and (3) Patrick Stallings, City Manager. Endorsements for deposit may be by written or stamped endorsement of the City without designation of the party making the endorsement.

**SECTION 2.** Upon the authorized signature of any two (2) of the following: (1) Dennis K. Childress, Mayor, (2) Gail French, Interim Director of Finance, and (3) Patrick Stallings, City Manager, the City may from time to time borrow money in the name of the City from the Bank and give the City’s notes or other evidences of indebtedness therefor, in such amounts and for such time and rate of interest as may be designated on said notes or other evidences of indebtedness or as may be the Bank’s custom, and any of said persons may secure the payment of any or all indebtedness and obligations of the Municipality to Bank by the execution and delivery for and on behalf of the City of deeds of trust, assignments, chattel mortgages, separate collateral agreements, pledge agreements, loan agreements and other security agreements as well as any other agreement that may be required by the Bank, whether similar to any of those enumerated or not, which said agreements or instruments may, among other things, pledge, encumber, convey or cover any or all properties of the City including bills, notes, accounts receivable, stocks, bonds, real estate and personal property, as well as any other property and assets of the City, whether similar to those enumerated or not, and the notes, bills, accounts, certificates of deposit and other receivables and instruments owned by the City may be transferred to said Bank for rediscount or for purchase or for collection on the endorsement of any of said persons; and any of said persons shall have authority to waive demand, protest and notice of protest or dishonor of any check, note, bill, draft, or other instrument made, drawn or endorsed by the City.

**SECTION 3.** Bank is hereby authorized to honor any and all withdrawals of the City’s funds payable to the authorized officer or agent signing, or countersigning the same, or payable to Bank, whether such withdrawals are presented for cash or for credit to any account and Bank need make no inquiry concerning any such item.

**SECTION 4.** The City Secretary shall certify to Bank the names of the persons authorized hereunder, and shall from time to time hereafter, as changes in the persons authorized hereunder are made, immediately certify in writing such changes to Bank, and Bank shall be fully protected in relying on such written certification of the City Secretary and shall be indemnified and saved harmless from any claims, demands, expenses, losses or damages resulting from or growing out of honoring the signature of any persons so certified or refusing to honor any signature not so certified.

**SECTION 5.** Bank is hereby authorized and requested to continue to rely upon this Resolution and the authority granted herein until written notice of any amendment, change or revocation has been delivered to the

Cashier of Bank and until he shall have acknowledged receipt of the same in writing, receipt of any such notice shall not affect any action taken by Bank prior to the execution by the Cashier of Bank of such written acknowledgment, no such amendment, change or revocation being effective until said Cashier has signed such receipt.

**SECTION 6.** This Resolution and the authority herein granted shall pass and inure to any successor or to the assigns of Bank.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS ON THIS THE \_\_\_\_ DAY OF OCTOBER 2020.**

**APPROVED:**

\_\_\_\_\_  
**Dennis K. Childress, Mayor**

APPROVED AS TO FORM:

\_\_\_\_\_  
Victoria W. Thomas, City Attorney  
(092420vwtTM118175)

**ATTEST:**

I, Kandi Jackson, City Secretary of the City of Seagoville, Texas, a municipality duly organized and existing under the laws of the State of Texas, do hereby certify that I am keeper of the records and minutes of the proceedings of the City Council of the City of Seagoville, Texas and that on the\_\_day of October, 2020 there was duly and legally held a meeting of said City Council, at which a quorum of the City Council was present and acting throughout, and at said meeting the resolution set forth above, Resolution No. \_\_\_\_\_, was adopted.

I further certify that the following are the names and the true and official names and signatures of all persons authorized to sign for and on behalf of the City of Seagoville, Texas with regard to the matters set forth in Resolution No. \_\_\_\_\_:

Dennis K. Childress \_\_\_\_\_

Patrick Stallings \_\_\_\_\_

Gail French \_\_\_\_\_

IN WITNESS WHEREOF, I have hereunto set my hand as City Secretary of the City of Seagoville, Texas and have attached hereto the official seal of the City this \_\_\_\_ day of October 2020.

(S E A L)

\_\_\_\_\_  
Kandi Jackson, Secretary



## ***Regular Session Agenda Item: 6***

**Meeting Date:     October 5, 2020**

### **ITEM DESCRIPTION:**

Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas ratifying and authorizing an extension of the City's contract for banking services with American National Bank through November 30, 2020; providing for severability clause; and providing an effective date.

### **BACKGROUND OF ISSUE:**

The City has previously approved a depository services contract with American National Bank for a five year period which ended on July 31, 2020; and during the ongoing declared state of health (COVID-19) local disaster, the City has not yet requested but will be requesting the submission of applications for the performance of depository services in accordance with the requirements of Texas Local Government Code Chapter 105; and

In the interim to date, American National Bank has continued to provide the City with depository services and has indicated a willingness to continue to provide those services through November 30, 2020 while the City receives and reviews applications and executes a new contract for depository services; and

The City of Seagoville will benefit from the services as proposed by American National Bank

### **FINANCIAL IMPACT:**

N/A

### **RECOMMENDATION:**

Approval

### **EXHIBITS:**

Resolution

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF SEAGOVILLE, TEXAS  
RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SEAGOVILLE, TEXAS RATIFYING AND AUTHORIZING AN  
EXTENSION OF THE CITY'S CONTRACT FOR BANKING SERVICES  
WITH AMERICAN NATIONAL BANK THROUGH NOVEMBER 30, 2020;  
PROVIDING FOR SEVERABILITY CLAUSE; AND PROVIDING AN  
EFFECTIVE DATE.**

**WHEREAS**, The City has previously approved a depository services contract with American National Bank for a five year period which ended on July 31, 2020; and

**WHEREAS**, during the ongoing declared state of health (COVID-19) local disaster, the City has not yet requested but will be requesting the submission of applications for the performance of depository services in accordance with the requirements of Texas Local Government Code Chapter 105; and

**WHEREAS**, in the interim to date, American National Bank has continued to provide the City with depository services and has indicated a willingness to continue to provide those services through November 30, 2020 while the City receives and reviews applications and executes a new contract for depository services; and

**WHEREAS**, the City of Seagoville will benefit from the services as proposed by American National Bank

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**SECTION 1.** The City's Contract for Depository Services with American National Bank is hereby ratified and extended for the period August 1, 2020 through November 30, 2020 and the City Manager and Finance Director are hereby authorized to execute any necessary documents to effect that ratification and extension.

**SECTION 2.** All resolutions of the City of Seagoville heretofore adopted which are in conflict with the provisions of this resolution are hereby repealed, and all resolutions of the City of Seagoville not in conflict with the provisions hereof shall remain in full force and effect.

**SECTION 3.** If any article, paragraph, subdivision, clause or provision of this resolution, as hereby amended, be adjudged invalid or held unconstitutional for any reason, such judgment or holding shall not affect the validity of this resolution as a whole or any part or provision thereof, as amended hereby, other than the part so declared to be invalid or unconstitutional.

**SECTION 4.** This resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

**DULY PASSED** by the City Council of the City of Seagoville, Texas, on the 5th day of October 2020.

**APPROVED:**

---

DENNIS CHILDRESS, MAYOR

**ATTEST:**

---

KANDI JACKSON, CITY SECRETARY

**APPROVED AS TO FORM:**

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VICTORIA W. THOMAS, CITY ATTORNEY  
(082930vwfTM118282)



## ***Regular Session Agenda Item: 7***

**Meeting Date:     October 5, 2020**

### **ITEM DESCRIPTION:**

Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas adopting the ES&S Election Systems and Software for use in all early voting and regular voting on Election Day, November 3, 2020 General and Joint Election and in all future City of Seagoville General and Special Elections; authorizing the City Manager to execute any and all necessary documents; and providing an effective date.

### **BACKGROUND OF ISSUE:**

The Dallas County Commissioners Court approved the purchase of Election Voting Tabulation Systems and Services manufactured and provided by ES&S in May 2019 for conducting all elections in Dallas County including Joint Contracted Elections. Specifically, Dallas County procured the ES&S Express Vote Universal Voting Systems (Ballot Marking Devices), EVS 6.0.2.0, Firmware 2.4.0.0; the ES&S DS200 Digital Precinct Scanner, EVS 6.0.2.0., Firmware 2.17.0.0; and ES&S Model DS850 High-Speed Scanner/Tabulator, Version 1, EVS 6.0.2.0, along with the required ancillary parts and services required for this voting tabulation system. The foregoing voting system was certified by the Texas Secretary of State and by the United States Election Assistance Commission in accordance with Texas Election Code § 123.035. The City of Seagoville contracts with the Dallas County Elections Department to conduct elections in the City. Texas Election Code § 123.001 requires the City of Seagoville to formally adopt the newly acquired voting system for use in the City of Seagoville elections.

### **FINANCIAL IMPACT:**

N/A

### **RECOMMENDATION:**

Staff recommends approval.

### **EXHIBITS:**

Resolution  
Court Order – Adoption of Election Voting Tabulation System and Service

**A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS**

**RESOLUTION NO. \_\_-R-2020**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS ADOPTING THE ES&S ELECTION SYSTEMS AND SOFTWARE FOR USE IN ALL EARLY VOTING AND REGULAR VOTING ON ELECTION DAY, NOVEMBER 3, 2020 GENERAL AND JOINT ELECTION AND IN ALL FUTURE CITY OF SEAGOVILLE GENERAL AND SPECIAL ELECTIONS; AUTHORIZING THE CITY MANAGER TO EXECUTE ANY AND ALL NECESSARY DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, on September 17, 2019, by Court Order 2019-1008, the Dallas County Commissioners Court adopted the Election Systems & Software Express Vote Universal Voting System (Ballot Marking Devices), EVS 6.0.2.0, Firmware 2.4.0.0; the ES&S DS200 Digital Precinct Scanner, EVS 6.0.2.0., Firmware 2.17.0.0; and ES&S Model DS850 High-Speed Scanner/Tabulator, Version 1, EVS 6.0.2.0, along with the required ancillary parts and services required for this voting tabulation system for use in all Dallas County polling places and to mark and tabulate in-person ballots, absentee ballots, and provisional ballots for Early Voting and on Election Day for all elections in Dallas County including joint contracted elections; and

**WHEREAS**, the foregoing voting system was certified by the Texas Secretary of State and by the United States Election Assistance Commission in accordance with Texas Election Code § 123.035; and

**WHEREAS**, the City of Seagoville contracts with the Dallas County Elections Department to conduct elections in the City; and

**WHEREAS**, Texas Election Code § 123.001 requires the City of Seagoville to formally adopt the newly acquired voting system for use in the City of Seagoville elections.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**Section 1.** The City Council of Seagoville, Texas hereby adopts the Election Systems & Software Express Vote Universal Voting System (Ballot Marking Devices), EVS 6.0.2.0, Firmware 2.4.0.0; the ES&S DS200 Digital Precinct Scanner, EVS 6.0.2.0., Firmware 2.17.0.0; and ES&S Model DS850 High-Speed Scanner/Tabulator, Version 1, EVS 6.0.2.0, along with the required ancillary parts and services required for this voting tabulation system used by the Dallas County Elections Department, for use in all early voting and regular voting on election day, for the November 3, 2020 general and joint election and in all future City of Seagoville general, special and joint elections.

**Section 2.** All resolutions of the City of Seagoville heretofore adopted which are in conflict with the provisions of this resolution be, and the same are hereby repealed, and all

resolutions of the City of Seagoville not in conflict with the provisions hereof shall remain in full force and effect.

**Section 3.** If any article, paragraph, subdivision, clause or provision of this resolution, as hereby amended, be adjudged invalid or held unconstitutional for any reason, such judgment or holding shall not affect the validity of this resolution as a whole or any part or provision thereof, as amended hereby, other than the part declared to be invalid or unconstitutional.

**Section 4.** This resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

**DULY ORDERED** by the City Council of the City of Seagoville on the 5<sup>th</sup> day of October, 2020.

APPROVED:

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DENNIS K CHILDRESS, MAYOR

ATTEST:

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KANDI JACKSON, CITY SECRETARY

APPROVED AS TO FORM:

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VICTORIA THOMAS, CITY ATTORNEY  
(093020vwtTM118289)

**A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS**

**RESOLUTION NO. \_\_-R-2020**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS ADOPTING THE ES&S VOTING EQUIPMENT SYSTEMS FOR USE IN ALL EARLY VOTING AND REGULAR VOTING ON ELECTION DAY, NOVEMBER 3, 2020 GENERAL AND JOINT ELECTION AND IN ALL FUTURE CITY OF SEAGOVILLE GENERAL AND SPECIAL ELECTIONS; AUTHORIZING THE CITY MANAGER TO EXECUTE ANY AND ALL NECESSARY DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS,** the Dallas County Commissioners Court approved the purchase of election voting tabulation systems and services manufactured and provided by ES&S in May 2019 for conducting all elections in Dallas County including joint contracted elections; and

**WHEREAS,** specifically, Dallas County procured the ES&S Express Vote Universal Voting Systems (Ballot Marking Devices), EVS 6.0.2.0, Firmware 2.4.0.0; the ES&S DS200 Digital Precinct Scanner, EVS 6.0.2.0., Firmware 2.17.0.0; and ES&S Model DS850 High-Speed Scanner/Tabulator, Version 1, EVS 6.0.2.0, along with the required ancillary parts and services required for this voting tabulation system; and

**WHEREAS,** the foregoing voting system was certified by the Texas Secretary of State and by the United States Election Assistance Commission in accordance with Texas Election Code § 123.035; and

**WHEREAS,** the City of Seagoville contracts with the Dallas County Elections Department to conduct elections in the City; and

**WHEREAS,** Texas Election Code § 123.001 requires the City of Seagoville to formally adopt the newly acquired voting system for use in the City of Seagoville elections.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**Section 1.** The City Council of Seagoville, Texas hereby adopts the ES&S voting equipment systems, more particularly described herein and used by the Dallas County Elections Department, for use in all early voting and regular voting on election day, for the November 3, 2020 general and joint election and in all future City of Seagoville general, special and joint elections.

**Section 2.** All resolutions of the City of Seagoville heretofore adopted which are in conflict with the provisions of this resolution be, and the same are hereby repealed, and all resolutions of the City of Seagoville not in conflict with the provisions hereof shall remain in full force and effect.

**Section 3.** If any article, paragraph, subdivision, clause or provision of this resolution, as hereby amended, be adjudged invalid or held unconstitutional for any reason, such judgment or holding shall not affect the validity of this resolution as a whole or any part or provision thereof, as amended hereby, other than the part declared to be invalid or unconstitutional.

**Section 4.** This resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

**DULY ORDERED** by the City Council of the City of Seagoville on the 5<sup>th</sup> day of October, 2020.

APPROVED:

---

DENNIS K CHILDRESS, MAYOR

ATTEST:

---

KANDI JACKSON, CITY SECRETARY

APPROVED AS TO FORM:

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VICTORIA THOMAS, CITY ATTORNEY



## COURT ORDER 2019-1008

### Dallas County Adoption of Election Voting Tabulation Systems and Services

On a motion made by Commissioner John Wiley Price, and seconded by Commissioner Dr. Elba Garcia, the following order was passed and adopted by the Commissioners Court of Dallas County, State of Texas:

BRIEFING DATE: September 17, 2019

FUNDING SOURCE: 1210

Be it resolved and ordered that the Dallas County Commissioners Court does hereby BY THIS ORDER, The Dallas County Commissioners Court adopts the Election Systems & Software ExpressVote Universal Voting System (Ballot Marking Device), EVS 6.0.2.0, Firmware 2.4.0.0; the ES&S DS200 Digital Precinct Scanner, EVS 6.0.2.0, Firmware 2.17.0.0.; and ES&S' Model DS850 High-Speed Scanner and Tabulator, Version 1, EVS 6.0.2.0., to use in all Dallas County polling places, and to mark and tabulate in-person ballots, absentee ballots, and provisional ballots for Early Voting and on Election Day for all elections, including but not limited to the following: General Elections for state and county officers and any related subsequent runoff elections; Primary Elections and any related subsequent runoff elections; City and School District Joint Elections and any related subsequent runoff elections; and any Special Called Election and any related subsequent runoff elections.

Done in open Court September 17, 2019 by the following vote:

IN FAVOR: County Judge Clay Jenkins, Commissioner Dr. Theresa Daniel, Commissioner JJ Koch, Commissioner John Wiley Price, and Commissioner Dr. Elba Garcia

OPPOSED: None

ABSTAINED: None

ABSENT: None

Recommended by: Robert Heard  
Originating Department: Elections



## COURT ORDER 2020-0793

### Proposed FY2021 Budget/Continuation of Household Hazardous Waste Program

On a motion made by Commissioner John Wiley Price, and seconded by Commissioner Dr. Elba Garcia, the following order was passed and adopted by the Commissioners Court of Dallas County, State of Texas:

BRIEFING DATE: August 4, 2020

Be it resolved and ordered that the Dallas County Commissioners Court does hereby approve the continuation of the Household Hazardous Waste program, its FY2021 interlocal agreement with participating cities, and its proposed FY2021 budget of \$1,914,030 (of which \$140,000 consists of carryover from prior years for contract labor, capital expenses, and other operational expenses).

It is further resolved and ordered that the County Judge is authorized to sign the aforementioned FY2021 interlocal agreements on behalf of the County.

Done in open Court August 4, 2020 by the following vote:

IN FAVOR:	County Judge Clay Jenkins, Commissioner Dr. Theresa Daniel, Commissioner JJ Koch, Commissioner John Wiley Price, and Commissioner Dr. Elba Garcia
OPPOSED:	None
ABSTAINED:	None
ABSENT:	None



# Dallas County Household Hazardous Waste

Planning and Development Department

## Instructions for Executing the FY2021 Renewal Amendment to the Household Hazardous Waste Interlocal Agreement

1. **EXECUTE** two (2) originals – Dallas County will keep one and return one.
2. **INCLUDE** Exhibit C2021 with each original
3. **INSERT** your city's total FY2021 HHW budget limit for all HHW activities (including operational and disposal fees) into the blank space in Article II, Section B, Paragraph 1 on page 2
4. **ENTER** the date your city representative signs the amendment in the line on page 2 that beings "EXECUTED THIS the \_\_\_\_\_ day."
5. **SIGN** on the signature line on the right side of page 2. Note: the agreement must be signed by a person who is authorized to enter into a binding contract on behalf of the city, as specified in Article XI, "Signatory Warranty"
6. **PRINT** the name and title of the signatory agent underneath the signature line
7. **ATTACH** "Evidence in appropriate form that funding has been committed and will be available," as specified in Article IV item 2 ("City Responsibilities"). "Appropriate form" can include a City Council resolution, approved line item budge, purchase order, letter from department head or other official authorized to encumber funds, etc. (this may be submitted at a later date, if necessary.)
8. **CALL** the HHW Program Manager at (214) 553-1765 ext. 6594 if you have any questions.
9. **RETURN** the signed copies to  
  
HHW Program Manger  
Dallas County Household Hazardous Waste  
11234 Plano Rd.  
Dallas, 75243
10. **PLEASE DO NOT** mail to any other county office

## ***Regular Session Agenda Item: 8***

**Meeting Date:     October 5, 2020**

### **ITEM DESCRIPTION:**

Discuss and consider approving a Resolution of the City of Seagoville, Texas, authorizing the Mayor to execute Amendment No. 3 to the Household Hazardous Waste Interlocal Agreement Amendment between the City of Seagoville and Dallas County, said Amendment to be effective from October 1, 2020 until September 30, 2021; and providing an effective date.

### **BACKGROUND OF ISSUE:**

The Household Hazardous Waste Interlocal Agreement is part of the City of Seagoville's Storm Water Pollution Program which was adopted in 1994. This program provides a means for the citizens of Seagoville to dispose of household hazardous waste legally rather than illegally dumping the hazardous waste in Right-of-Ways or onto private property. It protects the storm waters running into our creeks and our lakes.

The attached agreement is a continuation of the 1994-2017 program. The contract initiated in FY2020-21 under Dallas County Commissioner Court Order 2020-0793. As in the past, each renewal is brought to the Council annually for consideration.

### **FINANCIAL IMPACT:**

This expenditure is included in the FY21 budget.

### **RECOMMENDATION:**

Staff recommends approval.

### **EXHIBITS:**

Resolution  
Agreement  
DCHHS Court Order 2020-0793

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS, AUTHORIZING THE MAYOR TO EXECUTE AMENDMENT NO. 3 TO THE HOUSEHOLD HAZARDOUS WASTE INTERLOCAL AGREEMENT AMENDMENT BETWEEN THE CITY OF SEAGOVILLE AND DALLAS COUNTY, SAID AMENDMENT TO BE EFFECTIVE FROM OCTOBER 1, 2020 UNTIL SEPTEMBER 30, 2021; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Dallas County Commissioners Court adopted Court Order No. 94-751 establishing the Household Hazardous Waste ("HHW") collection network to coordinate the planning and implementation of a HHW collection program; and

**WHEREAS**, the City of Seagoville, City Council has determined that it is in the best interest of and serves the general welfare of the citizens of Seagoville to continue to join with the County and other interested jurisdictions to participate in a Household Hazardous Waste ("HHW") collection program as a continuation of the 1994-2017 program;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**SECTION 1.** That the Mayor is hereby authorized to execute Amendment No. 3 to the Household Hazardous Waste Interlocal Agreement with Dallas County, a copy of which is attached hereto and incorporated herein as Exhibit "A", for the collection and disposal of household hazardous waste for FY 2020-2021.

**SECTION 2.** This resolution shall take effect immediately from and after its passage, and so it is accordingly resolved.

**DULY ORDERED** by the City Council of the City of Seagoville, Texas, this the 5<sup>th</sup> day of October, 2020.

**APPROVED:**

\_\_\_\_\_  
DENNIS CHILDRESS, MAYOR

**ATTEST:**

\_\_\_\_\_  
KANDI JACKSON, CITY SECRETARY

**APPROVED AS TO FORM:**

\_\_\_\_\_  
VICTORIA THOMAS, CITY ATTORNEY  
(093020vwtTM118291)

**Exhibit A**  
**[Amendment No. 3 to**  
**Household Hazardous Waste Interlocal Agreement ]**

STATE OF TEXAS           §  
  §  
COUNTY OF DALLAS       §

**AMENDMENT NO. 3  
TO THE HOUSEHOLD HAZARDOUS WASTE INTERLOCAL AGREEMENT  
(The "Agreement")  
BETWEEN  
DALLAS COUNTY  
AND  
CITY OF SEAGOVILLE  
(The "City")  
A MEMBER CITY OF  
THE DALLAS AREA HOUSEHOLD HAZARDOUS WASTE NETWORK**

**WHEREAS**, on, August 4, 2020, the Dallas County Commissioners Court was briefed on a request from the cities of the Dallas Area Household Hazardous Waste Network to renew and revise the effective term and specify new fiscal year budgets for the Household Hazardous Waste Program Interlocal Agreement ("Agreement") that permits four additional one-year renewals for a five-year total contract term and was authorized by Court Order 2017-0979; and

**WHEREAS**, the proposed Amendment No. 3, along with the attachment C2021, will serve to continue the Household Hazardous Waste Program through fiscal year 2020, while updating overall program budget amounts and individual city budget limits for the new fiscal year; and

**WHEREAS**, proposed Amendment No. 3 contains no other changes in the basic terms and conditions of the Agreement and incurs no cost to Dallas County.

**NOW THEREFORE**, by execution of this Amendment No. 3, the Agreement is amended hereby with respect to the items and features described in the Articles below.

**I.  
PURPOSE**

The purpose of this Amendment is to amend the effective term and fiscal year budget of the Agreement without change to the basic terms and provisions. No other sections, provisions, clauses or conditions of the Agreement are waived, deleted or changed hereby, and they shall remain in full force and effect throughout the term of the Agreement and any duly authorized amendments.

**II.  
AMENDED PROVISIONS**

- A. The new term of the Agreement shall be October 1, 2020, through September 30, 2021.
  
- B. The language contained in Paragraph 1, *Section IV. City Responsibilities* shall be deleted in its entirety and replaced with the following language:

1. "A sum not to exceed ~~18,000~~ 18,000 for disposal, setup, operational, capital, and transportation costs for HHW collection for residents of the City during the period from October 1, 2020 through September 30, 2021. This figure is based on the program's annual budget contained in **Exhibit C2021** which is incorporated herein for all purposes.
  - a. Collection, setup, and disposal costs will be paid after-the-fact, based on actual usage by the City at events and at the collection center.
  - b. Operational and capital costs shall be paid quarterly in advance.
  - c. In the event of early withdrawal, the operational and capital costs will not be pro-rated for partial quarter participation, but will become immediately due and payable in full."

C. Exhibit C2020 of the Agreement entitled *FY2020 HHW Program Budget Summary* shall be deleted and replaced with the attached Exhibit C2021 entitled *FY2021 HHW Program Budget Summary*.

**IN WITNESS WHEREOF**, by their signatures below, the duly authorized representatives of Dallas County and **City of Seagoville** a member city of the Dallas Area Household Hazardous Waste Network, do hereby agree and append this Amendment No. 3 to the Agreement.

**EXECUTED THIS** the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**DALLAS COUNTY:**

**CITY OF SEAGOVILLE:**

\_\_\_\_\_  
**BY:** Clay Lewis Jenkins  
 County Judge

\_\_\_\_\_  
**BY:**

**APPROVED AS TO FORM:\***  
 John Cruzot  
 District Attorney

**ATTESTED TO:**

BY: \_\_\_\_\_

**APPROVED AS TO FORM:**

BY: \_\_\_\_\_

\_\_\_\_\_  
**BY:** Lacey B. Lucas

\* By law, the Dallas County District Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval by their own respective attorney(s).

## Exhibit C2021

### FY2021 HHW PROGRAM BUDGET SUMMARY

This exhibit summarizes the total program funding for FY2021 as approved by the Dallas Area Household Hazardous Waste Network at its regular meeting on June 3, 2020, and replaces the language contained in Exhibit C2018 of the Household Hazardous Waste Program Interlocal Agreement that was authorized by Court Order 2017-0979.

- Fixed Costs include personnel expense, operating costs, and capital budget, which are shared by the Network cities based on single-family household projections published by North Central Texas Council of Governments.
- Personnel Expense includes all HHW staff salaries and fringe.
- Operating Expense includes supplies, equipment, advertising, public education, volunteer support, staff development, printing, postage, facility maintenance, utilities, and all other direct programming costs.
- Capital Expense includes building repairs, equipment repair or replacement, mechanical upgrades, and expansion projects.
- Variable costs include estimated direct costs for collection and disposal of hazardous household wastes, which vary according to actual usage and are indicated in the budget summary for planning purposes only. **Funding for actual collection, contract labor, and disposal costs will be collected from the cities after the fact, on an as-used basis.**
- Collection/Mobilization/Disposal Budget includes estimated costs for staging of events, recycling services, waste containers, waste transportation, and disposal.
- Contract Labor Expense is for part-time, seasonal labor provided by the disposal vendor.

Budget adjustments made to the Operational Budget during the term of the Agreement shall not result in a City Funding amount that exceeds the approved budget total shown herein. The County may make line item transfers within the operating budget when these transfers do not exceed \$5,000. Budget adjustments in excess of \$5,000 must be approved by the HHW Network.

BUDGET SECTION	CITY FUNDING
<b>FIXED COSTS (OPERATIONAL BUDGET)</b>	
Personnel Costs	\$ 522,105
Operating Costs	\$ 209,925
Capital Expense	\$ 93,000
Sub-Total	\$ 825,030
<b>ESTIMATED VARIABLE COSTS (COLLECTION / LABOR / DISPOSAL BUDGET)</b>	<b>\$ 1,089,000</b>
<b>TOTAL PROGRAM BUDGET</b>	<b>\$1,914,030</b>

## ***Regular Session Agenda Item: 9***

**Meeting Date:     October 5, 2020**

### **ITEM DESCRIPTION:**

Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas authorizing Anderson Asphalt & Concrete Paving to perform repair work on Ferrell Road, in its entirety, for compensation in an amount not to exceed Ninety One Thousand Four Hundred Ninety Dollars and No Cents (\$91,490.00) as set forth in Exhibit A, attached hereto and incorporated herein: authorizing the City Manager to execute any and all necessary documents; and providing an effective date.

### **BACKGROUND OF ISSUE:**

On November 18, 2019 the City of Seagoville awarded a Unity Price Contract for Asphalt Repair to Anderson Asphalt & Concrete Paving. The Contract is for the repair of Ferrell Road, in its entirety. A new asphalt street will be laid providing our citizens a safe way to travel on.

### **FINANCIAL IMPACT:**

\$91,490.00

### **RECOMMENDATION:**

City Staff recommends approval.

### **EXHIBITS:**

Resolution (2 Pages)

Exhibit A

**A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS  
RESOLUTION NO. -R-2020**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS AUTHORIZING ANDERSON ASPHALT & CONCRETE PAVING TO PERFORM REPAIR WORK ON FERRELL ROAD IN ITS ENTIRETY, FOR COMPENSATION IN AN AMOUNT NOT TO EXCEED NINETY ONE THOUSAND FOUR HUNDRED NINETY DOLLARS AND NO CENTS (\$91,490.00) AS SET FORTH IN EXHIBIT A, ATTACHED HERETO AND INCORPORATED HEREIN; AUTHORIZING THE CITY MANAGER TO EXECUTE ANY AND ALL NECESSARY DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, on or about November 18, 2019 the City of Seagoville awarded a Unit Price Contract for Asphalt Repair ("Contract") to Anderson Asphalt & Concrete Paving; and

**WHEREAS**, pursuant to said Contract, Anderson Asphalt & Concrete Paving submitted a price quote in the amount of \$91,490.00 for the required repair of Ferrell Road in its entirety, a copy of which is attached as Exhibit A; and

**WHEREAS**, the City Council for the City of Seagoville, Texas has reviewed the price quote and has determined it to be in the best interest of the City to authorize the City Manager to execute any documents necessary to authorize Anderson Asphalt & Concrete Paving to repair Ferrell Road as set forth in Exhibit A;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**SECTION 1.** The City Council hereby authorizes Anderson Asphalt & Concrete Paving to perform repair work on Potter Road in its entirety, for compensation in an amount not to exceed Ninety One Thousand Four Hundred Ninety Dollars and No Cents (\$91,490.00), as set forth in Exhibit A, attached hereto and incorporated herein; and, the City Manager is authorized to execute any documents necessary for the work to be performed.

**SECTION 2.** This resolution shall take effect immediately from and after its passage and it is accordingly resolved.

**DULY ORDERED** by the City Council of the City of Seagoville, Texas, this the 5<sup>th</sup> day of October, 2020.

**APPROVED:**

---

Dennis K. Childress, Mayor

**ATTEST:**

---

Kandi Jackson, City Secretary

**APPROVED AS TO FORM:**

---

Victoria Thomas, City Attorney  
(093020vwtTM118293)

**Exhibit A**  
**[Anderson Asphalt & Concrete Paving - Quote for Repair of Ferrell Road in**  
**Its Entirety]**



**Anderson Asphalt & Concrete Paving**

**City of Seagoville Maintenance Contract**

**August 14, 2020**

**Ferrell Road**

	DESCRIPTION	QTY	UOM	UNIT PRICE	TOTAL
1	Mobilization	1	LS	5,000.00	5,000.00
2	Cement treated base (6" Thick) using 30LB/SY	18,060	SF	1.20	21,672.00
3	PRIME COAT	18,060	SF	0.15	2,709.00
4	Hot Mix Asphalt Pavement (2.5" Thick), Type B	17,200	SF	1.80	30,960.00
5	Hot Mix Asphalt Pavement (1.5" Thick), Type D	17,200	SF	1.35	23,220.00
6	Backfill Pavement Edges	1,680	LF	2.80	4,704.00
7	Traffic Control <b>(BASED ON ROAD CLOSURE TO THRU TRAFFIC)</b>	15	DAYS	215.00	3,225.00
8					
			<b>TOTAL</b>		<b>91,490.00</b>

Signature of Approval

Ladis Barr

Date

*Quote 2020*

## ***Regular Session Agenda Item: 10***

**Meeting Date:    October 5, 2020**

### **ITEM DESCRIPTION**

Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas authorizing Anderson Asphalt & Concrete Paving to perform repair work on Potter Road, in its entirety, for compensation in an amount not to exceed Seventy Thousand Two Hundred Seventy Three Dollars and No Cents (\$70,273.00) as set forth in Exhibit A, attached hereto and incorporated herein: authorizing the City Manager to execute any and all necessary documents; and providing an effective date.

### **BACKGROUND OF ISSUE:**

On November 18, 2019 the City of Seagoville awarded a Unity Price Contract for Asphalt Repair to Anderson Asphalt & Concrete Paving. The Contract is for the repair of Potter Road, in its entirety. A new asphalt street will be laid providing our citizens a safe way to travel on.

### **FINANCIAL IMPACT:**

\$70,273.00

### **RECOMMENDATION:**

City Staff recommends approval.

### **EXHIBITS**

Resolution (2 Pages)

Exhibit A

**A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS  
RESOLUTION NO. -R-2020**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS AUTHORIZING ANDERSON ASPHALT & CONCRETE PAVING TO PERFORM REPAIR WORK ON POTTER ROAD IN ITS ENTIRETY, FOR COMPENSATION IN AN AMOUNT NOT TO EXCEED SEVENTY THOUSAND TWO HUNDRED SEVENTY THREE DOLLARS AND NO CENTS (\$70,273.00) AS SET FORTH IN EXHIBIT A ATTACHED HERETO AND INCORPORATED HEREIN; AUTHORIZING THE CITY MANAGER TO EXECUTE ANY AND ALL NECESSARY DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, on or about November 18, 2019 the City of Seagoville awarded a Unit Price Contract for Asphalt Repair ("Contract") to Anderson Asphalt & Concrete Paving; and

**WHEREAS**, pursuant to said Contract, Anderson Asphalt & Concrete Paving submitted a price quote in the amount of \$70,273.00 for the required repair of Potter Road in its entirety, a copy of which is attached as Exhibit A; and

**WHEREAS**, the City Council for the City of Seagoville, Texas has reviewed the price quote and has determined it to be in the best interest of the City to authorize the City Manager to execute any documents necessary to authorize Anderson Asphalt & Concrete Paving to repair Potter Road as set forth in Exhibit A;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**SECTION 1.** The City Council hereby authorizes Anderson Asphalt & Concrete Paving to perform the repair work on Potter Road in its entirety, for compensation in an amount not to exceed Seventy Thousand Two Hundred Seventy Three Dollars and No Cents (\$70,273.00), as set forth in Exhibit A, attached hereto and incorporated herein; and, the City Manager is authorized to execute any documents necessary for the work to be performed.

**SECTION 2.** This resolution shall take effect immediately from and after its passage and it is accordingly resolved.

**DULY ORDERED** by the City Council of the City of Seagoville, Texas, this the 5<sup>th</sup> day of October, 2020.

**APPROVED:**

---

Dennis K. Childress, Mayor

**ATTEST:**

---

Kandi Jackson, City Secretary

**APPROVED AS TO FORM:**

---

Victoria Thomas, City Attorney  
(093020vwtTM118294)

**Exhibit A**  
**[Anderson Asphalt & Concrete Paving – Quote for Repair of Potter Road in Its Entirety]**



**Anderson Asphalt & Concrete Paving**

**City of Seagoville Maintenance Contract**

August 14, 2020

Porter Road  
*Potter*

	DESCRIPTION	QTY	UOM	UNIT PRICE	TOTAL
1	Mobilization	1	LS	5,000.00	5,000.00
2	Cement treated base (6" Thick) using 30LB/SY	13,440	SF	1.20	16,128.00
3	PRIME COAT	13,440	SF	0.15	2,016.00
4	Hot Mix Asphalt Pavement (2.5" Thick), Type B	12,800	SF	1.80	23,040.00
5	Hot Mix Asphalt Pavement (1.5" Thick), Type D	12,800	SF	1.35	17,280.00
6	Backfill Pavement Edges	1,280	LF	2.80	3,584.00
7	Traffic Control <b>(BASED ON ROAD CLOSURE TO THRU TRAFFIC)</b>	15	DAYS	215.00	3,225.00
8					
			<b>TOTAL</b>		<b>70,273.00</b>

Signature of Approval

Ladis Barr

Date

Quote 2020

## ***Regular Session Agenda Item: 11***

**Meeting Date:     October 5, 2020**

### **ITEM DESCRIPTION:**

Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas approving C&M Concrete to perform concrete work at Fire Station #2 for compensation in an amount not to exceed One Hundred Five Thousand Seven Hundred Seventy Four Dollars and Seventy Five Cents (\$105,774.75) as set forth in Exhibit “A”; authorizing the City Manager to execute any documents necessary; providing for a repealing clause; providing for a severability clause; and providing an effective date.

### **BACKGROUND OF ISSUE:**

Fire Station #2 will be located at 1189 E Simonds Road and was originally approved on January 27, 2020. At the time of awarding the bid, the City elected to exclude the fire land, public and private parking, striping, signage, sidewalk, and generator pad receiving a more affordable quote for concrete work from C&M Concrete.

### **FINANCIAL IMPACT:**

\$105,774.75

### **RECOMMENDATION:**

City Staff recommends approval.

### **EXHIBITS:**

Resolution (2 Pages)

Exhibit A

**A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS  
RESOLUTION NO. -R-2020**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS APPROVING C&M CONCRETE TO PERFORM CONCRETE WORK AT FIRE STATION #2 FOR COMPENSATION IN AN AMOUNT NOT TO EXCEED ONE HUNDRED FIVE THOUSAND SEVEN HUNDRED SEVENTY FOUR DOLLARS AND SEVENTY FIVE CENTS (\$105,774.75) AS SET FORTH IN EXHIBIT "A"; AUTHORIZING THE CITY MANAGER TO EXECUTE ANY DOCUMENTS NECESSARY; PROVIDING FOR A REPEALING CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Fire Station #2, which will be located at 1189 E Simonds Road, was originally approved on or about January 27, 2020; and,

**WHEREAS**, at the time of awarding the bid, the City elected to exclude the fire lane, public and private parking, striping, signage, sidewalk, and generator pad receiving a more affordable quote for concrete work from C&M Concrete, which is attached hereto and incorporated herein as Exhibit "A"; and

**WHEREAS**, pursuant to an Interlocal Agreement with the City of DeSoto, the City works with C&M Concrete on a regular basis and they are familiar with City codes, ordinances, regulations and requirements; and,

**WHEREAS**, staff has received a quote in the amount of \$105,774.75 from C&M Concrete to complete the fire lane, public and private parking, striping, signage, sidewalk, and generator pad; and

**WHEREAS**, staff recommends utilizing the savings from the 2019 Emergency Communication System of \$74,144.75 and the remaining balance of \$31,630.00 from the 106-day General Fund Balance for a total of \$105,774.75 for the completion of the concrete work at Fire Station #2; and

**WHEREAS**, the City Council hereby finds that it is in the best interest of the City of Seagoville to approve the completion of Fire Station #2 in an amount not to exceed One Hundred Five Thousand Seven Hundred Seventy-Four Dollars and Seventy-Five Cents, and authorizes the City Manager to execute any documents necessary for said purchase.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**SECTION 1.** The City Council hereby authorizes C&M Concrete to perform the work on Fire Station #2 including construction of the fire lane, public and private parking, striping, signage, sidewalk, and generator pad, as more fully set forth in Exhibit "A" attached hereto and incorporated herein by this reference, for compensation not to exceed One Hundred Five Thousand Seven Hundred Seventy-Four Dollars and Seventy-Five Cents (\$105,774.75); and, the City Manager is authorized to execute any documents necessary for the work.

**SECTION 2.** That any prior Resolutions of the City Council of the City of Seagoville, Texas, in conflict with the provisions contained in this Resolution are hereby repealed and revoked.

**SECTION 3.** That if any article, paragraph, subdivision, clause or provision of this Resolution, as hereby amended, be adjudged invalid or held unconstitutional for any reason, such judgement or holding shall not affect the validity of this Resolution as a whole or any part or provision thereof, as amended hereby, other than the part so declared to be invalid or unconstitutional.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with State law and it is accordingly resolved.

**DULY PASSED** by the City Council of the City of Seagoville, Texas on the 5<sup>th</sup> day of October 2020.

APPROVED:

---

Dennis K. Childress, Mayor

ATTEST:

---

Kandi Jackson, City Secretary

APPROVED AS TO FORM:

---

Victoria Thomas, SEDC Attorney



# C&M Concrete

362 Linkview Drive  
Duncanville, TX 75137  
(972) 965-4781  
chris@concretepaving.net

Number: ENH-4704

Date: 9/14/2020

Bill To:

Patrick Stalling  
City Of Seagoville  
702 N HWY 175  
Seagoville, TX, 75159

Ship To:

New Fire Station  
Farmers

PO Number

Terms

Customer #

Project  
fire lane/ Parking/

Description	Quantity	Rate	Amount
<b>fire Lane</b>			
105' x 30' x 8" = 350.00 SQY	350.00	\$65.00	\$22,750.00
70' x 30' x 8" = 233.00 SQY	233.00	\$65.00	\$15,145.00
91' x 30' x 8" = 303.00 SQY	303.00	\$65.00	\$19,695.00
65' x 38' x 8" = 274.00 SQY	274.00	\$65.00	\$17,810.00
<b>Generator Pad</b>			
27' x 10' x 8" = 30 SQY	30.00	\$65.00	\$1,950.00
<b>Parking stalls</b>			
62' x 20' x 7" = 137.00 SQY	137.00	\$63.00	\$8,631.00
61' x 20' x 7" = 135.00 SQY	135.00	\$63.00	\$8,505.00
<b>Sidewalks</b>			
159' x 5' x 4" = 795 SQ'	795.00	\$5.25	\$4,173.75
A.D.A Ramp	1.00	\$1,200.00	\$1,200.00



# C&M Concrete

362 Linkview Drive  
Duncanville, TX 75137  
(972) 965-4781  
chris@concretepaving.net

Number: ENH-4704

Date: 9/14/2020

Bill To:

Patrick Stalling  
City Of Seagoville  
702 N HWY 175  
Seagoville, TX, 75159

Ship To:

New Fire Station  
Farmers

PO Number

Terms

Customer #

Project  
fire lane/ Parking/

Description	Quantity	Rate	Amount
Tire Stop's	13.00	\$55.00	\$715.00
Stripe fire lane / A.D.A Parking/Parking spots	1.00	\$5,200.00	\$5,200.00

SubTotal	\$105,774.75
0.00% on \$0.00	\$0.00
0.00% on \$0.00	\$0.00
<b>Total</b>	<b>\$105,774.75</b>

## ***Regular Session Agenda Item: 12***

**Meeting Date:    October 5, 2020**

### **ITEM DESCRIPTION:**

Discuss and consider approving a Resolution of the City of Seagoville, Texas, authorizing the purchase of two 2020/2021 Chevrolet Tahoe Police vehicles at a total cost of \$141, 982.00 from Holiday Chevrolet; providing for the repeal of any and all Resolutions in conflict; providing for severability clause; and providing an effective date.

### **BACKGROUND OF ISSUE:**

The Police Department is requesting council's approval to purchase two new 2020/2021 Chevrolet Tahoe police package vehicles complete with all necessary emergency equipment, departmental graphics, black and white paint scheme, camera system, computer system, radar unit and all other accessories. These vehicles will be added to our fleet of marked vehicles and utilized as a patrol vehicle.

This purchase will enhance our fleet of marked vehicles and minimize maintenance costs that are associated with older higher mileage vehicles.

The quote for the purchase of these Chevy Tahoe, as well as the purchase of all emergency equipment, installation of all emergency and communication equipment is through (Holiday Chevrolet) obtained through Defender Supply and the Tarrant County cooperative purchasing contract, under contract number (2019-014).

As a friendly reminder, when purchasing goods and services through a purchasing cooperative, such the Tarrant County contract, which we are a part of, all purchasing requirements have been satisfied without having to obtain three (3) competitive bids.

Vehicle breakdown of the purchase as follows:

- Vehicle: Two 2020 Chevy Tahoe base price with standard equipment \$32,250.00 Ea.
- Purchase and installation of all Emergency, communications equipment, new Watch Guard 4RE 360-degree camera system, radar unit, black and white paint scheme, and departmental graphics \$38,741.00 (each vehicle)
- Total cost for the vehicle, all necessary equipment and installation of all equipment to include two-year vehicle inspection certificate: *\$141,982.00*

**FINANCIAL IMPACT:**

This requested purchase was presented to and approved through the 2020 / 2021 budget and financial meeting

**RECOMMENDATION:**

The Police Department recommends that Council approve this purchase to help maintain a safe and reliable fleet of vehicles for our Patrol Division.

**EXHIBITS:**

Resolution  
Quote for Computer X 22  
Quote for Radar Units X 2  
Quote for Shotguns for new Vehicles X 2  
Quote for Vehicle Graphics X 2  
Quote Vehicles and E M Equipment  
Quote Watchguard X 2

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF SEAGOVILLE, TEXAS**

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS,  
AUTHORIZING THE PURCHASE OF TWO 2020/2021  
CHEVROLET TAHOE POLICE VEHICLES AT A TOTAL COST  
OF \$141,982.00 FROM HOLIDAY CHEVROLET; PROVIDING  
FOR THE REPEAL OF ANY AND ALL RESOLUTIONS IN  
CONFLICT; PROVIDING FOR SEVERABILITY CLAUSE; AND  
PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council, in the FY 2020/2021 Police Department Budget authorized the purchase of two Chevrolet Tahoe police vehicles; and

**WHEREAS**, through the Tarrant County cooperative purchasing program under contract number (2019-014) these items have been bid in accordance with all applicable bidding statutes and policies; and

**WHEREAS**, the City Council has determined that Holiday Chevrolet has met all bid specifications and is the lowest and most responsive bid.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**SECTION 1.** That the City Council hereby authorizes the purchase of two 2020/2021 Chevrolet Tahoe police vehicles with all required emergency equipment, departmental graphics, camera system, and all other accessories, for a total price not to exceed \$141,982.00 from Holiday Chevrolet as set forth in the price quote attached hereto and incorporated herein by reference as Exhibit "A" and authorizes the City Manager to execute all necessary documents and disburse the funds to accomplish said purchase.

**SECTION 2.** All resolutions of the City of Seagoville heretofore adopted which are in conflict with the provisions of this resolution be, and the same are hereby repealed, and all resolutions of the City of Seagoville not in conflict with the provisions hereof shall remain in full force and effect.

**SECTION 3.** If any article, paragraph, subdivision, clause or provision of this resolution, as hereby amended, be adjudged invalid or held unconstitutional for any reason, such judgment or holding shall not affect the validity of this resolution as a whole or any part or provision thereof, as amended hereby, other than the part so declared to be invalid or unconstitutional.

**SECTION 4.** This resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

**DULY ADOPTED** by the City Council of the City of Seagoville, Texas, this 5<sup>th</sup> day of October, 2020.

APPROVED:

\_\_\_\_\_  
Dennis K. Childress, Mayor

ATTEST:

\_\_\_\_\_  
Kandi Jackson, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Victoria W. Thomas, City Attorney  
(093020vwtTM118296)

## Tim Talley

---

**From:** Shawn Davis <sdavis@baxterit.com>  
**Sent:** Friday, June 5, 2020 4:53 PM  
**To:** Tim Talley  
**Subject:** Re: quote  
**Attachments:** FZ-55-Toughbook-Cradle-Power-2020-2021-Budget.pdf

Sgt Talley,

Sorry, I had this ready and forgot to send over. See the attached estimate for a new Toughbook, cradle, power, and installation.

Thanks,



**Shawn Davis | Support Technician | CCNA**

Baxter IT Consulting | 372 Town Place Fairview, TX 75069

**Direct Phone: (214) 383-8018**

**Office Phone: (214) 383-8011**

---

**From:** Tim Talley <ttalley@seagoville.us>  
**Sent:** Friday, June 5, 2020 4:48 PM  
**To:** Shawn Davis <sdavis@baxterit.com>  
**Subject:** quote

Shawn, not trying to be bothersome but I was wanting to see if you had the quote for the computer, tray, and power supply for the new vehicle for the budget process. I need to get this turned in.

Thanks,

Tim



**Baxter IT Consulting Services, Inc**  
Fairview, TX 75069-1958

Phone # (214) 383-8011 Fax  
# (972) 886-4203  
E-mail bservice@baxterit.com

Estimate

Date	Estimate #
6/4/2020	1499

**Name / Address**

City of Seagoville  
702 N. Highway 175  
Seagoville, TX 75159

**Description**

**Toughbook  
FZ-55**

Description	Qty	Cost	Total
Panasonic Toughbook FZ-55 - 14" Multi-Touch Display - Windows 10 Pro - Core i5-8365U (8th Gen) - 8GB DDR4 RAM - 512 GB SSD - Backlit Keyboard	1	2,595.00	2,595.00
Gamber Johnson FZ- 55 Cradle	1	449.99	449.99
Lind Power Adaptor - CF- LNDDC120	1	167.99	167.99
Installation & Setup	3	95.00	285.00

\*\* Pricing for hardware/software is based on prices at time of quote and subject to change based on pricing at time of purchase.  
\*\* Quote is valid for 30 days from the date on estimate.

Total \$3,497.98 **x2**

Customer Signature \_\_\_\_\_



# QUOTE

#

applied concepts, inc.  
855 E. Collins Blvd  
Richardson, TX 75081

National Toll Free: 1-800- STALKER  
Chris Frett

Page 1 of 1  
Date: 09/29/20  
Dave Lowry

2039791

Phone: 972-398-3780  
Fax: 972-398-3781

Inside Sales Partner: 972-801-4866  
chrisf@a-concepts.com

Reg Sales Mgr: 972-801-4850  
davel@stalkerradar.com **Effective**

From : 06/09/2020 Valid Through: 11/03/2020 Lead Time: 21 working days

<b>Bill To:</b> Seagoville Police Dept 600 N Hwy 175 Seagoville, TX 75159-1833	<b>Customer ID:</b> 751591  Accounts Payable	<b>Ship To:</b> Seagoville Police Dept 600 N US Highway 175 Seagoville, TX 75159	<i>UPS Ground</i>  Sergeant Tim Talley
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Grp	Qty	Package	Description	Wrnty/Mo	Price	Ext Price
1	1	805-0022-00	Dual - 2 Antenna Radar System	36	\$2,355.00	\$2,355.00

Ln	Qty	Part Number	Description	Price	Ext Price
1	1	200-0998-40	Dual Enhanced Counting Unit, 1.5 PCB, FCC Filtered		\$0.00
2	1	200-0996-30	Dual Modular Display, Bright LEDs		\$0.00
3	2	200-1237-35	Dual Ka Antenna		\$0.00
4	1	200-0920-00	Dual SL Remote Control w/Screw Latch		\$0.00
5	1	200-0769-00	25 MPH/40 KPH KA Tuning Fork		\$0.00
6	1	200-0770-00	40 MPH/64 KPH KA Tuning Fork		\$0.00
7	1	200-0345-00	Counting Unit/Display Short Dash Mount		\$0.00
8	1	200-0244-00	Antenna Dash Mount		\$0.00
9	1	200-0245-00	Antenna Tall Deck Mount		\$0.00
10	1	200-0648-00	Display Sun Shield		\$0.00
11	1	155-2055-08	Antenna Cable, 8 Ft		\$0.00
12	1	155-2055-20	Antenna Cable, 20 Ft		\$0.00
13	1	200-0623-01	2015-Present Tahoe VSS w/Serial Port Cable Kit		\$0.00
14	1	200-0820-00	Dual Manual Kit		\$0.00

15	1	035-0361-00	Shipping Container, Dash Mounted Radar		\$0.00
16	1	060-1000-36	36 Month Warranty		\$0.00
17	1	155-2211-00	Remote Display Interconnect Cable	\$71.00	\$71.00

<b>Group Total</b>				\$2,426.00
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Product	\$2,426.00	Sub-Total:	\$2,426.00
Discount	\$0.00	Sales Tax 0%	\$0.00
		Shipping & Handling:	\$0.00
		<b>Total: USD</b>	<b>\$2,426.00</b>

Payment Terms: Net 30 days

Vehicle Information: 2020 Chevrolet Tahoe SUV

x 2<sup>1</sup> 001

The price quoted is the HGAC EF04-19 state contract price.

This Quote or Purchase Order is subject in all respects to the Terms and Conditions detailed at the back of this document. These Terms and Conditions contain limitations of liability, waivers of liability even for our own negligence, and indemnification provisions, all of which may affect your rights. Please review these Terms and Conditions carefully before proceeding.



GT Distributors - Austin  
 P.O. Box 16080  
 Austin TX 78761  
 (512) 451-8298 Ext. 0000

Quote	QTE0122372
Date	9/29/2020
Page:	1

**Bill To:**

Seagoville Police Department (TX)  
 600 North US Hwy 175  
 Seagoville TX 75159

**Ship To:**

Seagoville Police Department (TX)  
 600 N Hwy 175  
 Ref PO:  
 Attn:  
 Seagoville TX 75159

Purchase Order No.	Customer ID	Salesperson ID	Shipping Method	Payment Terms	Req Ship Date	Master No.
SHOTGUN	007655	DJ		NET 15	0/0/0000	2,141,899

Quantity	Item Number	Description	UOM	Unit Price	Ext Price
1	MOSS-51663	Mossberg 12 Ga 590-A1 Parkerized Shotgun - G	EA	\$520.41000	\$520.41
1	BH-70SW08BK	Blackhawk Lok Down Swivel 1.25"	EA	\$8.37	\$8.37
1	BH-70UT00BK	Blackhawk Universal Tactical Sling	EA	\$6.87	\$6.87
Quotation reflects Buyboard Contract 524-17. Contract period 04/01/19-03/31/20. Email BuyBoard PO's to info@buyboard.com					

All returns must be authorized by GT Distributors. Interest charges on past due invoices at the maximum rate allowed by law.

Thank you for your business, Todd Prellop.

<b>Subtotal</b>	\$535.65
<b>Misc</b>	\$0.00
<b>Tax</b>	\$0.00
<b>Freight</b>	\$35.00
<b>Total</b>	\$570.65

x 2



**Main Street Signs & Graphics**

1111 W. Abram  
 Arlington, TX 76013  
 Ph: (817) 548-4360  
 FAX: (817) 548-4390  
 Email: arivera@mainstreetsignsandgraphics.com  
 Web: http://www.mainstreetsignsandgraphics.com

**Estimate #: 6861**

<b>Created Date:</b>	8/26/2020 3:18:03PM	<b>Prepared For:</b>	Seagoville PD
<b>Salesperson:</b>	Angel Rivera	<b>Contact:</b>	Tim Talley, Sergeant
<b>Email:</b>	arivera@mainstreetsignsandgraphics.com	<b>Office Phone:</b>	(972) 287-6813
<b>Office Phone:</b>	(817) 548-4360	<b>Office Fax:</b>	(972) 287-2917
<b>Office Fax:</b>	(817) 548-4390	<b>Email:</b>	ttalley@seagoville.us
<b>Entered by:</b>	Angel Rivera	<b>Address:</b>	600 N. Hwy 175 Seagoville, TX 75159

**Description: 2020 TAHOE GRAPHIC MARKINGS - UNIT#XXX**

		Quantity	Price	Unit Price	Subtotal
<b>1</b>	<b>Product:</b> PS - Printed Graphics <b>Description:</b> Printed Graphics - 2020 TAHOE GRAPHIC MARKINGS * PRINTED ON GOLD REFLECTIVE * UNIT SIDES AND TEXT * IN GOD WE TRUST TEXT • 1- 44 in x 97.25 in Single Sided Print(s) made from Nikkalite M8512 48" Reflective ( Jippon) stock material • Laminated with 3M 8518 Gloss on face	1	\$450.00	\$450.00	\$450.00
<b>2</b>	<b>Product:</b> PS - Printed Graphics <b>Description:</b> Printed Graphics - 2020 TAHOE GRAPHIC MARKINGS * VERIFY LARGER BADGE ON FILE * SET OF (2) • 1- 21 in x 8 in Single Sided Print(s) made from Nikkalite M8512 48" Reflective (Nippon) stock material • Laminated with 3M 8518 Gloss on face	1	\$45.00	\$45.00	\$45.00
<b>3</b>	<b>Product:</b> PS Cut Vinyl (Ready To Apply) <b>Description:</b> Ready to Apply Cut Vinyl - 2020 TAHOE GRAPHIC MARKINGS * REAR CHEVRONS • 1- 37 in x 7 in • Vinyl Colors are Reflective Black 3M680 CR,	1	\$45.00	\$45.00	\$45.00
<b>4</b>	<b>Product:</b> PS Cut Vinyl (Ready To Apply) <b>Description:</b> Ready to Apply Cut Vinyl - ROOF UNIT NUMBER * NON REFLECTIVE - #XXX • 1- 47 in x 18 in • Vinyl Colors are High Performance White,	1	\$76.75	\$76.75	\$76.75

<b>5</b>	<b>Product:</b> Shipping	1	\$18.95	\$18.95	\$18.95
	<b>Description:</b> Shipping - FLAT COMMERCIAL				

\* City of Seagoville  
 Attn: Sgt. Tim Talley  
 600 N. Hwy 175  
 Seagoville, TX 75159

• 1 Package(s) to be shipped on 12/31/2020 via UPS - Ground

Print Date: 8/26/2020 3:18:42PM

**BuyBoard Vendor Contract #601-19 (Under Main Street Installers)**  
**Main Street Signs & Graphics**

**Estimate #: 6861**



1111 W. Abram  
 Arlington, TX 76013  
 Ph: (817) 548-4360  
 FAX: (817) 548-4390  
 Email:

Page 2 of 2

arivera@mainstreetsignsandgraphics.com

Web: <http://www.mainstreetsignsandgraphics.com>

**Notes**

\* Customer must approve estimate via email with a signature before job can proceed into the production stage. Main Street Signs and Graphics is not responsible for any omissions, placement, sizing, or typography errors after estimate has been approved by the customer. Please allow 3-5 business days for artwork production. In-house or on-site installation must be scheduled in advance.

<b>Subtotal:</b>	\$635.70
<b>Total:</b>	\$635.70

*X2*

**Client Reply Request**

Estimate Accepted "As Is". Please proceed with Order.

Other: \_\_\_\_\_

Changes required, please contact me.

SIGN: \_\_\_\_\_ Date: / /

Print Date: 8/26/2020 3:18:42PM

**BuyBoard Vendor Contract #601-19 (Under Main Street Installers)**

Holiday Ford and Holiday Chevrolet  
 (DBA: Johnson Grayson Automotive, Inc.)  
 1009 Highway 82 W

Date	9/1/2020
Estimate By	Jennifer Mansfield Jennifer@defendersupply.com 940-488-4705



Item	Description	Location	Qty.	Ext. Price
Tx-20 Tahoe 9C1 VD	2020 Chevrolet Tahoe RWD 9C1 Police Pursuit Vehicle with EcoTec3 5.3-liter, Dual Batteries, Heavy Duty Locking Differential, OnStar with Bluetooth Connectivity, Vinyl Rear Seat & Front Recovery Tow Hooks. (No Spotlight) (Purchased Through Holiday Chevrolet on the Tarrant County Cooperative Contract # 2019-014).		2	64,500.00
2 Year Inspection	2 Year Texas State Inspection Certificate		2	14.00
3-Dealer Prep	Vehicle Dealer Prep		2	460.00
3S-TRUCK/SUV- JO...	(4) door paint service for trucks and SUVs		2	2,400.00
3P-TAH- 3OTLIGHT-D	Defender Supply Driver Side Spot Light. Includes Installation.		2	462.84
3P-LEDSPOT	Defender Supply LED Spot Light Bulb Replacement. Includes Installation.		2	433.76
3P-TAH-BASE- 3ARKED	Defender Supply TAHOE Marked Patrol Base Package - Whelen 54" Legacy DUO Lightbar with Integrated Traffic Advisor and Full Across Take Down/Alley Lighting, Progressing Flash Patterns with Slide Switch, Cruise, Photo Cell Daylight Sensing, Low Power (R/W, B/W Font And Side, R/A, B/A Rear) with Strap Kit. - CORE Controller, OBDII Canport Harness, Output Expansion Module, 100 Watt Speaker and Bracket. - Steel Push Bumper with Textured Coating and 6 Tri Color Super LED Light Heads (R/B/W), 4 in the Top Channel Cutouts and 2 , on Each Side with 45° Brackets. Take Down, Alley Lighting, Progressing Flash Patterns with Slide Switch, Cruise and Low Power Capabilities. - 2 Tri Color Super LED Light Heads (R/B/W) Mounted on Rear LicensePlate Bracket. Reverse / Brake Lighting, Progressing Flash Patterns with Slide Switch, Cruise and Low Power Capabilities. - Headlight / Tail light Flasher Module. - 1 Front Cabin and 1 Cargo Area Dome Light. - Contoured Police Console With Dual Cup Holder, Arm Rest and 2 MicClips. - Defender Supply Wiring Harnesses, Power Distribution Block and BatteryManagement System. - Includes Installation.		2	14,821.84
3P-TAH- 3ORAGEBOX	Defender Supply TAHOE Premium Single Drawer Storage Box. Includes Shipping and Installation.		2	2,542.50

sc. Shop Supplies	Rocker Switch for a Master Cut Off	Mnt on frnt of Console	2	20.00
Whitesboro, TX 76273				

Vehicle and Emergency Equipme...

**Bill To**  
 Seagoville PD  
 Tim Talley  
 702 N. HWY 175  
 Seagoville, TX 75159

<b>Customer Contact</b>	
<b>Customer Phone</b>	972 287-6813
<b>Customer E-mail</b>	ttalley@seagoville.us
<b>Estimate #</b>	27959

**2020 Tahoe PPV**  
 Vehicle Base  
 Color - Black

Final sale amount may be subject to state and local sales tax. PLEASE NOTE: Once this estimate has been approved, either by signature on this form, written approval referencing the estimate number or the issuance of purchase order, any changes

or cancellations of parts made by the customer are subject to a SIGNATURE  
 25% restocking fee. Any additional customer-requested Page 1 parts/services will be added to the total amount of the sale.

Holiday Ford and Holiday Chevrolet  
 (DBA: Johnson Grayson Automotive, Inc.)  
 1009 Highway 82 W

<b>Date</b>	9/1/2020
<b>Estimate By</b>	Jennifer Mansfield Jennifer@defendersupply.com 940-488-4705



Item	Description	Location	Qty.	Ext. Price
3P-TAH- 3ARPILLAR	Defender Supply TAHOE Pillar Light Package - Includes Six Super LED Single Color Light Heads (3x Red, 3x Blue) integrated into a formed Housing Mounted on the Pillar at Each Side of the Rear Window. Includes Installation.		2	2,289.08
3P-TAH- 3ARSPOILER	Defender Supply TAHOE Rear Spoiler Light Package - Includes Six Dual Light Heads (3x Red, 3x Blue) Under Rear Spoiler Mounted at the top of the Rear Window. Includes Installation.		2	2,017.64
H-IONSMJ	Whelen ION™ Surface Mount LED Lighting – Red/Blue Split Head	2 Rear Quarter Panel	4	448.00
H-IONSMC	Whelen ION™ Surface Mount LED Lighting - Clear	2 Front Quarter Panels	4	448.00
3P- JNNINGBOARD-...	Defender Supply Running Board Lighting Package 2 - Includes Two 10 Module Dual Color Super LED Light Sticks (R/W, B/W) with Alley Light Function, Progressing Flash Pattern with Slide Switch, Cruise, and Low Power with Mounting Brackets. Includes Installation.		2	3,729.00
3P-COMPSTAND- 3...	Defender Supply Computer Mount; Console. Includes Installation.		2	531.44
3P-WEAPONLOCK	Defender Supply Surface Mount Dual Weapon Universal Cuff Lock with 8 Second Timer, Switch, Defender Supply Gunlock Wire Harness. Includes Installation.		2	873.42
-20702	Streamlight SL20X LED Flashlight	Flashlight	4	500.00
3P-TAH- 3ARTITION	Defender Supply TAHOE Prisoner Partition with Full Across Poly Window with Center Slider, Recessed Center and Lower Kick Panels. Includes Shipping and Installation.		2	1,736.74
3P-TAH- 3ARGOBARR...	Defender Supply TAHOE Cargo Barrier with Mesh Window, Plastic Prisoner Seat with Outboard Seat Belt System. Includes Shipping and Installation.		2	3,630.00
3P-TAH- 3INDOWGUA...	Defender Supply TAHOE Steel Window Guards In Conjunction with Factory or Prisoner Door Panels. Includes Shipping and Installation.		2	659.90
3P-TAH- 3ORPANEL	Defender Supply TAHOE Prisoner Door Panels. Includes Shipping and Installation.		2	689.90
3-BDP57T15D	Ballistic door panels for a 2015+ Tahoe (DRIVER SIDE ONLY)		2	2,700.00
3-BDP57T15P	Ballistic door panels for a 2015+ Tahoe (PASSENGER SIDE ONLY)		2	2,700.00
Shipping	Shipping of Above Emergency Parts for Upfit		2	200.00
sc. Shop Supplies	Misc. Shop Supplies		2	300.00
aphics-Install	Professional Installation of Graphics by Defender Supply		2	320.00
Installation	Installation of Above Emergency Equipment		30	2,850.00

Customer Supplied Equipment:  
Motorola APX6500, 2 Piece, Coax and Antenna  
Watch Guard 4RE 360 Degree Video, Includes 5 Cameras  
front, both sides, rear and prisoner area. Kustom V3 Dual  
Radar System

Emergency Equipment Above:  
Ballistic Door Panels  
Quarter Panels lights  
Rocker Switch for a Master Cut Off  
Graphics

Whitesboro, TX 76273

Vehicle and Emergency Equipme... \$112,278.06

Bill To

Seagoville PD  
Tim Talley  
702 N. HWY 175  
Seagoville, TX 75159

Customer Contact

Customer Phone

972 287-6813

Customer E-mail

ttalley@seagoville.us

Estimate #

27959

2020 Tahoe PPV

Vehicle Base  
Color - Black

Final sale amount may be subject to state and local sales tax. PLEASE NOTE: Once this estimate has been approved, either by signature on this form, written approval referencing the estimate number or the issuance of purchase order, any changes

or cancellations of parts made by the customer are subject to a

SIGNATURE \_\_\_\_\_

25% restocking fee. Any additional customer-requested Page 2 parts/services will be added to the total amount of the sale.



# 4RE/VISTA Price Quote

CUSTOMER: Seagoville Police Department

ISSUED: 8/24/2020 2:55 PM

EXPIRATION: 9/30/2020 5:00 AM

,  
”  
”

**TOTAL PROJECT ESTIMATED AT:  
\$6,225.00**

ATTENTION: Tim Talley

SALES CONTACT: Gavin Wallace

PHONE: 972-287-2999

DIRECT: (214) 785-2611

E-MAIL:

E-MAIL: gavin.wallace@motorolasolutions.com

## 4RE and VISTA Proposal Evidence Library 4 Web Software and Licensing

Part Number	Detail	Qty	Direct	Discount	Total Price
KEY-EL4-DEV-001	Evidence Library 4 Web 4RE In-Car Device	1.00	\$150.00	\$0.00	\$150.00
	License Key				

## 4RE In-Car System and Options

Part Number	Detail	Qty	Direct	Discount	Total Price
4RE-ELT-GPS-200	4RE Elite DVR Camera System with support for up to 6 cameras, as well as, support for dual HiFi microphones. Includes an integrated 200GB automotive grade hard drive, 16GB USB removable thumb drive, rear facing cabin camera, GPS, hardware, cabling and your choice of mounting bracket.	1.00	\$5,070.00	\$0.00	\$5,070.00
CAM-4RE-ZSL-UWD	Front Camera, 4RE, HD Zero Sightline (ZSL)	1.00	\$0.00	\$0.00	\$0.00
CAM-AUX-GMB-001	Auxiliary Camera, 4RE, Gimble with Bracket	4.00	\$195.00	\$0.00	\$780.00

## Wireless Video Transfer and Networking Options

Part Number	Detail	Qty	Direct	Discount	Total Price
4RE-WRL-KIT-101	4RE In-Car 802.11n Wireless Kit, 5GHz (2.4 GHz is available by request)	1.00	\$200.00	\$0.00	\$200.00

## 4RE Hardware Warranties

Part Number	Detail	Qty	Direct	Discount	Total Price
WAR-4RE-CAR-1ST	Warranty, 4RE, In-Car, 1st Year (Months 1-12)	1.00	\$0.00	\$0.00	\$0.00

## WatchGuard Video Technical Services

Part Number	Detail	Qty	Direct	Discount	Total Price
Freight	Shipping/Handling and Processing Charges	1.00	\$25.00	\$0.00	\$25.00

\$6,225.00

415 E. Exchange Parkway • Allen, TX • 75002  
Toll Free (800) 605-6734 • Main (972) 423-9777 • Fax (972) 423-9778  
[www.WatchGuardVideo.com](http://www.WatchGuardVideo.com)

Page 1 of 2



## 4RE/VISTA Price Quote

Total Estimated Tax, may vary from State to State \$0.00

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Configuration Discounts	\$0.00
Additional Quote Discount	\$0.00
<b>Total Amount</b>	<b>\$6,225.00 - X2</b>

NOTE: This is only an estimate for 4RE & VISTA related hardware, software and WG Technical Services. Actual costs related to a turn-key operation requires more detailed discussion and analysis, which will define actual back-office costs and any costs associated with configuration, support and installation. Please contact your sales representative for more details.

To accept this quotation, sign, date and return with Purchase Order: \_\_\_\_\_ DATE: \_\_\_\_\_

## ***Regular Session Agenda Item: 13***

**Meeting Date:     October 5, 2020**

### **ITEM DESCRIPTION:**

Second Reading - Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, approving the expenditure by the Seagoville Economic Development Corporation of an amount not to exceed \$600,000.00 plus standard closing costs for the purchase of approximately 0.9853 acres of real property located at 1880 N. Highway 175 Seagoville, Texas and being more particularly described as Lot 3, Block A, Best Western/Seagoville Addition, an Addition to the City of Seagoville, Dallas County, Texas according to the map thereof recorded in volume 99125, page 40, of the map records of Dallas County, Texas as shown on the survey attached hereto and incorporated herein by reference as Exhibit "A" and all improvements located thereon from sellers KH, LLC d/b/a Kelly Harris Company and Allen National Investments, LLC and providing an effective date.

### **BACKGROUND OF ISSUE:**

The EDC previously granted 0.9853 acres of land located at 1880 N. US 175, Seagoville, Texas to Mr. Kelly Harris KH, LLC D/B/A Kelly Harris Company and Allen National Investments, LLC. Mr. Harris has improved the land by constructing a free standing 5,500 sf retail center. Over the past year Mr. Harris has worked diligently to lease/sell this property to an investor that would carry out the wishes of the EDC for a sit down style restaurant or other retail operation that produces sales tax.

The EDC and City have located a suitable client that owns several restaurants in the North Texas Region. This client is currently working with the EDC and City to obtain space at 1880 N. US 175 to locate a sit down style restaurant. The restaurant owner has requested the EDC and City consider a low/no interest incentive for him to purchase the property at which time, he proposes that he will locate a restaurant at 1880 N. US 175. Staff have visited one of the restaurant owner's restaurants and the results of the visit were extremely favorable.

Staff is requesting the EDC and City authorize the purchase of 1880 N. US 175 by the SEDC and at a later date Staff will request a separate agreement to sell this property to the unnamed restaurant/owner.

Staff received an appraisal indicating the property is valued at \$700,000.00 in its current condition and with additional work its value will increase. Mr. Harris is asking for \$600,000.00 and Staff believes this is a fair market value for the property.

**FINANCIAL IMPACT:**

Initially \$600,000.00 plus closing, attorney and other costs associated with the purchase of this property.

**EXHIBITS:**

Exhibit A. Appraisal

**A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF SEAGOVILLE, TEXAS**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS, APPROVING THE EXPENDITURE BY THE SEAGOVILLE ECONOMIC DEVELOPMENT CORPORATION OF AN AMOUNT NOT TO EXCEED \$600,000.00 PLUS STANDARD CLOSING COSTS FOR THE PURCHASE OF APPROXIMATELY 0.9853 ACRES OF REAL PROPERTY LOCATED AT 1880 N. HIGHWAY 175 SEAGOVILLE, TEXAS AND BEING MORE PARTICULARLY DESCRIBED AS LOT 3, BLOCK A, BEST WESTERN/SEAGOVILLE ADDITION, AN ADDITION TO THE CITY OF SEAGOVILLE, DALLAS COUNTY, TEXAS ACCORDING TO THE MAP THEREOF RECORDED IN VOLUME 99125, PAGE 40, OF THE MAP RECORDS OF DALLAS COUNTY, TEXAS AS SHOWN ON THE SURVEY ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE AS EXHIBIT “A” AND ALL IMPROVEMENTS LOCATED THEREON FROM SELLERS KH, LLC D/B/A KELLY HARRIS COMPANY AND ALLEN NATIONAL INVESTMENTS, LLC AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Seagoville Economic Development Corporation (“Corporation”) has negotiated and desires to purchase approximately 0.9853 acres of real property located at 1880 N. Highway 175 Seagoville, Texas, being more particularly described as Lot 3, Block A, Best Western/Seagoville Addition, an addition to the City of Seagoville, Dallas County, Texas according to the map thereof recorded in Volume 99125, Page 40, of the Map Records of Dallas County, Texas, as shown on the survey attached hereto and incorporated herein by reference as Exhibit “A” and all improvements located thereon (the “Property”) from Sellers KH, LLC d/b/a Kelly Harris Company and Allen National Investments, LLC for a purchase price not to exceed six hundred thousand (\$600,000.00) dollars plus standard closing cost; and

**WHEREAS**, in on September 24, 2020, the Corporation approved the purchase of the Property on said terms and authorized the President/CEO of the Corporation to take such acts as necessary to complete the purchase of the Property including authorizing and making the payment of the purchase price, closing costs, and other expenses from funds currently; and

**WHEREAS**, the Corporation’s by-laws and amended official rules of procedure require City Council approval of expenditures of Corporation funds; and

**WHEREAS**, the City Council has determined that approving the expenditure by the Corporation of the funds for the purchase price for the Property, not to exceed \$600,000.00 plus standard closing costs is in the best interest of the City and will further the purposes for which the Corporation was created and should therefore be approved.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS, THAT:**

**SECTION 1.** The City Council hereby approves the expenditure by the Seagoville Economic Development Corporation of an amount not to exceed \$600,000.00 plus standard closing costs and other expenses for the purchase of approximately 0.9853 acres of real property located at 1880 N. Highway 175 Seagoville, Texas, being more particularly described as Lot 3, Block A, Best Western/Seagoville Addition, an addition to the City of Seagoville, Dallas County, Texas according to the map thereof recorded in Volume 99125, Page 40, of the Map Records of Dallas County, Texas, as shown on the survey attached hereto and incorporated herein by reference as Exhibit "A" and all improvements located thereon (the "Property") from Sellers KH, LLC d/b/a Kelly Harris Company and Allen National Investments, LLC.

**SECTION 2.** This resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Seagoville, Texas, and it is accordingly resolved.

**DULY PASSED** by the City Council of the City of Seagoville, Texas, on the 5<sup>th</sup> day of October, 2020.

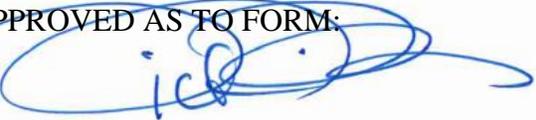
APPROVED:

\_\_\_\_\_  
DENNIS K. CHILDRESS, MAYOR

ATTEST:

\_\_\_\_\_  
KANDI JACKSON, CITY SECRETARY

APPROVED AS TO FORM:

  
\_\_\_\_\_  
VICTORIA W. THOMAS, CITY ATTORNEY  
(092020vwtTM118061)



**APPRAISAL REPORT**

**TRINITY PLAZA RETAIL  
1880 NORTH US HIGHWAY 175  
SEAGOVILLE, DALLAS COUNTY, TEXAS 75159**

**FOR**

**NICHOLS, JACKSON, DILLARD, HAGAR AND SMITH  
500 NORTH AKARD/1800 ROSS TOWER  
DALLAS, TEXAS 75201**



**16910 DALLAS PARKWAY, SUITE 100  
DALLAS, TEXAS 75248**

# PYLES★WHATLEY CORPORATION

Real Estate Consultants

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September 8, 2020

Ms. Victoria Thomas  
Nichols, Jackson, Dillard, Hagar and Smith  
500 North Akard/1800 Ross Tower  
Dallas, Texas 75201

Re: An appraisal of a retail strip center located at 1880 North US Highway 175, Seagoville, Dallas County, Texas 75159.

Dear Ms. Thomas:

At your request, we submit this appraisal report to estimate the market value of the above referenced property. We have made an on-site inspection of the property and considered factors pertinent to and indicative of value including the Seagoville area characteristics, market area data and trends, locational amenities, highest and best use, and other elements of value.

Methodology and terminology used throughout the report can be found in The Appraisal of Real Estate, Fourteenth Edition, as published by the Appraisal Institute. This report conforms to USPAP standards.

This appraisal provides an appraisal report in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP). Our opinions of value for the subject are effective as of August 27, 2020, and the methodology and terminology used throughout the report includes the following:

**Market Value, As Is on the Appraisal Date** – An opinion of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared.

**Prospective Future Value Upon Completion of Construction** – The prospective future value of a property on the date construction is completed, based upon market conditions forecast to exist as of that completion date. The value estimate at this stage of value is stated in current dollars unless stated otherwise.

**Prospective Future Value, Upon Reaching Stabilized Occupancy** – The prospective future value of a property at a point in time when all improvements have been physically constructed and the property has been leased to its optimum level of long-term occupancy. The opinion of value at this stage of value is in current dollars unless stated otherwise.

16910 Dallas Parkway, Suite 100, Dallas, Texas 75248 • P: 214.340.5880 • F: 214.340.5422

Appraisals@pyleswhatley.com

www.PylesWhatley.com

Page 2  
Mr. Victoria Thomas  
September 8, 2020

Our opinions of the market value for the subject are as follows:

**Market Value Opinions**

<b>Fee Simple, As Is, August 27, 2020</b>	<b>\$</b>	<b>700,000</b>
<b>Prospective Value, Upon Completion (December 2020)</b>	<b>\$</b>	<b>995,000</b>
<b>Prospective Value, Upon Stabilization (November 2022)</b>	<b>\$</b>	<b>1,210,000</b>

The following report sets forth a description of the subject property, along with a summary of the market data considered and the conclusions derived from such data. Your attention is directed to the general assumptions and limiting conditions of this appraisal. The as complete value and as stabilized value is the same because the property is currently leased to stabilized occupancy. No discount is required.

**EXTRAORDINARY ASSUMPTIONS**

*The owner provided the construction costs for the improvements. This appraisal assumes that all of the information obtained for analysis is accurate; this information has been verified to the extent possible by the appraisers.*

*As the improvements are under construction, this appraisal is based on the assumption that the subject interior will be constructed as represented to the appraiser at the time of the appraisal, and that all construction and development will proceed in a timely manner and without delay or cost overruns. In addition, it is assumed that the economic conditions projected in this appraisal will not change significantly over the projected absorption period for the subject.*

**HYPOTHETICAL CONDITION**

*At the request of the client and for purposes of this appraisal, the subject is valued as if the improvement construction and associated interior finish-out were completed and available to the market as of the date of the completion, December 2020.*

If you should have questions concerning any portion of this appraisal, please contact our office.

Respectfully submitted,

**PYLES WHATLEY CORPORATION**



**Richard McBride**

State of Texas Certification #TX-1380335-G

## SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

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<b>Subject Property</b>	Trinity Plaza Retail		
<b>Location</b>	1880 North US Highway 175 Seagoville, Dallas County, Texas		
<b>Mapsco</b>	DA-70-Z		
<b>Land Area</b>	42,920 SF	0.985 AC	
<b>Zoning</b>	PD-Commercial		
<b>Gross Building Area</b>	5,340 SF	(per measurements)	
<b>Rentable Building Area</b>	5,340 SF	(per building plans)	
<b>Occupancy</b>	0%		
<b>Year of Construction</b>	2020		
<b>Reasonable Exposure Time</b>	12 months		
<b>Reasonable Marketing Period</b>	12-18 months		
<b>Land Value</b>	\$ 118,000	or	\$2.75 Per SF
<b>Market Value Indicators</b>	<u>As Is</u>	<u>Upon Completion</u>	<u>Upon Stabilization</u>
Cost Approach	\$ 695,000	\$990,000	\$1,205,000
Sales Comparison Approach	\$ 825,000	\$1,120,000	\$1,335,000
Income Capitalization Approach	\$ 700,000	\$995,000	\$1,210,000
<b>Market Value Opinions</b>			
Fee Simple, As Is, August 27, 2020	\$ 700,000		
Prospective Value, Upon Completion (December 2020)	\$ 995,000		
Prospective Value, Upon Stabilization (November 2022)	\$ 1,210,000		
<b>Date of Appraisal Value</b>	August 27, 2020		
<b>Date of Appraisal Value - Upon Completion</b>	December 2020		
<b>Date of Inspection</b>	August 27, 2020		
<b>Date of Appraisal Report</b>	September 8, 2020		

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## TABLE OF CONTENTS

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<b>LETTER OF TRANSMITTAL</b>	
<b>SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS</b>	
	<b><u>PAGE</u></b>
<b>SCOPE OF THE ASSIGNMENT .....</b>	<b>1</b>
<b>DEFINITION OF MARKET VALUE.....</b>	<b>5</b>
<b>GENERAL ASSUMPTIONS AND LIMITING CONDITIONS.....</b>	<b>6</b>
<b>EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS.....</b>	<b>9</b>
<b>DEFINITIONS AND TERMS .....</b>	<b>10</b>
<b>REGIONAL MAP.....</b>	<b>14</b>
<b>SUBJECT AREA ANALYSIS .....</b>	<b>15</b>
<b>LOCATION MAP.....</b>	<b>21</b>
<b>SUBJECT PROPERTY.....</b>	<b>22</b>
<b>REAL ESTATE TAX ANALYSIS .....</b>	<b>26</b>
<b>AERIAL PHOTOGRAPHS.....</b>	<b>27</b>
<b>PARCEL MAP .....</b>	<b>28</b>
<b>ZONING MAP .....</b>	<b>29</b>
<b>FLOOD MAP .....</b>	<b>30</b>
<b>BUILDING SKETCH.....</b>	<b>31</b>
<b>SUBJECT PHOTOGRAPHS .....</b>	<b>33</b>
<b>SUBJECT PHOTOGRAPHS .....</b>	Error! Bookmark not defined.
<b>HIGHEST AND BEST USE .....</b>	<b>35</b>
<b>APPRAISAL PROCEDURE .....</b>	<b>38</b>
<b>REASONABLE EXPOSURE TIME.....</b>	<b>40</b>
<b>LAND VALUATION.....</b>	<b>41</b>
<b>COST APPROACH.....</b>	<b>51</b>
<b>SALES COMPARISON APPROACH .....</b>	<b>56</b>
<b>INCOME CAPITALIZATION APPROACH.....</b>	<b>72</b>
<b>RECONCILIATION .....</b>	<b>99</b>
<b>REASONABLE MARKETING PERIOD.....</b>	<b>101</b>
<b>APPRAISER'S CERTIFICATE .....</b>	<b>102</b>
<b>QUALIFICATIONS OF APPRAISER.....</b>	<b>103</b>

### **ADDENDA**

**TAX INFORMATION**  
**SURVEY**  
**STATE CERTIFICATION**

### **Purpose of the Appraisal**

The purpose of this appraisal is to render an opinion of the market value of the subject property. The report complies with the requirements of the Uniform Standards of Professional Appraisal Practice, the Code of Ethics of the Appraisal Institute, and Texas Real Estate Commission Rules.

All methodology utilized to arrive at the estimate of market value can be found in The Appraisal of Real Estate, Fourteenth Edition, as published by the Appraisal Institute.

### **Effective Date of the Appraisal**

The subject property is being appraised as of August 27, 2020, and is subject to the market influences and economic conditions, which existed on that date. This date is also known as the effective date and is the date of the opinions and conclusions found in this report. The property was also inspected and photographed on August 27, 2020, which included a visual observation of the site and any improvements. The effective date of the 'Prospective Value, Upon Completion' is in December 2020. The effective date of the 'Prospective Value, Upon Stabilization' is in November 2022. The date of this appraisal report is September 8, 2020.

### **Property Rights Appraised**

Three primary property rights may typically be appraised. They are fee simple estate, leased fee estate, and leasehold estate. These rights are defined as follows:

*Fee Simple Estate* - Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the government powers of taxation, eminent domain, police power, and escheat.

*Leased Fee Estate* - An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

*Leasehold Estate* - The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

In this report, we develop a market value opinion of the *fee simple interest* in the real property.

### **Subject Identification & Legal Description**

Property Type:	Retail strip center
Ownership:	Kelly Harris Company and Allen National Investments, LLC
Subject Property Location:	1880 North US Highway 175 Seagoville, Dallas County, Texas
Zip Code:	75159
Legal Description:	Lot 3, Block A, Best Western Seagoville Addition, city of Seagoville, Dallas County, Texas

### **Subject History**

According to the Dallas Central Appraisal District records, the current owner is Kelly Harris Company and Allen National Investments, LLC. The subject land transferred to Kelly Harris Company and Allen National Investments, LLC from the Seagoville Economic Development Corporation on September 28, 2018, as recorded in Document Number 201800247149. The subject transferred under an economic development incentive agreement with the Seagoville Economic Development corporation to develop the land with a retail center. The improvements are currently under construction.

According to public records, there have been no other transfers of the subject property within the past three years.

Please note that this information is included only to satisfy the requirements of USPAP. It is not intended as a guarantee to the chain of title and a title search should be performed by a title company should a definitive abstract be desired.

### **Intended Use, Intended User, and Client**

The intended use of this report is for internal decision-making and analyses for Nichols, Jackson, Dillard, Hagar and Smith, and the City of Seagoville's officers, administrators, employees, lending co-participants (if any), assignees, and appropriate regulatory agencies. The intended users, Nichols, Jackson, Dillard, Hagar and Smith and the City of Seagoville, are also the clients. Any other user or uses are not intended or authorized. Use of this appraisal for any other use or by another user or appraisal date may invalidate the findings and conclusions.

### **Data Researched**

For this report, the subject market was researched for all pertinent data relating to the appraisal problem including: collecting and confirming data through brokers, appraisers, property owners, lessees/lessors, and others familiar with the real estate market. The information provided by these sources is deemed reliable, but is not guaranteed.

In addition, verifiable third party sources were utilized including Costar Realty Information, Roddy Information Services, Loopnet, and the Multiple Listing Service (MLS). Additional market data were extracted from market reports and data circulated and purchased from Robert G. Watts/RealtyRates.com, Real Estate Research Corporation, Price Waterhouse Coopers Korpacz Investor Survey, and M/PF Yieldstar. The information provided by these sources is deemed reliable, but is not guaranteed.

### **Competency**

The appraiser involved in this assignment has considerable experience in appraising this property type. The appraiser is actively engaged in appraisal work in the geographical area of the subject property. The company maintains a database on this area for similar properties. We have adequate knowledge of the property type and location to meet the competency requirements of the Uniform Standards of Professional Appraisal Practice.

In addition, other appraisers in the market would perform similar actions in the appraisal process to fulfill the scope of work in this assignment and the appraisal meets or exceeds the expectations of parties who are regularly intended users for similar assignments.

### Scope of the Appraisal

Richard McBride performed all aspects of this report, which included the following:

- Communicated with Victoria Thomas, of Nichols, Jackson, Dillard, Hagar and Smith and the City of Seagoville regarding the appraisal assignment; a narrative appraisal report meets the client's requirements.
- Communicated with the owner, regarding the history and the condition of the subject.
- Researched the public records for data on the subject property, including zoning, assessments, taxes, acreage, buildings and site improvements, and maps.
- A preliminary search of all available resources was made to determine market trends, influences and other significant factors pertinent to the subject property. The property is identified previously in this report.
- Richard McBride inspected the subject property and subject neighborhood on August 27, 2020; photographs were taken of the subject and the comparable sales and income properties. Although due diligence was exercised while inspecting the property, the appraiser is not an expert in such matters as soils, structural engineering, hazardous waste, etc., and no warranty is given as to these elements. The owner, Kelly Harris, was present during the inspection.
- Research and collection of data (improved sales, escrow sales, listings, and income) were performed as present in the market area and of sufficient quality to express an opinion of value as defined herein. The appraiser examined data from the Costar Realty Information, Roddy Information Services, Loopnet, Multiple Listing Service (MLS), county records, and owner interviews.
- An analysis of the highest and best use was completed.
- Gathered and analyzed the market data to reach an estimate of market value for the fee simple interest of the subject, using the cost, sales comparison, and income capitalization approaches to value.
- Assembled and wrote the narrative report, complete with maps, photos, and supporting addenda.

## **DEFINITION OF MARKET VALUE**

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The definition of market value is:

“The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeable, and for self-interest, and assuming that neither is under undue duress.” \*

\* The Appraisal of Real Estate, 14th Edition, 2013, Appraisal Institute, Chicago, Illinois, p. 58

## **GENERAL ASSUMPTIONS AND LIMITING CONDITIONS**

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The Uniform Standards of Professional Appraisal Practice and the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute require the appraiser to "set forth all assumptions and limiting conditions that affect the analyses, opinions, and conclusions in the report". In compliance therewith, and to assist the reader in interpreting this report, such general assumptions and limiting conditions are set forth below. Specific assumptions, if any, are referred to in the transmittal letter and their location in the report detailed.

Title is assumed to be marketable, free, and clear of all liens and encumbrances, easements, and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.

No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, notwithstanding the fact that such matters may be discussed in the report.

No opinion is expressed on the value of subsurface oil, gas or mineral rights, water rights, or whether the property is subject to surface entry for the exploration or removal of such, except as expressly stated.

The date of value to which the opinions expressed in this report apply is set forth in the letter of transmittal. The appraiser assumes no responsibility for economic or physical factors occurring at some later date, which may affect the opinions herein stated. The opinion of value is considered reliable only as of the date of the appraisal.

The valuation is reported in dollars of U.S. currency prevailing on the date of the appraisal.

Maps, plats, and exhibits included herein are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose unless specifically identified as such.

All information and comments pertaining to this and other properties included in the report represent the personal opinion of the appraiser, formed after examination and study of the subject and other properties. While it is believed the information, estimates and analyses are correct, the appraiser does not guarantee them and assumes no liability for errors in fact, analysis or judgment.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or to the MAI or SRA designation) shall be disseminated to the public through advertising media, public relations media, sales media, or any other public means of communication without written consent and approval of the undersigned.

The appraiser is not required to give testimony or to appear in court by reason of this appraisal, unless prior arrangements have been made.

## **GENERAL ASSUMPTIONS AND LIMITING CONDITIONS**

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The distribution of the total valuation in this report between land and improvements applies only under the existing or proposed/completed program of utilization. The separate valuations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

Certain information concerning market and operating data were obtained from others. This information is verified and checked, where possible, and is used in this appraisal only if it is believed to be accurate and correct. However, such information is not guaranteed.

Opinions of value contained herein are opinions only. There is no guarantee, written or implied, that the subject property will sell for such amounts. Prospective values are based on market conditions as of the effective date of the appraisal. The appraiser is not responsible if unforeseeable events alter market conditions subsequent to the effective date of the appraisal. As a personal opinion, valuation may vary between appraisers based on the same facts.

No responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes can be assumed without provision of specific professional or governmental inspections. While the general conditions of the property were observed, no guarantee can be made concerning the individual components of the structures including but not limited to the heating system, plumbing, electrical services, roof, possible termite damage or building foundation. This appraiser is not qualified to make a complete inspection of any well or septic system, consequently, it was beyond the scope of this report and no statements can be made concerning the adequacy or condition of these or other systems.

No investigation - unless presented in other sections of this report - was made by the appraiser to determine if asbestos, fiberglass, or synthetic mineral fiber products are present in improved properties. The existence of such products, if any, would have to be determined by a qualified inspector. It is assumed that there is no asbestos, fiberglass, synthetic mineral fiber products, nor other contaminants present that would materially affect value.

The Americans with Disabilities Act (ADA) became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

No investigation - unless presented in other sections of this report - was made by the appraiser to determine if any toxic materials are present on the subject tract. The existence of such materials, if any, would have to be determined by a qualified inspector. It is assumed that no toxic materials are present that would materially affect value or development costs.

## **GENERAL ASSUMPTIONS AND LIMITING CONDITIONS**

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A reasonable investigation was made to determine the existence of any underground storage tanks (UST) on the subject site. If USTs are present on the subject site details are provided in other sections of this report.

In the event the appraisal is based upon proposed improvements, it is assumed that the improvements will be completed in substantial conformity with plans and specifications, which have been furnished to the appraiser, and with good materials and workmanship. It is also assumed that the proposed foundation and construction techniques are adequate for the existing sub-soil conditions.

Personal property, fixtures, or intangible items that are not real property, that are included in the appraisal, are identified as Furniture, Fixtures and Equipment, or FF&E.

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## EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

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**Extraordinary Assumptions and Hypothetical Conditions:** The Uniform Standards of Professional Appraisal Practice require the disclosure of hypothetical conditions and extraordinary assumptions when employed in the development of an appraisal. As defined in the Uniform Standards of Professional Appraisal Practice, an extraordinary assumption is “an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.” As defined in the Uniform Standards of Professional Appraisal Practice, a hypothetical condition is “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.” *The following extraordinary assumptions and hypothetical conditions are set forth for appraisal purposes and no legal reasoning is intended. The reader should be aware, that, in the event that any of the assumptions or conditions proves false or improperly applied, the conclusions of this appraisal could be changed or invalidated.*

### **EXTRAORDINARY ASSUMPTIONS**

*The owner provided the construction costs for the improvements. This appraisal assumes that all of the information obtained for analysis is accurate; this information has been verified to the extent possible by the appraisers.*

*As the improvements are under construction, this appraisal is based on the assumption that the subject interior will be constructed as represented to the appraiser at the time of the appraisal, and that all construction and development will proceed in a timely manner and without delay or cost overruns. In addition, it is assumed that the economic conditions projected in this appraisal will not change significantly over the projected absorption period for the subject.*

### **HYPOTHETICAL CONDITION**

*At the request of the client and for purposes of this appraisal, the subject is valued as if the improvement construction and associated interior finish-out were completed and available to the market as of the date of the completion, December 2020.*

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## DEFINITIONS AND TERMS

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Various terms and symbols are used throughout the appraisal report. The following are definitions of the terms and explanations of the symbols used:

**Anticipation** – The perception that value is created by the expectation of benefits to be derived in the future.

**Appreciation** - Increase in value due to increase in cost to reproduce, value over the cost, or value at some specified earlier point in time, brought about by greater demand, improved economic conditions, increasing price levels, reversal of depreciating environmental trends, improved transportation facilities, direction of community or area growth, or other factors.

**Depreciation** - A loss of utility and hence value from any cause. An effect caused by physical deterioration and/or obsolescence.

**Effective Gross Income Multiplier** - The ratio between the sale price (or value) of a property and its effective gross income; a single year's EGI expectancy or an annual average of several years' EGI expectancies.

**Excess Land** - In regard to an improved site, the land not needed to serve or support the existing improvement. In regard to a site considered as though vacant, excess land is the land not needed to accommodate the site's primary highest and best use. Such land may have its own highest and best use or may allow for future expansion of the existing or anticipated improvement. If the excess land is marketable or has value for a future use, its market value as vacant land is added to the opinion of market value of the economic entity.

**Exposure Time** - The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.

**External (Economic) Obsolescence** - Impairment of desirability or useful life arising from factors external to the property, such as economic forces or environmental changes, which affect supply-demand relationships in the market. Loss in the use and value of a property arising from the factors of economic obsolescence is to be distinguished from loss in value from physical deterioration and functional obsolescence, both of which are inherent in the property. Also referred to as Location or Environmental Obsolescence.

**Fee Simple Estate** - Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

**Functional Obsolescence** - Impairment of functional capacity or efficiency. Functional obsolescence reflects the loss in value brought about by such factors as overcapacity, inadequacy, and changes in the art, that affect the property item itself or its relationship with other elements comprising a larger property. The inability of a structure to perform adequately the function for which it is currently employed.

## DEFINITIONS AND TERMS

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**Going-concern value (or business enterprise)** - The value created by a proven property operation; considered a separate entity to be valued with an established business.

**Highest and Best Use** - That reasonable and probable use that will support the highest present value, as defined, as of the effective date of the appraisal.

**Industrial Gross Lease** - Tenant pays electrical usage, for increases in property taxes and insurance over a base year, and a pro-rata share of common area maintenance in some instances.

**Investment Value** - The specific value of an investment to a particular investor or class of investors based on individual investment requirements; distinguished from market value, which is impersonal and detached.

**Leased Fee Estate** - An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

**Leasehold Estate** - The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

**Lessee** - One who has the right to use or occupy a property under a lease agreement; the leaseholder or tenant.

**Lessee's Interest**- See Leasehold Estate

**Lessor** - One who holds property title and conveys the right to use and occupy the property under a lease agreement; the leased fee owner or landlord.

**Market Value** - See Definition of Market Value

**Market Price** - The amount actually paid, or to be paid, for a property in a particular transaction. Differs from market value in that it is an accomplished or historic fact, whereas market value is and remains an estimate until proven. Market price involves no assumption of prudent conduct by the parties, or absence of undue stimulus, or of any other condition basic to the market value concept.

**Market Rent** - The rental income that a property would most probably command on the open market as indicated by current rentals being paid for comparable space as of the effective date of the appraisal.

**Present Value** - The current monetary value. It is the today's cash lump sum, which represents the current value of the right to collect future payments. It is the discounted value of aggregate future payments.

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## DEFINITIONS AND TERMS

**Replacement Cost New (RCN)** – The estimated cost to construct, as of the effective date of the appraisal, a building with utility equivalent to the building being appraised, using contemporary materials, standards, design and layout. When this cost basis is used, some existing obsolescence in the property is assumed to be cured.

**Substitution** – The appraisal principle that states when several similar or commensurate commodities, goods, or services are available, the one with the lowest price will attract the greatest demand and widest distribution. This is the primary principle upon which the cost and sales comparison approaches are based.

**Surplus Land** - In regard to an improved site, the land not necessary to support the highest and best use of the existing improvements, but because of physical limitations, building placement, or neighborhood norms, cannot be sold off separately. Such land may or may not contribute positively to value and may or may not accommodate future expansion of an existing anticipated improvement.

**Utility** – The ability of a product to satisfy a human want, need, or desire.

**Zoning** – The public regulation of the character and extent of real estate use through police power; accomplished by establishing districts or areas with uniform restrictions relating to improvements; structural height, area, and bulk; density of population; and other aspects of the use and development of private property.

### Abbreviations

SF = square feet	PSF or /SF = per square foot	FF = front feet
LF = lineal feet	AC = acres	ROW = right of way
RR = railroad	CBD = central business district	GI = gross income
EGI = effective gross income	NOI = net operating income	PV = present value
OAR or $R_o$ = overall capitalization rate	EDR or $R_E$ = equity dividend rate	UA = usable area
GBA = gross building area	RA = rentable area	$\pm$ = plus, or minus from amount stated

Source of Definitions: The Dictionary of Real Estate Appraisal, Third Edition, Appraisal Institute, Chicago, Illinois, 1993.

### STAGES OF VALUE

During the real estate development process, a property typically progresses from a state of unimproved land to construction of improvements to stabilized occupancy. In general, the market value associated with the property increases during these stages of development. After reaching stabilized occupancy, ongoing forces affect the property during its life, including physical wear and tear, changing market conditions, etc. These factors continually influence the property's market value at any given point in time. Opinions of value are developed on the basis of one or more of the following:

**Market Value, As Is on the Appraisal Date** – An opinion of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared.

**Market Value, As If Complete on the Appraisal Date** – The market value of a property with all construction, conversion, or rehabilitation hypothetically completed, or under other specified hypothetical conditions as of the date of appraisal. With regard to properties wherein anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this opinion of value should reflect the market value of the property as if complete and prepared for occupancy by tenants.

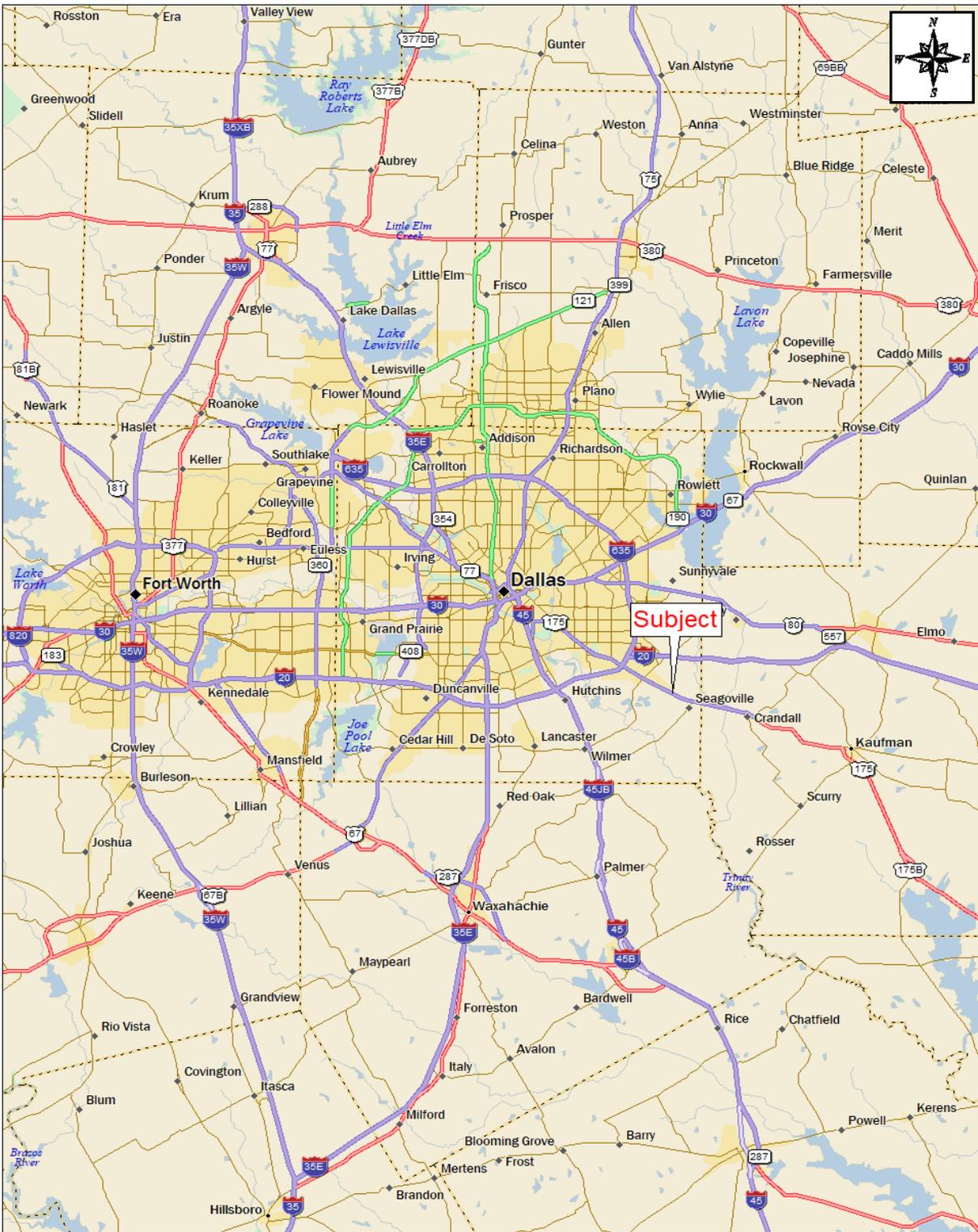
**Prospective Future Value Upon Completion of Construction** – The prospective future value of a property on the date construction is completed, based upon market conditions forecast to exist as of that completion date. The value estimate at this stage of value is stated in current dollars unless stated otherwise.

**Prospective Future Value Upon Reaching Stabilized Occupancy** – The prospective future value of a property at a point in time when all improvements have been physically constructed and the property has been leased to its optimum level of long-term occupancy. The opinion of value at this stage of value is in current dollars unless stated otherwise.

**Retrospective Value, As of Appraisal Date** – An opinion of the market value of a property that is likely to have applied as of a specific historic date and as it physically and legally existed without hypothetical conditions, assumptions, or qualifications as of the specific historic date. The opinion of value at this stage of value is in current dollars unless stated otherwise.

The stages of value utilized in this report are as follows: *market value, as is on the appraisal date, prospective future value upon completion, and prospective future value, upon stabilization,*.

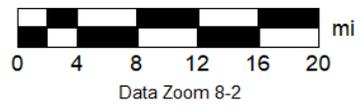
# REGIONAL MAP



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www.delorme.com



A **market area**, as defined in The Dictionary of Real Estate Appraisal, 6<sup>th</sup> Edition, copyrighted 2015, is:

"The geographic region from which a majority of demand comes and in which the majority of competition is located."

When analyzing value influences, the focus is on market area. A market area is defined in terms of the market for a specific category of real estate and thus, is the area in which alternative, similar properties effectively compete with the subject property in the minds of probably, potential purchasers, and users. A market area can encompass one or multiple neighborhoods or districts.

### **MARKET AREA INFLUENCES**

The subject property is located in Seagoville, Texas, situated in Dallas County. Area analyses and subject vicinity are presented in the following pages.

#### **Location**

The subject is located at the northwest corner of US Highway 175 and Cain Street. The subject's market area is suburban in nature and is primarily comprised of the city of Seagoville.

The locale is approximately 20 miles from the Dallas CBD. Adjoining suburban neighborhoods are similar as to make-up and land uses. These include the suburban cities of Balch Springs, Pleasant Grove, and the Crandall area. Properties in the area compete with other similar market areas.

The excellent accessibility and location amenities of the above-delineated general area have been highly significant in its development, redevelopment, and sustenance of commerce in the area. The general area is well serviced by freeways, benefits from high intensity commercial as well as residential development, and is convenient to the Dallas CBD.

#### **Traffic Routes**

The primary thoroughfares through the neighborhood are US Highway 175 a four-lane, bi-directional thoroughfare as it travels northwest to southeast through the area; and Interstate Highway 20, a six-lane, bi-directional thoroughfare as it travels west to east through the area. The area is located in the southeastern section of these two major transportation routes. Interstate Highway 635 (LBJ Freeway) is the primary loop around the city of Dallas as it intersects with Interstate Highway 20 on the south to Interstate Highway 35E on the north.

The primary north-south thoroughfare in the area is Interstate Highway 45. Other north-south roadways in the area are Malloy Bridge Road, Simonds Road, and Belt Line Road. East-west roadways include Seagoville Road, Kaufman Street, and East Farmers Road.

### Area Development

The Southern Dallas sub-district is comprised of a mixture of single-family residences, small retail buildings and strip centers, and industrial warehouses. New development in this area has been slow and most of the improved properties were built in between the 1950's and the 1990's. Commercial-retail and industrial development is primarily located along the major thoroughfares, while residential is generally located on the interior.

The area is estimated to be 70% developed, with land uses estimated to include: residential (50%), and retail and commercial (30%), industrial and office (20%).

### EMPLOYMENT AND ECONOMIC BASE

The aggregate U.S. unemployment rate was 10.2% in July 2020. In comparison, the Bureau of Labor Statistics reported an unemployment rate of 8.2% for the state of Texas, 8.1% for Dallas County, and 8.3% for the city of Dallas. In comparison, the unemployment rate for Dallas County in March 2020 was 4.8% prior to the COVID-10 outbreak.

As of March 2020, the world market has been affected by the Coronavirus Disease 2019 (COVID-19) and the effects on world markets are unknown at this time. This report is based on historical data available and researched up to the date of the report. Although the appraiser has diligently investigated and researched the available data, there is currently insufficient evidence to indicate what effect, if any, the world market will have on the local economy and this report assumes that current conditions will remain unchanged. Should this not be the case, the conclusions and values expressed in this report could change.

### Education

Educational facilities offered by the city of Dallas and the surrounding areas have grown to keep pace with the increasing population. Twenty, four-year colleges and universities, and five community college districts with a combined total 20 campuses are within one hundred miles of the DFW MSA. Several notable institutions of higher education are located within the MSA.

- Southern Methodist University
- University of Texas, Dallas Campus
- University of Dallas
- University of North Texas, Dallas Campus
- University of Texas, Southwestern Medical Center at Dallas

**AREA DEMOGRAPHICS**

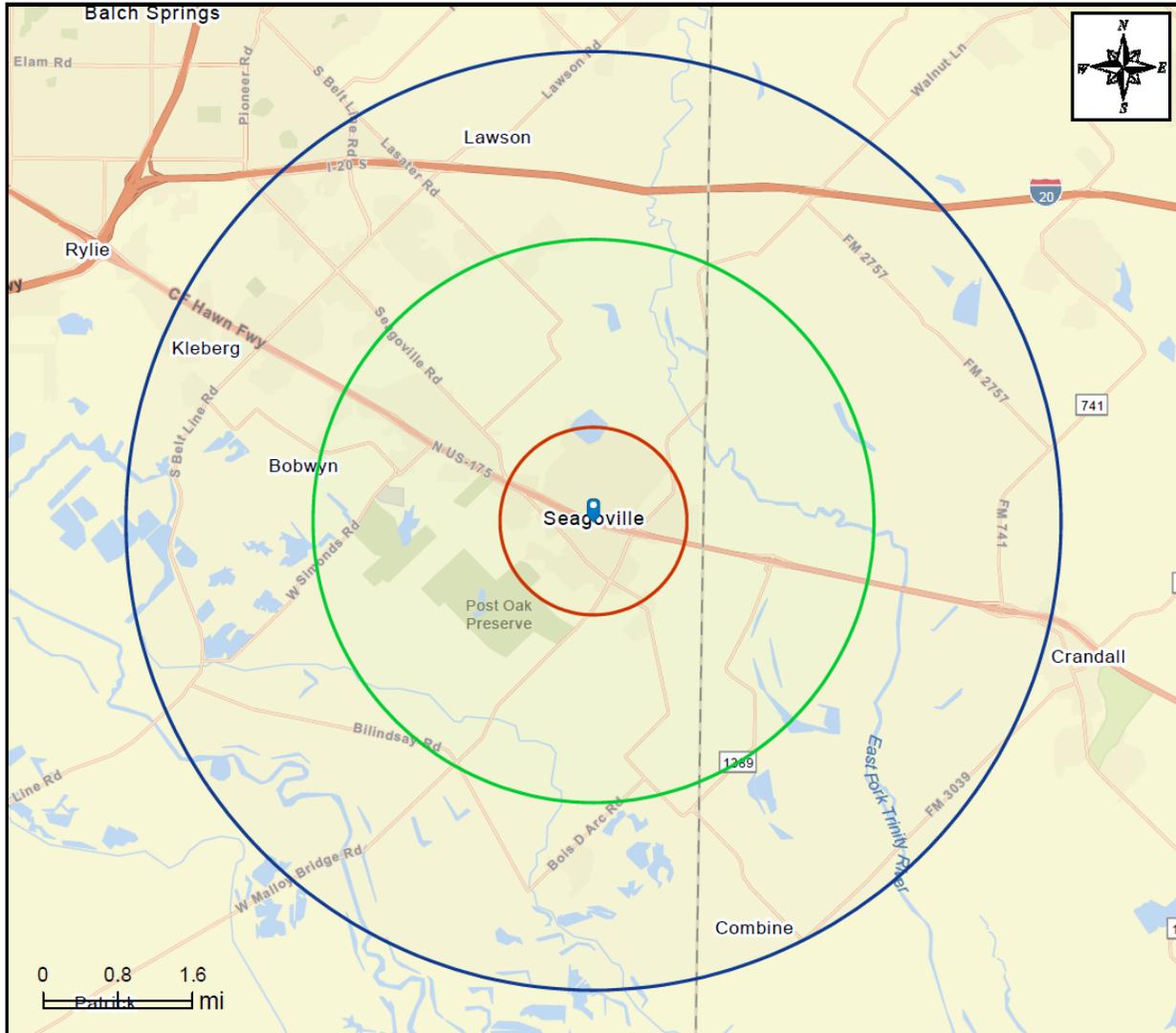
The following Executive Summary provided by Site To Do Business provides demographic and income data for 1-mile, 3-mile, and 5-mile radius centered on the subject area.



**Site Map**

Seagoville, Texas  
Seagoville, Texas  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 32.64892  
Longitude: -96.54165



# SUBJECT AREA ANALYSIS



## Market Profile

Seagoville, Texas  
 Seagoville, Texas  
 Rings: 1, 3, 5 mile radii

Prepared by Esri  
 Latitude: 32.64892  
 Longitude: -96.54165

	1 mile	3 miles	5 miles
<b>Population Summary</b>			
2000 Total Population	4,034	13,510	29,988
2010 Total Population	5,378	16,724	38,263
2020 Total Population	5,861	19,964	48,531
2020 Group Quarters	459	2,416	2,476
2025 Total Population	6,240	21,331	54,898
2020-2025 Annual Rate	1.26%	1.33%	2.50%
2020 Total Daytime Population	6,048	15,095	36,162
Workers	2,440	4,698	9,661
Residents	3,608	10,397	26,501
<b>Household Summary</b>			
2000 Households	1,507	4,218	9,591
2000 Average Household Size	2.48	2.88	2.98
2010 Households	1,857	4,780	11,171
2010 Average Household Size	2.66	3.07	3.24
2020 Households	1,992	5,490	13,614
2020 Average Household Size	2.71	3.20	3.38
2025 Households	2,105	5,843	15,344
2025 Average Household Size	2.75	3.24	3.42
2020-2025 Annual Rate	1.11%	1.25%	2.42%
2010 Families	1,353	3,635	8,748
2010 Average Family Size	3.16	3.50	3.63
2020 Families	1,463	4,223	10,797
2020 Average Family Size	3.21	3.63	3.77
2025 Families	1,555	4,515	12,233
2025 Average Family Size	3.25	3.67	3.80
2020-2025 Annual Rate	1.23%	1.35%	2.53%
<b>Housing Unit Summary</b>			
2000 Housing Units	1,600	4,701	10,768
Owner Occupied Housing Units	70.9%	69.2%	69.1%
Renter Occupied Housing Units	23.3%	20.5%	20.0%
Vacant Housing Units	5.8%	10.3%	10.9%
2010 Housing Units	1,970	5,207	12,233
Owner Occupied Housing Units	64.4%	62.9%	64.6%
Renter Occupied Housing Units	29.9%	28.9%	26.7%
Vacant Housing Units	5.7%	8.2%	8.7%
2020 Housing Units	2,102	5,909	14,669
Owner Occupied Housing Units	61.1%	60.4%	64.3%
Renter Occupied Housing Units	33.6%	32.5%	28.5%
Vacant Housing Units	5.2%	7.1%	7.2%
2025 Housing Units	2,213	6,259	16,432
Owner Occupied Housing Units	62.6%	61.6%	66.9%
Renter Occupied Housing Units	32.5%	31.8%	26.5%
Vacant Housing Units	4.9%	6.6%	6.6%
<b>Median Household Income</b>			
2020	\$49,942	\$47,260	\$51,435
2025	\$53,846	\$51,180	\$54,530
<b>Median Home Value</b>			
2020	\$113,601	\$98,977	\$119,863
2025	\$167,647	\$148,508	\$166,368
<b>Per Capita Income</b>			
2020	\$20,976	\$18,279	\$19,257
2025	\$22,457	\$19,682	\$20,900
<b>Median Age</b>			
2010	33.4	32.6	30.7
2020	34.6	33.7	31.6
2025	34.9	33.9	31.8

**Data Note:** Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025 Esri converted Census 2000 data into 2010 geography.



Market Profile

Seagoville, Texas  
 Seagoville, Texas  
 Rings: 1, 3, 5 mile radii

Prepared by Esri  
 Latitude: 32.64892  
 Longitude: -96.54165

	1 mile	3 miles	5 miles
<b>2020 Households by Income</b>			
Household Income Base	1,992	5,490	13,614
<\$15,000	10.8%	10.8%	9.9%
\$15,000 - \$24,999	9.3%	11.1%	9.9%
\$25,000 - \$34,999	11.7%	13.8%	12.2%
\$35,000 - \$49,999	18.2%	16.7%	16.3%
\$50,000 - \$74,999	17.8%	17.4%	20.3%
\$75,000 - \$99,999	15.0%	13.8%	13.5%
\$100,000 - \$149,999	9.6%	10.0%	11.6%
\$150,000 - \$199,999	4.1%	2.6%	2.7%
\$200,000+	3.5%	3.8%	3.7%
Average Household Income	\$68,030	\$66,027	\$68,148
<b>2025 Households by Income</b>			
Household Income Base	2,105	5,843	15,344
<\$15,000	9.8%	9.8%	9.0%
\$15,000 - \$24,999	8.2%	10.1%	9.1%
\$25,000 - \$34,999	10.9%	12.9%	11.3%
\$35,000 - \$49,999	17.2%	15.9%	15.4%
\$50,000 - \$74,999	18.1%	17.8%	20.5%
\$75,000 - \$99,999	16.2%	15.0%	14.2%
\$100,000 - \$149,999	11.4%	11.6%	13.1%
\$150,000 - \$199,999	4.8%	3.1%	3.4%
\$200,000+	3.4%	3.8%	3.9%
Average Household Income	\$73,911	\$71,593	\$74,420
<b>2020 Owner Occupied Housing Units by Value</b>			
Total	1,285	3,568	9,435
<\$50,000	14.6%	26.5%	25.6%
\$50,000 - \$99,999	31.3%	24.0%	17.9%
\$100,000 - \$149,999	15.0%	15.1%	16.2%
\$150,000 - \$199,999	11.1%	9.1%	13.7%
\$200,000 - \$249,999	6.5%	6.8%	7.6%
\$250,000 - \$299,999	3.4%	4.3%	6.7%
\$300,000 - \$399,999	14.9%	11.9%	9.2%
\$400,000 - \$499,999	0.3%	0.3%	1.2%
\$500,000 - \$749,999	0.6%	0.8%	1.0%
\$750,000 - \$999,999	2.0%	1.1%	0.5%
\$1,000,000 - \$1,499,999	0.2%	0.1%	0.3%
\$1,500,000 - \$1,999,999	0.0%	0.0%	0.0%
\$2,000,000 +	0.0%	0.0%	0.0%
Average Home Value	\$166,563	\$146,014	\$151,484
<b>2025 Owner Occupied Housing Units by Value</b>			
Total	1,385	3,854	10,994
<\$50,000	8.8%	20.4%	20.5%
\$50,000 - \$99,999	23.8%	17.3%	13.0%
\$100,000 - \$149,999	12.1%	12.6%	12.3%
\$150,000 - \$199,999	14.7%	12.4%	13.0%
\$200,000 - \$249,999	4.2%	7.0%	10.2%
\$250,000 - \$299,999	2.6%	3.7%	9.3%
\$300,000 - \$399,999	28.4%	22.0%	16.0%
\$400,000 - \$499,999	0.6%	0.5%	2.2%
\$500,000 - \$749,999	1.3%	2.0%	2.2%
\$750,000 - \$999,999	3.0%	1.7%	0.8%
\$1,000,000 - \$1,499,999	0.3%	0.3%	0.5%
\$1,500,000 - \$1,999,999	0.0%	0.0%	0.0%
\$2,000,000 +	0.0%	0.0%	0.0%
Average Home Value	\$217,865	\$192,396	\$195,139

**Data Note:** Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.

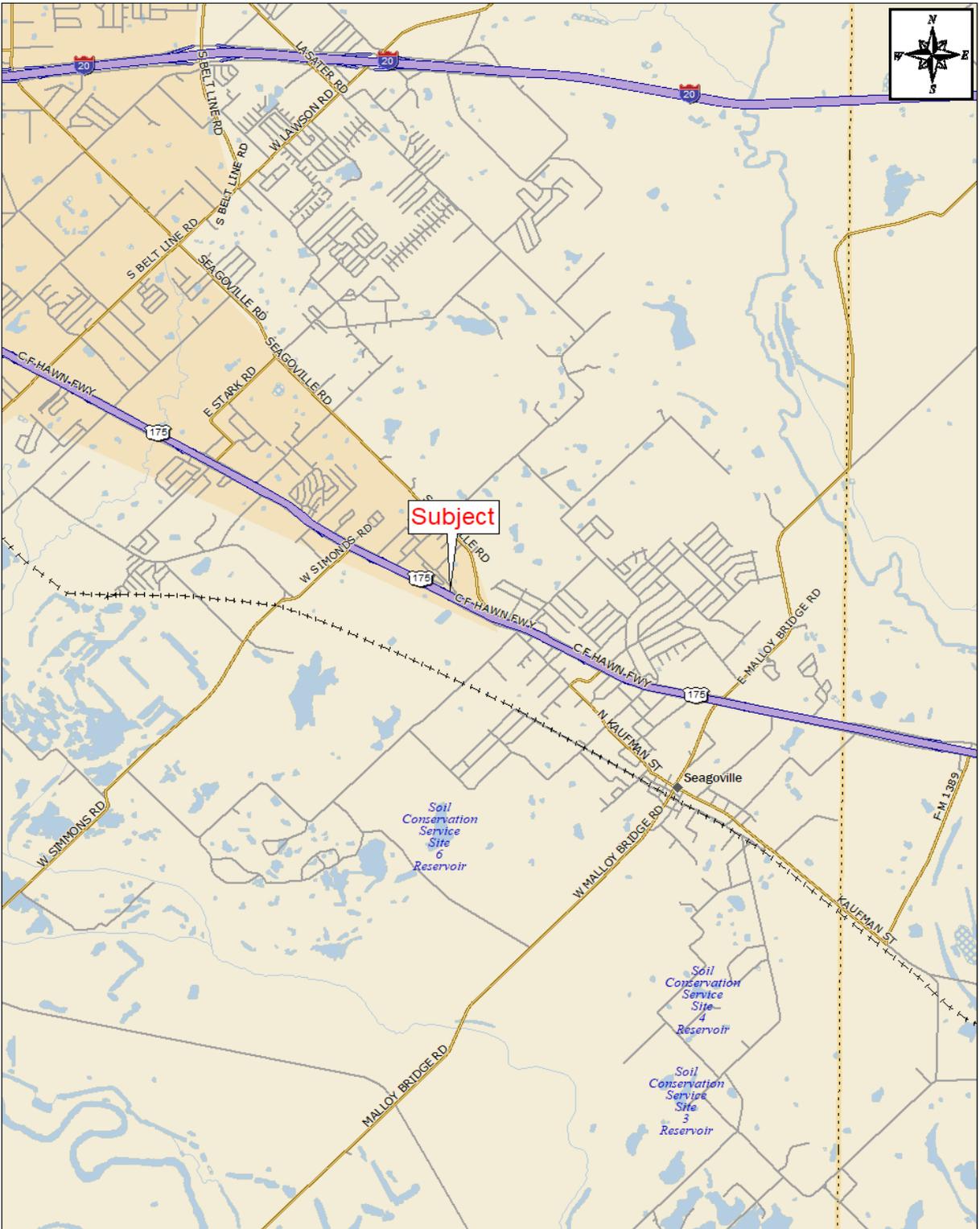
**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025 Esri converted Census 2000 data into 2010 geography.

### **CONCLUSION**

The transportation network in the area is good and surrounding land uses are considered to be compatible and homogenous. The subject area is in a stable phase of development and in proximity to employment centers and quality schools and services with few improvements needing repairs and/or renovations. Consequently, some new construction, as well as renovation of older properties, is more likely to occur within the subject area in the near future. Additionally, there appears to be no detrimental influences upon the area that would inhibit the income-producing capabilities of the improved properties. The long-term prospects for the area and the subject property are positive.

No noticeable nuisances or hazards are in the area and the majority of improvements are in the early to middle stages of economic life, and sufficient area services are accessible to service the community.

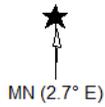
# LOCATION MAP



Data use subject to license.

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www.delorme.com



## **SUBJECT PROPERTY**

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The subject is retail strip center, located at the northwest corner of US Highway 175 and Cain Street, Seagoville, Dallas County, Texas.

### **SITE DATA**

#### **Dimensions/Frontage**

According to Dallas Central Appraisal District records, the subject tract is triangular in shape, and contains 42,920 square feet, or 0.985 acres. The subject fronts the northern line of US Highway 175 for approximately 480 linear feet, and the southwestern line of Cain Street for approximately 472 feet. US Highway 175 is a two-lane, undivided frontage road. Cain Street is a two-lane, undivided street.

#### **Access/Abutting uses**

Access (ingress and egress) to the site is available via one curb cut along the northern line of the US Highway 175 frontage road and one curb cut along the southern line of Cain Street. The subject abuts single-family residential uses across Cain Street to the north, retail uses across Cain Street to the east, US Highway 175 to the south, and a Best Western hotel to the west.

#### **Topography**

The topography of the tract is level and at street grade; the topography is not problematic to development.

#### **Flood Plain**

According to FEMA flood hazard map 48113C0545K dated July 7, 2014, the subject is determined to be outside the 100-year floodplain, being within Zone 'X'. Drainage of the site appears adequate. No guaranty is made that the site will or will not flood. A hydrological study or survey is required for confirmation of flood-designated boundaries. Reference the subsequent exhibits for a copy of the area flood map.

#### **Environmental Hazards**

To our knowledge, a Phase I Environmental Site Assessment has not been completed for the subject property as of the date of inspection. A current Phase I ESA is recommended. The subject is appraised predicated on the absence of detrimental environmental conditions. Should contaminants be present the conclusions in the report would be invalidated.

**Utilities/Community Services**

Water, sewer, electricity, and phone services are available to the subject. Electric services are provided by various service providers, with telecommunication services being provided by various providers. Atmos Energy supplies natural gas services. Water services are provided by the city of Seagoville, and wastewater service is provided by the city of Seagoville. Police protection is provided by the city of Seagoville and fire protection is provided by the city of Seagoville. The property is located within the Dallas Independent School District.

**Zoning**

The site is zoned PD-Commercial by the City of Seagoville. The PD-Commercial district is intended to provide areas for general commercial and retail development. Additionally, the "C" district allows for any use permitted in the 'LR' Local Retail district. The Planned Development zoning will require approval of a site plan prior to development. Retail strip centers are allowed in this zoning district.

**Soils, Development Limitation, and Productivity**

This report assumes the soils are capable of supporting the structures, as numerous improvements are located within the subject area and adjoining area. A study of the development, limitations, and productivity were not completed in this appraisal report, as it is not necessary to the scope of the appraisal.

**Easements**

A survey of the site is available for analysis. This valuation concludes that utility and access easements typical of this property type are present and that no detrimental easement conditions exist. This should not be considered as a guaranty or warranty, however, that adverse easements do not exist. Were the property to have any easements detrimental to the subject, the opinion of value concluded herein may be invalid.

**Deed Restrictions**

To our knowledge, no deed restrictions affect or limit the use of the property; however, this should not be considered as a guaranty or warranty that no such restrictions exist. Deed restrictions are a legal matter: normally discoverable only by a title search by a title attorney. It is recommended that a title search be made if any questions regarding deed restrictions arise.

**Wetlands**

No visual evidence was observed to indicate whether wetlands exist on the subject site. Wetlands, as defined by Section 404 of the Clean Water Act, are those areas that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Swamps, bogs, fens, marshes, and estuaries are subject to federal environmental law.

**SUBJECT IMPROVEMENTS**

**Design/Construction**

The improvements consist of a retail strip center comprising 5,340-square feet. The building features exterior storefronts and is designed for up to five tenants. The interior is currently in shell condition.

The improvements to the property include finishing the interior and demising the potential tenant spaces. The construction is expected to be completed in December 2020 at an estimated cost of \$295,000, rounded, based on a price of \$55.00 per square foot.

**RETAIL STRIP CENTER**

**Exterior**

Year Built	2020
Type	Class C
Building Size - Gross	5,340 square feet (per measurements)
Foundation	Reinforced concrete slab
Walls	Steel frame with brick veneer
Roof	Flat; built-up on steel decking
HVAC	Complete system (roof-mounted)
Quality	Good
Condition	Good

**Interior**

Flooring	Commercial carpet, commercial tile, sealed concrete
Walls	Painted/textured gypsum board
Ceiling	Acoustic tile
Lighting	Standard commercial fixtures
Quality	Good
Condition	Good

**Site Improvements**

Site improvements include concrete paving and drives, pole-mounted LED lighting, building-mounted lighting, building-mounted signage, trash enclosure, two grease traps, irrigation system, and landscaping.

**Parking**

The paved parking area comprises 42 striped parking spaces, including two handicapped spaces.

**Physical Condition**

The subject improvements (retail strip center) were built in 2020; the remaining improvements include finishing the interior. Overall, the design and construction quality of the improvements are considered typical of similar buildings of the age of the subject improvements. No items of deferred maintenance were noted at the inspection. No items of deferred maintenance were noted at the inspection.

**Functional Utility**

Defined as the ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards. The subject is retail strip center. The improvements are functionally adequate given the architectural style, design and layout, traffic patterns, and the size and configuration of the improvements for this property type.

**External Obsolescence**

External obsolescence is considered to be the loss in value of the property resulting from an influence of negative forces not inherent with the property. It can be caused by the exertion of detrimental external forces upon the area or property itself. Specific examples are significant fluctuations in the local economy, noise from nearby expressways or airports, excessive taxes, supply and demand imbalances, special assessments or certain other governmental actions, the lack of financial liquidity in the marketplace, or the infiltration of unharmonious groups or land uses. This form of obsolescence is rarely, if ever, curable. The subject regional area is currently experiencing stable rental rates and occupancy levels. Based upon the stable market conditions within the extended area the property does not appear to suffer from external obsolescence.

**CONCLUSIONS**

The subject is retail strip center, with adequate frontage and access via one curb cut along the northern line of the US Highway 175 frontage road and one curb cut along the southern line of Cain Street.

**Marshall Swift Data**

<b>RE Classification</b>	Neighborhood Shopping Center
<b>Class</b>	C
<b>Type</b>	Good
<b>Section</b>	13
<b>Page</b>	33
<b>Life Expectancy</b>	40 years

Please refer to the subsequent exhibits and addenda for additional details.

## REAL ESTATE TAX ANALYSIS

The Texas legislature created a system of centralized appraisal districts for each Texas county so that all real estate within a given county is valued for tax purposes through a standard appraisal process. Property assessments are based on market value. Property valuations under the central appraisal district system became effective in 1982.

In Dallas County, the Dallas Central Appraisal District is responsible for ad valorem tax appraisals of all real estate within the county. Based on the ad valorem tax appraisal, various tax districts levy annual taxes on property located within their respective districts. Typical taxing jurisdictions include assessments from the county, city, and school districts in which the property is located. The total ad valorem tax burden is the sum of the assessments for the various taxing authorities.

The subject property is situated within the city of Seagoville and falls within the taxing jurisdictions of the City of Seagoville, Dallas County, Parkland Hospital, Dallas County College, and the Dallas ISD. Pertinent 2019 tax rates for the subject are detailed below. The 2020 tax rates are not available as of the date of this report.

<b>2019 TAX RATES (per \$100)</b>	
City of Seagoville	\$ 0.788800
Dallas County	\$ 0.253100
Parkland Hospital	\$ 0.269500
Dallas County College	\$ 0.124000
Dallas ISD	\$ 1.310385
<b>Total</b>	<b>\$ 2.745785</b>

The Dallas Central Appraisal District accounts for 2020 are summarized as follows:

Account Number	Land	Improvements	Total
500036000A0030000	\$ 107,300	\$ 612,750	\$ 720,050

Based on the preceding assessed value and pertinent tax rates, the subject's annual tax liability is calculated as follows:

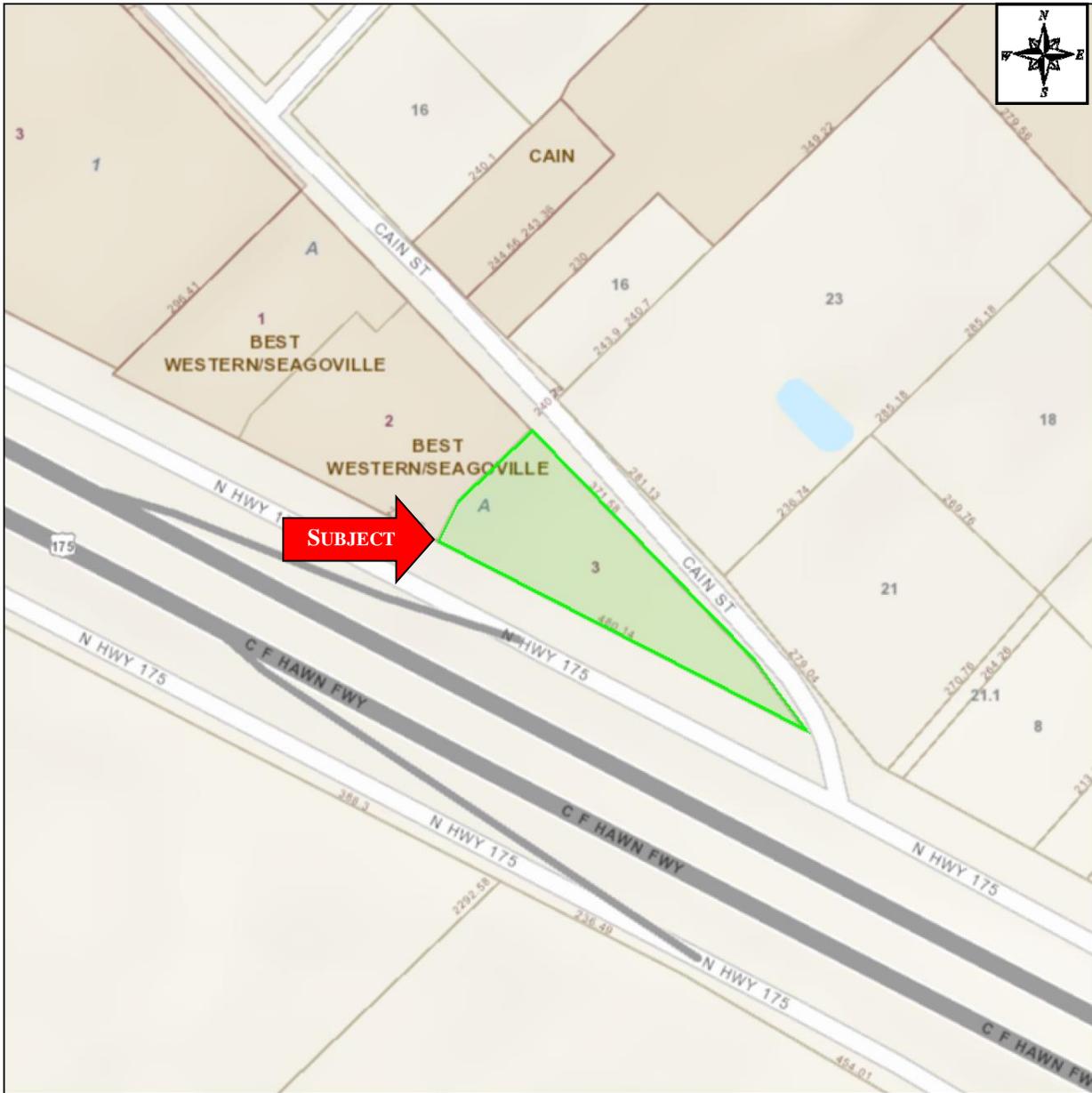
Assessed Value	Tax Rate	Indicated Tax Liability
\$720,050	x \$0.02745785 =	<b>\$ 19,771</b>

The assessed value equates to \$720,050, or \$134.84 per square foot of building area. The assessed value is below the concluded market value in this appraisal. This difference is typically due to the valuation methods of the appraisal district.

# AERIAL PHOTOGRAPHS

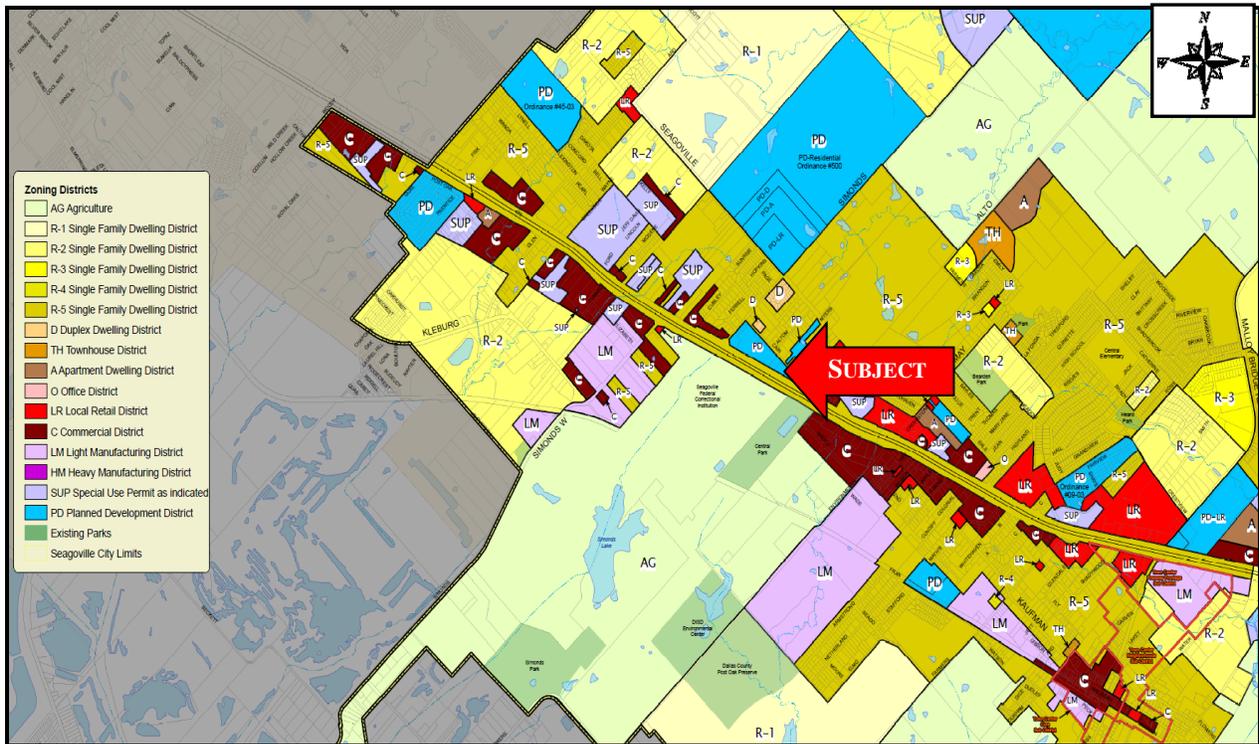


Source: Google Maps



Source: Dallas CAD

# ZONING MAP

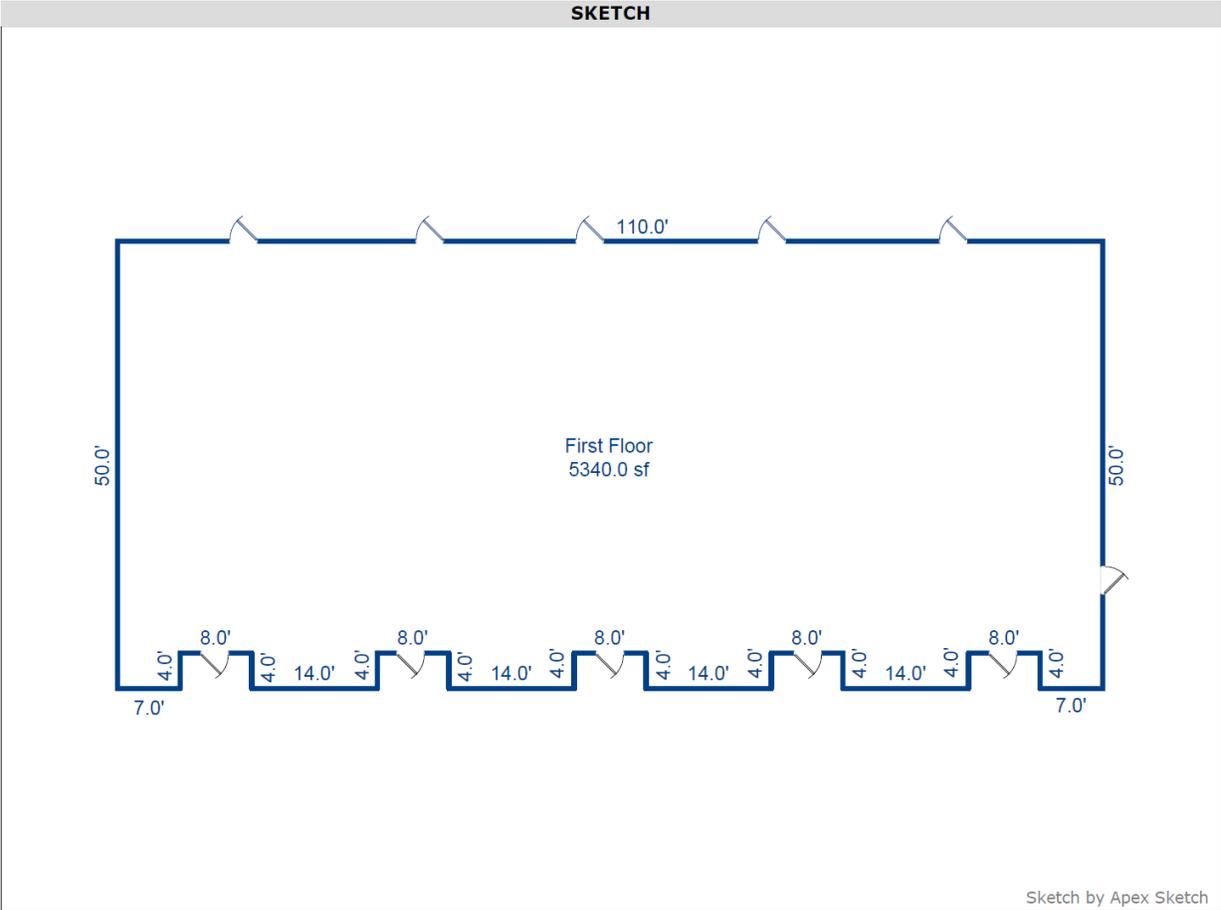


Source: City of Seagoville



# BUILDING SKETCH

SUBJECT INFO			
File No.: 20-608	Parcel No.:		
Property Address: 1880 N. US Highway 175			
City: Seagoville	County: Kaufman	State: TX	ZipCode: 75159
Owner: Kelly Harris Company			
Client:	Client Address:		
Appraiser Name: Pyles Whatley	Inspection Date: 8/27/2020		



AREA CALCULATIONS SUMMARY						AREA CALCULATIONS BREAKDOWN				
Code	Description	Factor	Net Size	Perimeter	Net Totals	Name	Base x	Height x	Width =	Area
GBA1	First Floor	1.0	5340.0	360.0	5340.0	First Floor		14.0 x	4.0 =	56.0
								14.0 x	4.0 =	56.0
								14.0 x	4.0 =	56.0
								14.0 x	4.0 =	56.0
								50.0 x	7.0 =	350.0
								103.0 x	46.0 =	4738.0
								7.0 x	4.0 =	28.0
	Net BUILDING		(rounded)		5,340	7 total items			(rounded)	5,340



**SUBJECT PHOTOGRAPHS**

**PHOTOGRAPHED ON AUGUST 27, 2020**



Viewing easterly at subject.



Viewing northeast at subject property.



Viewing west at rear of the subject.



Viewing southeast at subject parking lot.



Viewing northeast at subject.



Viewing northerly at dumpster enclosure.

**SUBJECT PHOTOGRAPHS**



Interior view of subject building.



Interior view of subject building.



Interior view of subject building.



Interior view of subject building.



Looking northwesterly along US Highway 175, subject is to the right.



Looking southeast along US Highway 175, subject is to the left.

One of the basic elements of real estate valuation is the theory of highest, best, and most profitable use.

As quoted from The Dictionary of Real Estate Appraisal, copyright 1984, highest and best use is defined as that reasonable and probable use that supports the highest present value of vacant land or improved property, as defined, as of the effective date of the appraisal.

Or, as defined in the Appraisal of Real Estate, 14<sup>th</sup> Edition (copyrighted 2013), the reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and which results in highest land value.

These definitions recognize that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

Because the use of land can be limited by the presence of improvements, highest and best use is determined separately for the land or site as though vacant and available to be put to its highest and best use, and for the property as improved.

In appraisal practice, highest and best use analysis not only identifies the use of the property expected to produce the maximum net present value, but also helps the appraiser select comparable properties.

Four basic criteria are examined in estimating the Highest and Best Use of a property both as vacant and as improved. These stages of analysis are as follows:

- a) Possible Use - the uses to which it is physically possible to put on the site in question.
- b) Permissible Use (Legal) - the uses that are permitted by zoning and deed restrictions on the site in question.
- c) Feasible Use - the possible and permissible uses that will produce any net return to the owner of the site.
- d) Highest and Best Use - among the feasible uses, the use that will produce the highest net return on the highest present worth.

The highest and best use of a specific parcel of land is not determined through subjective analysis by the property owner, the developer, or the appraiser; rather, highest and best use is shaped by the competitive forces within the market where the property is located. Therefore, the analysis and interpretation of highest and best use is an economic study of market forces focused on the subject property.

Market forces also shape market value, so the general data that are collected and analyzed to derive an opinion of market value are also used to formulate an opinion of the property's highest and best use as of the appraisal date.

**SITE, AS IF VACANT**

According to the Dallas Central Appraisal District, the subject tract is triangular in shape, and contains 42,920 square feet, or 0.985 acres. The subject fronts the northern line of US Highway 175 for 480 linear feet, and the southwestern line of Cain Street for 472 feet.

The subject abuts single-family residential uses across Cain Street to the north, retail uses across Cain Street to the east, US Highway 175 to the south, and a Best Western hotel to the west.

**Physically Possible**

In arriving at our opinion of highest and best use for the improved subject site, it was first necessary to determine if the physical characteristics of the site - such as soil conditions, topography, shape, and frontage were favorable for development. Soil conditions in the region are adequate for urban development provided appropriate engineering, design, and construction. According to FEMA flood hazard map 48113C0545K, dated July 7, 2014, the subject is determined to be outside the 100-year floodplain, being within Zone 'X'. No guaranty is made that the site will or will not flood. A hydrological study or survey is required for confirmation of flood-designated boundaries. The tract is of sufficient size and shape to be economically adaptable for development and benefits from adequate frontage and accessibility. Thus, the physical characteristics impose no limitations to possible development.

**Legally Permissible**

The site is zoned PD-Commercial by the City of Seagoville. The PD-Commercial district is intended to provide areas for general commercial and retail development. Additionally, the "C" district allows for any use permitted in the 'LR' Local Retail district. The Planned Development zoning will require approval of a site plan prior to development.

**Financially Feasible**

As defined in The Dictionary of Real Estate Appraisal, Sixth Edition, 2015 is “the capability of a physically possible and legal use of property to produce a positive return to the land after considering risk and all costs to create and maintain the use.”

The surrounding properties and land uses are considered for compatibility in determination of feasible use. Based on the land usage pattern of the surrounding area, the layout, location, and frontage/visibility of the site, the most feasible use is considered to be commercial development.

**Maximally Productive**

The financially feasible use of the subject site would be for commercial development. Based upon the location in Seagoville, and nearby commercial tracts, commercial development is considered most logical.

Therefore, the maximally productive use of the subject, as vacant, would be as commercial development.

**SUMMARY OF HIGHEST AND BEST USE, AS VACANT**

The maximally productive use of the subject would be for commercial development.

*Use: commercial development*

*Timing: current*

*Market Participants:*

*User: developer*

*Most Probable Buyer: developer*

**SITE, AS IMPROVED**

The improvements consist of a 5,340-square foot retail strip center. The proposed improvements are interior finish-out and demising the tenant spaces. The improvements will be completed in December 2020 at a cost of \$295,000.

**Physically Possible**

The subject improvements were built in 2020 and intended for use as a retail strip center. The design of the improvements is typical for the area. The physical characteristics and accompanying amenities of the subject improvements are not readily adaptable to other uses and are specific in design for continued use as a retail strip center.

**Legally Permissible**

The site is zoned PD-Commercial by the City of Seagoville. Retail strip centers are allowed in this zoning district.

**Financially Feasible**

Financially feasible uses for the subject property include continued use as a retail strip center. This use will produce a positive return to the subject site.

**Maximally Productive**

The improvements not only add value to the subject site; they also represent the maximally profitable use of the site, as improved.

The preceding analysis indicates the improvements to be feasible based on current market parameters. Thus, it is concluded that the highest and best use of the subject, as improved, is continued use as a retail strip center.

### DATA COLLECTION PROCESS

For purposes of this report, the subject market was researched for all pertinent data relating to the appraisal problem as stated below. This process typically includes collecting and confirming data through local real estate brokers, appraisers, property owners, lessee/lessors, and others familiar with the local real estate market. The information provided by these sources is deemed reliable but is not guaranteed.

The appraisal problem, as applied to the subject, is to determine the market value of the applicable interest in the subject property. In addressing this problem, the principles of utility, substitution, and anticipation are considered in the following valuation.

The rendered opinion of market value of a property that is being appraised is accomplished by the comparison and analysis of as many appraisal techniques as are appropriate. The following approaches are generally used to produce value indications.

**Cost Approach:** The value indication by this approach is accomplished by estimating the Reproduction (or Replacement) Cost New of the improvements and deducting accrued depreciation from all causes, if any. The value of the land (by comparison) is then added to this depreciated cost figure.

The cost approach is based on the premise that the value of a property can be indicated by the current cost to construct a reproduction or replacement for the improvements minus the amount of depreciation evident in the structures from all causes plus the value of the land and entrepreneurial profit. This approach to value is particularly useful for appraising new or nearly new improvements.

**Sales Comparison Approach:** The comparison of similar properties, which have sold in the marketplace, is used to produce an indication of value. The comparison may be either direct or indirect with commonly accepted units or elements of comparison.

The sales comparison approach is founded upon the principle of substitution, which holds that the cost to acquire an equally desirable substitute property without undue delay ordinarily sets the upper limit of value. At any given time, prices paid for comparable properties are construed to reflect the value of the property appraised. The validity of a value indication derived by this approach is heavily dependent upon the availability of data on recent sales of properties similar in location, size, and utility to the appraised property.

**Income Capitalization Approach:** This approach to value is applicable to properties capable of producing a net income stream. The net income stream is translated into a value indication through the capitalization process.

The income capitalization approach is based on the principle of anticipation, which recognizes the present value of the future income benefits to be derived from ownership in a particular property. The income capitalization approach is most applicable to properties that are bought and sold for investment purposes, and is considered very reliable when adequate income and expense data are available. Since income producing real estate is most often purchased by investors, this approach is valid and is generally considered the most applicable when the property being appraised was designed for, or is easily capable of, producing a satisfactory rental income.

The strengths and weaknesses of each approach used are weighed in the final analysis. The approach or approaches offering the greatest quantity and quality of supporting data are typically emphasized, and the final opinion of value is correlated.

Under the parameters of this assignment, the following approaches to value were considered and used in this appraisal:

<b>Approach</b>	<b>Considered</b>	<b>Used</b>
Cost	Yes	Yes
Sales Comparison	Yes	Yes
Income Capitalization	Yes	Yes

A preliminary survey of the property indicates the following:

- Sales of similar land use in the area are required. Sufficient data are available to arrive at an indicated value of the land of the subject by market comparison.
- This report incorporates the cost approach, sales comparison approach and income capitalization approach, and reconciles these approaches into a final opinion of market value.

Secondary sources of market data and investor criteria were utilized including Real Estate Research Corporation's Real Estate Report (RERC), Korpacz Real Estate Investor Survey, Real Estate Investment Services (REIS), M/PF, ALN Systems, Grubb-Ellis Market Reports, Cushman Wakefield Market Reports, Marcus Millichap Market Reports, CB Richard Ellis Market Reports, Insignia Market Reports, Jones Lang LaSalle Market Reports, and other industry publications.

### APPRAISAL PROBLEM

The appraisal problem, as applied to the subject, is to determine the market value of the *fee simple interest* in the subject property. In addressing this problem, the principles of utility, substitution, and anticipation are considered in the following valuation.

## **REASONABLE EXPOSURE TIME**

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When the purpose of an assignment is to develop an opinion of market value, the appraiser must also develop an opinion of reasonable exposure time linked to the value opinion.

Reasonable exposure time is one of a series of conditions in most market-value definitions. Exposure time is always presumed to precede the effective date of the appraisal.

Exposure time, as defined by the Uniform Standards of Professional Appraisal Practice, Statement on Appraisal Standards No. 6, is the opinion of the length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. It is a retrospective opinion based upon an analysis of past events assuming a competitive and open market.

The fact that exposure time is always presumed to occur prior to the effective date of the appraisal is substantiated by related facts in the appraisal process, i.e. supply/demand conditions as of the effective date of the appraisal, the use of current cost information, the analysis of historical sales information (sold after exposure and after completion of negotiations between the seller and the buyer), and the analysis of future income expectancy projected from the effective date of the appraisal.

The opinion of the time period for reasonable exposure is not intended to be a prediction of a date of sale or a one-line statement. Instead, it is an integral part of the analyses conducted during the appraisal assignment. The opinion may be expressed as a range and can be based on one or more of the following:

- Statistical information about days on market
- Information gathered through sales verification
- Interviews of market participants

Related information garnered through this process may include the identification of typical buyers and sellers for the type of property involved and typical equity investment levels and/or financing terms.

The reasonable exposure period is a function of price, time, and use, not an isolated opinion of time alone. The answer to the question “what is reasonable exposure time?” should always incorporate the answers to the question “for what kind of property at what value range?” rather than appear as a statement of an isolated time period.

A reasonable exposure time for the subject property at the market value definition and market value conclusion in this appraisal was developed by discussions with local market participants. According to local brokers, appraisers, and informed market participants, the reasonable exposure time for properties similar to the subject, is considered to be 12 months.

Land value is directly related to highest and best use. The relationship between the highest and best use and land value may indicate whether an existing use is the highest and best use of the land.

Land valuation can be accomplished by six procedures. These include sales comparison, allocation, extraction, subdivision development, land residual, and ground rent capitalization.

**Sales Comparison** – Sales of similar, vacant parcels are analyzed, compared, and adjusted to provide a value indication for the land being appraised.

**Allocation** – Either sales of improved properties are analyzed and the prices paid are allocated between the land and the improvements, or comparable sites under development are analyzed and the costs of the finished properties are allocated between the land and improvements.

**Extraction** – Land value is indicated by subtracting the estimated value of the depreciated improvements from the known sale price of the property. This procedure is frequently used when the value of the improvements is relatively low or easily calculated.

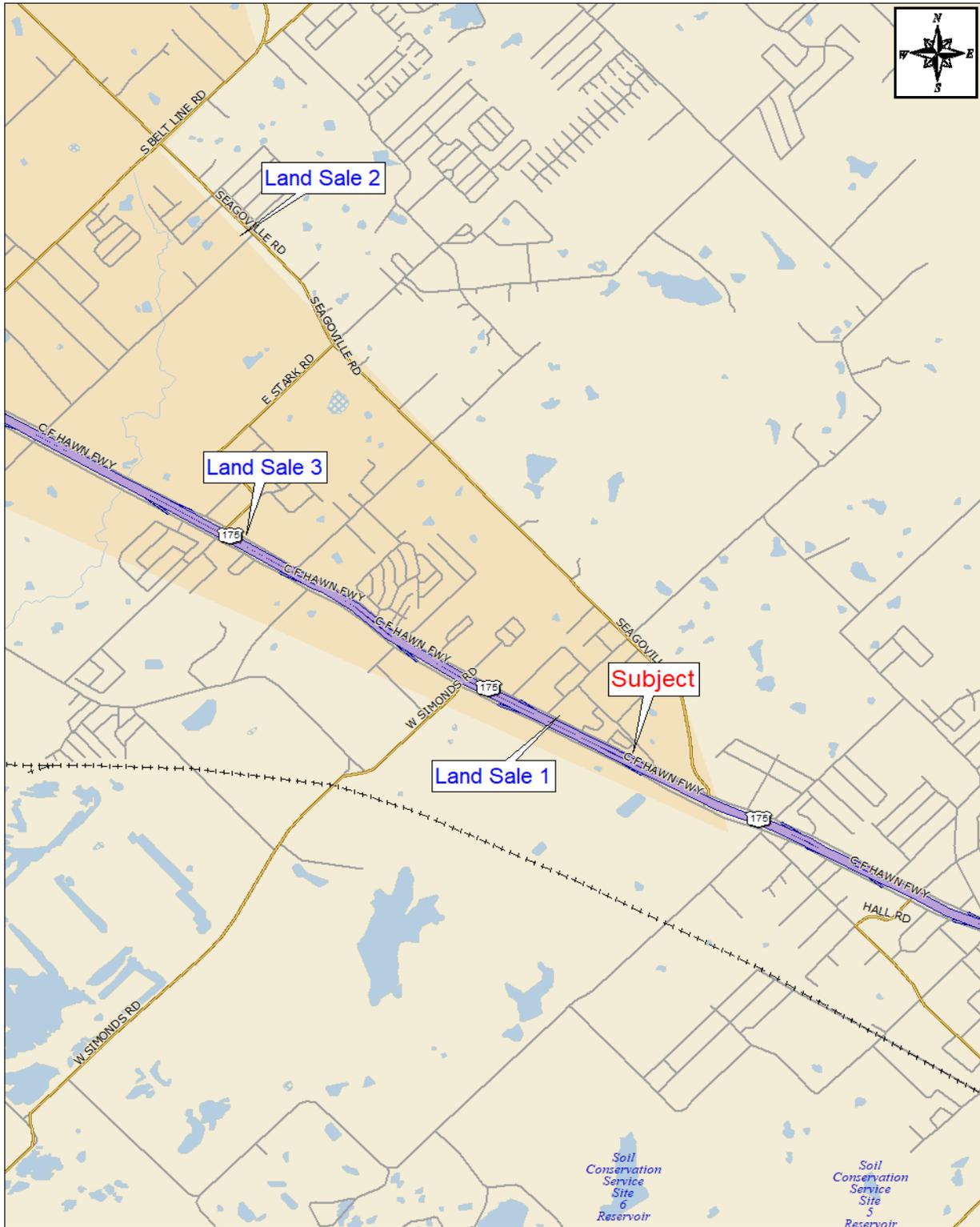
**Subdivision Development** – The total value of undeveloped land is indicated as if the land were subdivided, developed, and sold. Development costs, incentive costs, and carrying charges are subtracted from the estimated proceeds of sale, and the net income projection is discounted over the period required for market absorption of the developed sites.

**Land Residual Technique** – The land is assumed to be improved to its highest and best use. The income attributable to the return *on* and *of* the capital invested in the improvements is deducted from the net operating income. The result is the income attributable to the land. This income is capitalized to derive an opinion of land value.

**Ground Rent Capitalization** – This procedure is used when land rents and land capitalization rates are readily available, e.g., for appraisals in well-developed areas. Net ground rent, the net amount paid for the right to use and occupy the land, is calculated and divided by a land capitalization rate. Either actual or estimated rents can be capitalized using rates that can be supported in the market.

The *sales comparison* method is the best method of developing an opinion of value of the subject. In this method, known sales of similar use land in the market area are compared to the subject to arrive at an indication of value. In arriving at value conclusions, the tracts are compared as to the rights conveyed, financing terms, sale conditions, market conditions, location, and physical characteristics. This approach is used to value land that is vacant or considered vacant for appraisal purposes.

The market was carefully researched for recent sales, leases, listings, or other transactions, which would provide a valid basis for developing an opinion of the market value of the subject by comparison. After reviewing and analyzing the sales, three sales were extracted from this sample and utilized for the land valuation. These sales are detailed on the following pages.



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MN (2.7° E)

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Data Zoom 12-7

**Land Sale No. 1**

<b>Location</b>	NE/s of US Highway 175 and SW/s of Cain Street Seagoville, Dallas County, Texas
<b>Mapsc0</b>	DA-70-Z
<b>Legal Description</b>	Land situated in the Seagoville Place Addition, Block 1, Lots 1 and 2, Seagoville, Dallas County, Texas
<b>Grantor</b>	Victory Baptist Church of Seagoville
<b>Grantee</b>	Seagoville Economic Development Corporation
<b>Record Data</b>	
Date of Sale	July 26, 2019
Document No.	201900194899
<b>Consideration</b>	\$430,000
<b>Terms of Sale</b>	Cash (or cash equivalent) to the seller
<b>Conditions of Sale</b>	Arm's-length
<b>Land Area</b>	
Acres	5.678
Square Feet	247,324
<b>Price Per SF</b>	\$1.74
<b>Zoning</b>	PD, Commercial
<b>Topography</b>	Mostly level; No floodplain
<b>Utilities</b>	All available
<b>Shape</b>	Irregular
<b>Frontage</b>	±500 LF - US Highway 175 ±395 LF - Cain Street
<b>Comments</b>	The tract is located along US Highway 175, between single-family residential uses and an apartment complex.

**Land Sale No. 2**

<b>Location</b>	W/c of Seagoville Road and Woody Road Dallase, Dallas County, Texas
<b>Mapsc0</b>	DA-12-C
<b>Legal Description</b>	Lots 1, 2, and 3, Block 8819, Lowland Park Addition, city of Dallas, Dallas County, Texas
<b>Grantor</b>	Peter Romo and wife, Kathy Romo
<b>Grantee</b>	Edi Monsivais and Benedicto Jaramillo
<b>Record Data</b>	
Date of Sale	January 17, 2019
Document No.	201900015018
<b>Consideration</b>	\$85,000
<b>Terms of Sale</b>	Cash (or cash equivalent) to the seller
<b>Conditions of Sale</b>	Arm's-length
<b>Land Area</b>	
Acres	3.40
Square Feet	47,437
<b>Price Per SF</b>	\$1.79
<b>Zoning</b>	NS(A) - Neighborhood Service
<b>Topography</b>	Mostly level; No floodplain
<b>Utilities</b>	All available
<b>Shape</b>	Rectangular
<b>Frontage</b>	±277 LF - Seagoville Road ±178 LF - Woody Road
<b>Comments</b>	The tract is rectangularly shaped and is located on the western corner of Seagoville Road and Woody Road. The property was purchased for commercial development.

**Land Sale No. 3**

<b>Location</b>	NE/s of US Highway 175, south of Stark Road Seagoville, Dallas County, Texas
<b>Mapsc</b>	DA-70-T
<b>Legal Description</b>	Lot 1, Block 1, Nabors Addition, city of Seagoville, Dallas County, Texas
<b>Grantor</b>	Tao South I-20, LP
<b>Grantee</b>	2806 Hwy 175 Properties, LLC
<b>Record Data</b>	
Date of Sale	May 31, 2017
Document No.	201700153898
<b>Consideration</b>	\$325,000
<b>Terms of Sale</b>	Cash (or cash equivalent) to the seller
<b>Conditions of Sale</b>	Arm's-length
<b>Land Area</b>	
Acres	2.20
Square Feet	95,832
<b>Price Per SF</b>	\$3.39
<b>Zoning</b>	C, Commercial
<b>Topography</b>	Mostly level; No floodplain
<b>Utilities</b>	All available
<b>Shape</b>	Mostly rectangular
<b>Frontage</b>	±360 LF - US Highway 175
<b>Comments</b>	The tract is rectangularly shaped and is located on the northeast side of US Highway 175, south of Stark Road. The property was previously improved with two buildings, which were razed prior to this sale, and the old parking lot and pylon sign remain. The property was purchased for investment hold.

<b>LAND SALES SUMMARY</b>					
Sale No.	Location	Size		Price Per	Date of Sale
		SF	AC	SF	
1	NE/s of US Highway 175 and SW/s of Cain Street	247,324	5.678	\$ 1.74	Jul-19
2	W/c of Seagoville Road and Woody Road	47,437	3.400	\$ 1.79	Jan-19
3	NE/s of US Highway 175, south of Stark Road	95,832	2.200	\$ 3.39	May-17
Subject	1880 North US Highway 175	42,920	0.985		

The sales in the sample were selected from a larger group as being most similar in overall physical characteristics as compared to the subject. The land sales occurred between May 2017 to July 2019, range in size from 2.200 acres to 5.678 acres, and range in price from \$1.74 to \$3.39 per square foot. These sales represent the most recent, similar activity in proximity to the subject.

**ADJUSTMENT DESCRIPTIONS AND ANALYSIS**

The first step in any comparative analysis is to identify which elements of comparison affect property values in the subject market. Each of the basic elements of comparison must be analyzed to determine whether an adjustment is required. If sufficient information is available, a quantitative adjustment can be made.

Adjustments for differences are made to the price of each comparable property to make that property equivalent to the subject in market appeal on the effective date of the opinion of value. The magnitude of the adjustment made for each element of comparison depends on how much that characteristic of the comparable property differs from the subject property. We have considered all appropriate elements of comparison in the following discussions.

In the following analysis, consideration is given for rights conveyed, financing, sale and market conditions, location, and physical characteristics. Property rights conveyed and financing are basic components of sale. Rights conveyed should be identical and financing should be on a cash equivalent basis. Sale conditions require analysis to determine any unusual characteristics. Consideration of market conditions is necessary because of the cyclical nature of the real estate market and continuous economic change. The location adjustment considers factors such as type, compatibility, quality, desirability, and accessibility of area development. Comparison of utility considers such factors as zoning, size, and frontage.

**COMPARITIVE ANALYSIS**

In analyzing the sales, comparative analyses are used to identify differences between the subject and the comparable sales. The difference in selling price is allocated to the elements of comparison, which the market data indicates contribute to different prices. While we have no direct support for these selected adjustments, an analysis of similar properties requires adjustment for these elements to be applied. The following table is a summary of comparable elements and their associated adjustments.

<b>SUMMARY OF SELECTED ADJUSTMENTS</b>	
<b>Adjustment Category</b>	<b>Selected Adjustments</b>
Frontage	5%; for the difference between inferior and superior frontage
Exposure	10%; for the difference between inferior and superior exposure
Size	5%; for adjustment for each doubling/halving in size

These adjustments are not intended as exact measurements, but are used to define accurately the range of values indicated by the market.

## **RIGHTS CONVEYED, FINANCING, SALE, MARKETING CONDITIONS, AND LOCATION**

### **Rights Conveyed**

When property rights are sold, they may be the sole subject of the contract or the contract may include other rights, less than all of the real property rights, or even another property or properties. Before the price of a comparable sale property can be used in sales comparison analysis, the appraiser must first ensure that the sale price of the comparable property applies to property rights that are similar to those being appraised. To do so, adjustments may be required before specific differences in the physical real estate can be compared. The sales were evaluated and no adjustments for rights conveyed are considered necessary.

### **Financing**

The transaction price of one property may differ from that of an identical property due to different financing arrangements. The cost of financing includes the interest rate and any points, discounts, equity participations, or other charges that the lender requires to increase the effective yield of the loan. The cost and availability of credit for real estate financing influence both the quantity and quality of real estate demanded and supplied. Additional financing adjustments could be made based on owner financing, favorable financing terms, or assumptions. The sales were purchased with cash, or third party financing which requires no adjustment.

### **Sale Conditions**

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. Sales where the conditions significantly affect transaction prices are labeled non-arm's length transactions. Any sales that reflect unusual sale conditions are adjusted accordingly and the circumstances of these non-arm's length transactions are detailed on the sale summary pages. The sales were evaluated and no adjustments for sale conditions are considered necessary.

### **Market Conditions**

The sales occurred between May 2017 and July 2019. Adjustments for market conditions are applied if property values have increased or decreased since the transaction dates. Based on our observations and analysis, real estate has appreciated approximately 4% annually. Each sale is adjusted accordingly.

**Location**

An adjustment for location within a market area may be required when the locational characteristics of a comparable property are different from those of the subject property. Most comparable properties in the same market area have similar locational characteristics, but variations may exist within that area of analysis. A property's location is analyzed in relation to the location of other similar properties. All of the sales have similar locational appeal as compared to the subject and are not adjusted.

**PHYSICAL****Access**

Access has significant bearing on real estate in the market. Access is defined as the points, or number of points available for ingress/egress to the subject site or ease of access to the site from abutting roadways. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. The sales have similar access as the subject, with no adjustments.

**Frontage**

Frontage is the number of feet of frontage along the subject roadway or roadways. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. Sale 1 is similar as compared to the subject and no adjustment is applied. Sales 2 and 3 are inferior to the subject and are each adjusted +5% for frontage.

**Exposure**

Exposure is a function of traffic volume or drive-by business potential. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. Sales 1 and 3 are similar as compared to the subject and are not adjusted. Sale 2 is inferior to the subject on exposure and a +10% adjustment is applied.

**Size**

The subject site is comprised of 0.985 acres. The size adjustment is based on the premise that, in general, the larger the tract, the less its selling price on a per unit basis. Recent experience with other properties utilizing a linear regression analysis indicates a 5% - 15% adjustment for each doubling/halving (100%) in size. A 5% adjustment is used for this analysis. The sales are adjusted +13%, +8%, and +6%, respectively for size.

**Zoning**

The site is zoned PD-Commercial by the City of Seagoville. The sales are similar to the subject, with no adjustments.

### **Utilities**

Water, sewer, electricity, and phone services are available to the subject. The sales are similar in the available utilities as compared to the subject and do not warrant adjustment.

### **Topography**

The subject is level and is determined to be outside the 100-year floodplain. The sales are similar in topography as compared to the subject and are not adjusted.

**SUMMARY OF ADJUSTMENTS**

The previously described adjustments are applied in the following table:

<b>LAND SALES ADJUSTMENTS</b>			
<b>Sale No.</b>	<b>1</b>	<b>2</b>	<b>3</b>
No. of Acres	5.678	3.400	2.200
Size SF	247,324	47,437	95,832
Sale Date	Jul-19	Jan-19	May-17
Sale Price	\$430,000	\$85,000	\$325,000
Sale Price Per SF	\$1.74	\$1.79	\$3.39
Rights Conveyed	-0-	-0-	-0-
Financing	-0-	-0-	-0-
Sale Conditions	-0-	-0-	-0-
Market Conditions	4%	6%	13%
Adjusted Price/SF	\$1.81	\$1.90	\$3.83
Location	-0-	-0-	-0-
Access	-0-	-0-	-0-
Frontage	-0-	5%	5%
Exposure	-0-	10%	-0-
Size	13%	8%	6%
Zoning	-0-	-0-	-0-
Utilities	-0-	-0-	-0-
Topography	-0-	-0-	-0-
Net Adjustment	13%	23%	11%
<b>Adjusted Price/SF</b>	<b>\$2.05</b>	<b>\$2.34</b>	<b>\$4.25</b>

**LAND VALUE CONCLUSION**

After adjustments, the comparables range in price from \$2.05 to \$4.25 per square foot, with an average of \$2.88 per square foot and a median of \$2.34 per square foot. The comparable sales are representative of land activity in the area. Considering the adjusted sales, the indicated value of the subject site is \$2.75 per square foot, or \$118,000, rounded.

<b>Total Land Area</b>			
<b>No. of Square Feet</b>		<b>\$/SF</b>	<b>Indicated Value</b>
42,920	x	\$2.75	= \$ 118,030
		Rounded	<b>\$ 118,000</b>

The purpose of the cost approach is to develop an opinion of the cost to construct a reproduction of, or replacement for, the existing structure and then deduct all accrued depreciation in the property being appraised from the cost new of the reproduction or replacement structure. When the value of the land and an entrepreneurial profit, if appropriate, are added to this figure, the result is an indication of the value of the fee simple interest in the property.

When applicable, the cost approach reflects market thinking by recognizing that market participants relate value to cost. Investors tend to judge the value of an existing structure by considering the prices and rents of similar buildings and the cost to create a new building with optimal physical and functional utility. Investors adjust the prices they are willing to pay by estimating the costs to bring an existing structure up to the level of physical and functional utility they desire.

The cost approach is based on the estimated replacement cost of the improvements less depreciation from all causes, to which is added the market value of the land based on comparable sales.

**REPLACEMENT COST**

The cost estimates in the following tables are abstracted from the *Marshall Valuation Service*. The *Marshall Valuation Service* is a national cost index providing cost data for determining replacement costs of buildings and other improvements, and is published by Marshall & Swift, LP.

**CALCULATOR METHOD**

SECTION 13 PAGE 33  
May 2020

**NEIGHBORHOOD SHOPPING CENTERS (412)**

CLASS	TYPE	EXTERIOR WALLS AND FRONTS	INTERIOR FINISH	LIGHTING, PLUMBING AND MECHANICAL	HEAT	Sq. M.	COST Cu. Ft.	Sq. Ft.
<b>C</b>	Good	Stucco or brick on block, light frame, good roof, mansard and storefronts	Drywall, some paneling, good VCT and acoustic tile, carpet	Good lighting and outlets per unit, small restrooms	Package A.C.	1237.85	9.58	115.00
	Average	Good block, tilt-up, bearing or light frame, plain fronts, some trim	Drywall, acoustic tile, VCT, some carpet and masonry partitions	Adequate lighting and outlets per unit, small restrooms	Package A.C.	1027.95	7.96	95.50
	Low cost	Low-cost fronts, block, tilt-up panels, bearing walls	Painted walls, drywall or acoustic tile, asphalt tile, few partitions	Minimum lighting, outlets and plumbing per unit	Forced air	812.67	6.29	75.50
<b>C/MILL</b>	Average	Mill-type construction, heavy brick walls, trusses, good wood sash	Plaster, VCT, wood, some carpet, wainscot and trim	Adequate lighting and outlets per unit, small restrooms	Hot water	1173.27	9.08	109.00
<b>D</b>	Good	Stucco or brick veneer, light frame, good roof, mansard and storefronts	Drywall, some paneling, good VCT and acoustic tile, carpet	Good lighting and outlets per unit, small restrooms	Package A.C.	1162.50	9.00	108.00
	Average	Pipe columns, web or bar joists, stucco or siding, plain fronts	Drywall, acoustic tile, vinyl composition, some carpet and trim	Adequate lighting and outlets per unit, small restrooms	Package A.C.	957.99	7.41	89.00
	Low cost	Low-cost wood or stucco, very plain, small fronts	Low-cost acoustic tile, asphalt tile, few partitions	Minimum lighting, outlets and plumbing per unit	Forced air	753.47	5.83	70.00

For building structure and components, the calculator method is utilized. The improvements most closely resemble a good cost quality Class C Neighborhood Shopping Center, as described in the Marshall Valuation Service Handbook, Section 13, Page 33. To the base cost, various multipliers are applied to reflect local market conditions and changes in construction costs.

## COST APPROACH

### DIRECT COSTS

#### Base Building Costs

<u>Component</u>	<u>Area</u>	<u>Base Cost</u>		
Retail strip center	5,340 SF	\$ 115.00		\$ 614,000

**Improvements cost before adjustments for time, location, and perimeter** **\$ 614,000**

<u>Total Base Costs</u>	<u>Multipliers</u>				
	<u>Current</u>	<u>Local</u>	<u>Perimeter</u>		
\$614,000	0.98	0.90	1.00	x x	\$ 542,000

#### Site Improvements

Site Preparation	\$ 25,000
Parking, Drives & Sidewalks	\$ 242,000
Landscaping, Dumpster enclosure & Lighting	\$ 66,000
<b>Total Site Improvements</b>	<b>\$ 333,000</b>

**Total Direct Costs** **\$ 875,000**

### INDIRECT COSTS

Architectural, Legal, Engineering Fees, Permits, etc.	@ 8%	\$ 70,000
<b>Total Indirect Costs</b>		<b>\$ 70,000</b>

**ENTREPRENEURIAL INCENTIVE** **\$ 142,000** @ 15%

**Total Direct and Indirect Costs  
or Total Construction Costs** **\$ 1,087,000**

**Replacement Cost New (RCN)** **\$ 1,087,000**

The total replacement construction costs include contractor profit, architect fees, engineering fees and permits, but exclude land cost, and amount to \$1,087,000 or \$203.56 per square foot. Entrepreneurial profit is estimated at ten percent of the direct and indirect cost of \$142,000. This cost is within the range for good to excellent quality construction costs for neighborhood shopping center, as estimated by the Marshall and Swift Cost Valuation Service Cost Manual, Section 13, Page 33 (after adjustment for time and location).

**DEPRECIATION**

Appropriate items of depreciation must be deducted from the cost to replace the subject improvements as estimated above. Depreciation in this case is defined as "a loss in value from any cause". The accrued depreciation applicable is typically broken down as follows:

a. Physical Depreciation

Curable - refers to items of deferred maintenance.

Incurable - deterioration that is not practical or economically feasible to correct.

b. Functional Obsolescence - adverse effect on value resulting from defects in design, can also be caused by changes that, over time, have made some aspects of a structure, material, or design obsolete by current standards.

Curable - to be curable the cost must be at least offset by the anticipated increase in value.

Incurable - deficiencies or superadequacies not economically feasible to correct.

c. External (Economic) Obsolescence - result of diminished utility of a structure due to negative influences from outside the site and is always incurable. The total loss in value due to such influences is allocated between the land and the improvements with only that portion attributable to the improvements deducted from the current replacement cost.

**Curable Physical**

No items of deferred maintenance were noted at the inspection.

**Incurable Physical**

A property suffers from deterioration as a result of the aging process. The method of estimating accrued depreciation utilized here is the modified economic age-life method. Briefly, this method consists of first estimating the cost to cure all curable items, deducting that figure from the replacement cost, and then applying to the remainder the deduction based on the ratio of effective age to total economic life.

**External and Functional Obsolescence**

The subject regional area is currently experiencing stable rental rates and occupancy levels. Based upon the stable market conditions within the extended area the property does not appear to suffer from external obsolescence.

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## COST APPROACH

### DEPRECIATION

Replacement Costs	\$ 1,087,000
Less: Curable Items	<u>\$ -</u>
Value of Improvements	\$ 1,087,000

Total Economic Life	40 years
Remaining Economic Life	40 years
Effective Age	0 years

#### Depreciation Percentage

Applied Percentage - M&S, Sec. 97, Pg. 24 ≈ 0%

Less: Incurable Items				
	\$1,087,000	x	0.0%	<u>\$ -</u>
Value				\$ 1,087,000

### COST APPROACH SUMMARY

Estimated Total Construction Costs	\$ 1,087,000
Less: Curable Items	\$ -
Less: Depreciation	<u>\$ -</u>
Total Value of Improvements	\$ 1,087,000
Plus: Indicated Value of Land	\$ 118,000
<b>Final Opinion of Value via the Cost Approach</b>	<b>\$ 1,205,000</b>
<b>Rounded</b>	<b>\$ 1,205,000</b>

### COST SUMMARY

As the subject consists of a retail strip center (totaling 5,340 square feet), the costs are applied to this property. Overall, the subject's physical condition is average and the effective age is estimated at 0 years, as the improvements are new construction. The estimated costs of the entire property, including land, and improvements as if complete are \$1,205,000.

Subtracting the income loss of \$215,000 (as calculated in the income capitalization approach) from the "Prospective Future Value, Upon Stabilized" results in an "Prospective Future Value, Upon Completion" by the sales comparison approach of \$990,000.

Prospective Future Value, As Stabilized	\$ 1,205,000
Less: Income Shortfall	<u>\$ 215,000</u>
Prospective Future Value, Upon Completion	\$ 990,000

**Construction Summary**

The subject is a 5,340-square foot, retail strip center. The construction costs, provided by the owner, are considered reasonable and are used in this analysis. These costs equate to \$791,100, or \$792,000 (rounded). According to the construction estimate, these costs do not include a contingency; a contingency of 10% is applied to these costs (calculated at \$79,000). An estimated 15% is applied to the total costs for entrepreneurial incentive of \$119,000. The total construction costs are estimated at \$990,000 (rounded). These costs are in line with the previous estimates calculated using Marshall and Swift.

**ACTUAL CONSTRUCTION COSTS**

Direct Construction Costs	
Building Costs	\$ 733,000
Indirect Construction Costs - ± 8% of hard costs	\$ 59,000
Contingency @ 10%	\$ 79,000
Entrepreneurial Incentive @ 15%	<u>\$ 119,000</u>
Total Construction Costs	\$ 990,000

Based on the construction costs of \$990,000, the contributory value of the interior finish-out to the subject is estimated at \$295,000. This contributory value is 30% of the total construction costs.

Subtracting the construction costs of the interior finish-out of \$295,000 from the "Prospective Future Value, Upon Completion" results in an 'As Is' value of \$695,000.

Prospective Future Value, Upon Completion	\$ 990,000
Less: Construction costs	<u>\$ 295,000</u>
Fee Simple, As Is	\$ 695,000

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## SALES COMPARISON APPROACH

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The sales comparison approach is a method of estimating market value whereby a property is compared with similar properties that have sold recently. One premise of the sales comparison approach is that the market will determine a price for the property being appraised in the same manner that it determines the price of comparable, competitive properties. The principle of substitution is basic in this approach as it implies that a prudent person will not pay more for a property than an acceptable alternative available in the market.

The steps of the sales comparison approach are outlined as follows:

- (a) Research the market to obtain information about sales, listings, and offerings of properties similar to the subject property.
- (b) Ascertain the nature of the conditions of sale, including the price, terms, motivating forces, and its bona fide nature.
- (c) Determine relevant units of comparison, e.g. sales price per square foot and develop a comparative analysis for each unit.
- (d) Compare each of the comparable properties' important attributes to the corresponding ones of the property being appraised, under the general categories of time, location, physical characteristics, and conditions of sale.

Consider all dissimilarities and their probable effect on the price of each sale property to derive individual market indications for the property being appraised.

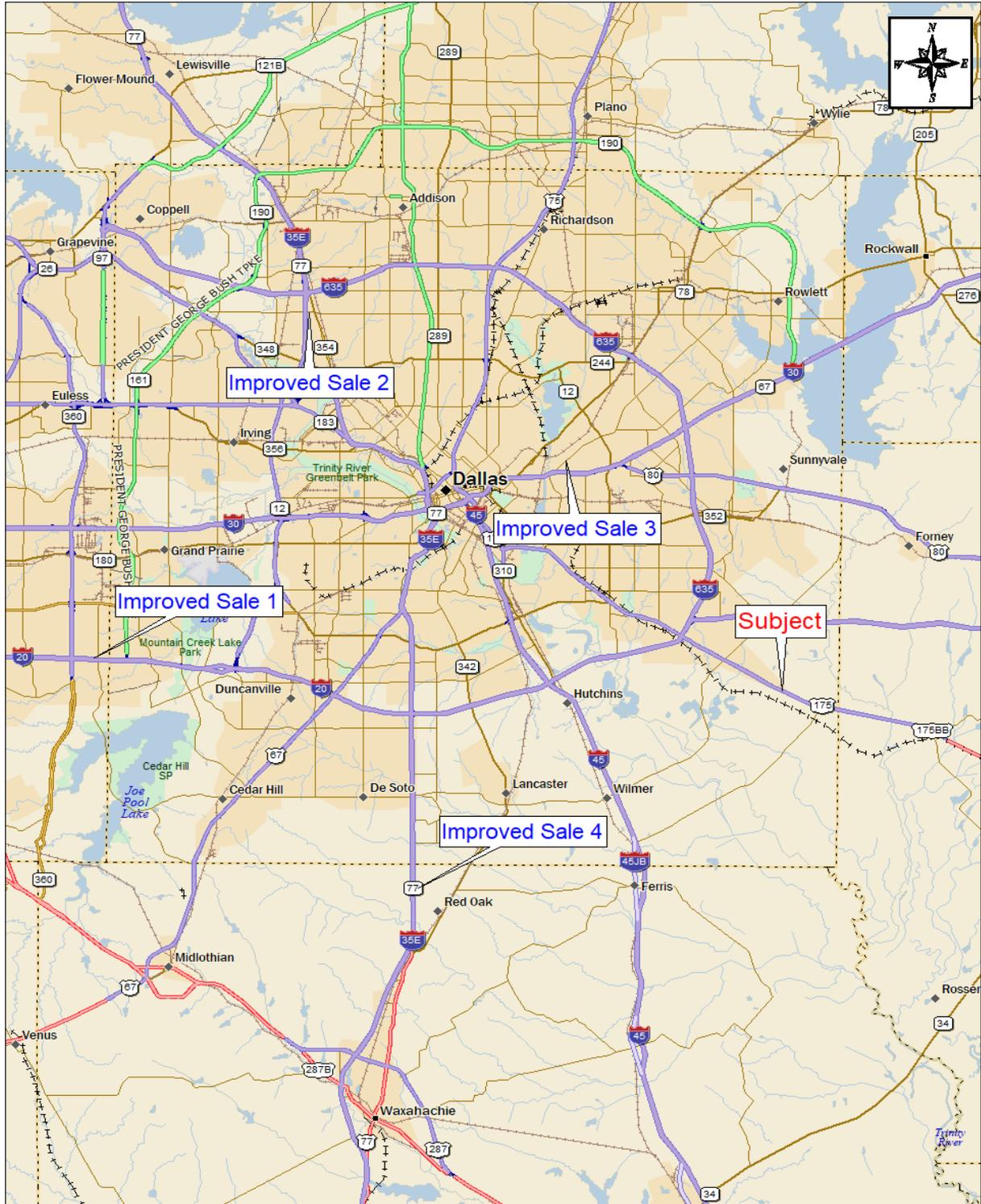
- (e) Formulate, in light of the comparison thus made, an opinion of the relative value of the subject property as a whole, or where appropriate, by applicable units, compared with each of the similar properties.

In the sales comparison approach, the property appraised is compared with known prices paid for similar properties in the open market. Typically, for most properties, the most common units of comparison used are the overall price paid per unit and sales price per square foot.

Knowledgeable investors usually consider these methods, as rules of thumb, to establish a value range. To produce a highly meaningful answer, the comparable properties should be as highly similar in age and condition, operating expense ratio, and land value as possible.

The following summary information on improved sales judged to be comparable to the property appraised is included herein, establishing the probable value of the subject property by the sales comparison approach.

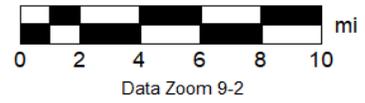
IMPROVED SALES MAP



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## Improved Sale No. 1



<b>Location</b>	2620 West IH-20 Grand Prairie, Tarrant County, Texas
<b>Mapsco</b>	FW-98-R
<b>Grantor</b>	TPS Family, LP
<b>Grantee</b>	Lake June, LP
<b>Record Data</b>	
Date	January 16, 2020
Document No.	D220021030
<b>Consideration</b>	\$2,250,000
<b>Sale Price/SF</b>	\$375.00
<b>Conditions of Sale</b>	Cash (or cash equivalent) to the seller

### Physical Description

Land Area	
Acres	0.89 AC
Square Feet	38,908 SF
Building Coverage	15.42%
Gross Building Area	6,000 SF
Year Built	2016
Occupancy @ Sale	100%
Description	Retail Center
Quality	Good

<b>Comments</b>	The property is located at the northwest quadrant of Interstate Highway 20 and Great Southwest Parkway. The tenants include Cricket Wireless, Dallas Gold & Silver, and Rio Bravo restaurant.
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## SALES COMPARISON APPROACH

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### Improved Sale No. 1 (Continued)

Pro-Forma Operating Statement - Sale No. 1			
Income Data		Total	\$/SF
Gross Rental Income	\$	168,000	\$ 28.00
Expense Reimbursement	\$	36,000	\$ 6.00
Less: Vacancy @ 2%	\$	4,080	\$ 0.68
Effective Gross Income	<b>\$</b>	<b>199,920</b>	<b>\$ 33.32</b>
Total Expenses	\$	42,480	\$ 7.08
Net Operating Income	<b>\$</b>	<b>157,440</b>	<b>\$ 26.24</b>

*Source: Appraiser's estimate and grantor's data*

Units of Comparison	
Overall Rate (Ro)	7.00%
Sales Price/SF	\$375.00
NOI/EGI Ratio	78.75%

**Improved Sale No. 2**



<b>Location</b>	2502 Royal Lane Dallas, Dallas County, Texas
<b>Mapsc0</b>	DA-22-H
<b>Grantor</b>	Texas Tozee, LLC
<b>Grantee</b>	Hodol Enterprise, LLC
<b>Record Data</b>	
Date	January 3, 2020
Document No.	202000004280
<b>Consideration</b>	\$2,300,000
<b>Sale Price/SF</b>	\$287.43
<b>Conditions of Sale</b>	Cash (or cash equivalent) to the seller
<b>Physical Description</b>	
Land Area	
Acres	0.62 AC
Square Feet	26,985 SF
Building Coverage	29.65%
Gross Building Area	8,002 SF
Year Built	1987
Occupancy @ Sale	100%
Description	Retail Center
Quality	Good
<b>Comments</b>	The property is located at the southeast corner of Royal Lane and Reeder Road. The tenants include Seoul Garden and 7 Eleven, which includes two gas pumps.

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## SALES COMPARISON APPROACH

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### Improved Sale No. 2 (Continued)

Pro-Forma Operating Statement - Sale No. 2			
Income Data		Total	\$/SF
Gross Rental Income	\$	152,038	\$ 19.00
Expense Reimbursement	\$	74,019	\$ 9.25
Less: Vacancy @ 2%	\$	4,521	\$ 0.57
Effective Gross Income	\$	<b>221,535</b>	<b>\$ 27.69</b>
Total Expenses	\$	80,020	\$ 10.00
Net Operating Income	\$	<b>141,515</b>	<b>\$ 17.69</b>

*Source: Grantor's data*

Units of Comparison	
Overall Rate (Ro)	6.15%
Sales Price/SF	\$287.43
NOI/EGI Ratio	63.88%

Improved Sale No. 3



<b>Location</b>	8003 Ferguson Road Dallas, Dallas County, Texas
<b>Mapsc</b>	DA-47-D
<b>Grantor</b>	FFZ Corporation
<b>Grantee</b>	Ferguson International, Inc.
<b>Record Data</b>	
Date	March 6, 2019
Document No.	20190058512
<b>Consideration</b>	\$1,200,000
<b>Sale Price/SF</b>	\$357
<b>Conditions of Sale</b>	Cash (or cash equivalent) to the seller
<b>Physical Description</b>	
Land Area	
Acres	0.35 AC
Square Feet	15,246 SF
Building Coverage	22.04%
Gross Building Area	3,360 SF
Year Built	1982
Occupancy @ Sale	100%
Description	Retail center
Quality	Good
<b>Comments</b>	The property is located at the northwest corner of Ferguson Road and Highland Road. The building was renovated and expanded to add 850 square feet in 2014. The tenants include Joy Donuts and Hippo Mart.

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## SALES COMPARISON APPROACH

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### Improved Sale No. 3 (Continued)

Pro-Forma Operating Statement - Sale No. 3			
Income Data	Total		\$/SF
Gross Rental Income	\$	89,880	\$ 26.75
Expense Reimbursement	\$	24,024	\$ 7.15
Less: Vacancy @ 2%	\$	2,278	\$ 0.68
Effective Gross Income	<b>\$</b>	<b>111,626</b>	<b>\$ 33.22</b>
Total Expenses	\$	26,880	\$ 8.00
Net Operating Income	<b>\$</b>	<b>84,746</b>	<b>\$ 25.22</b>

*Source: Appraiser's estimate and grantee's data*

Units of Comparison	
Overall Rate (Ro)	7.06%
Sales Price/SF	\$357.14
NOI/EGI Ratio	75.92%

Improved Sale No. 4



<b>Location</b>	102 East Ovilla Road Red Oak, Ellis County, Texas
<b>Mapsco</b>	N/A
<b>Grantor</b>	TCC Red Oak, LLC
<b>Grantee</b>	HG Properties, LLC
<b>Record Data</b>	
Date	January 31, 2019
Document No.	1902970
<b>Consideration</b>	\$3,020,000
<b>Sale Price/SF</b>	\$354.38
<b>Conditions of Sale</b>	Cash (or cash equivalent) to the seller
<b>Physical Description</b>	
Land Area	
Acres	1.18 AC
Square Feet	51,357 SF
Building Coverage	16.59%
Gross Building Area	8,522 SF
Year Built	2015
Occupancy @ Sale	100%
Description	Retail Center
Quality	Good
<b>Comments</b>	The property is located at the northeast quadrant of Interstate Highway 35 and East Ovilla Road. The tenants include Palio's Pizza, Wingstop, Sprint, and Red Oak Nails.

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## SALES COMPARISON APPROACH

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### Improved Sale No. 4 (Continued)

Pro-Forma Operating Statement - Sale No. 4			
Income Data	Total		\$/SF
Gross Rental Income	\$	209,556	\$ 24.59
Expense Reimbursement	\$	59,228	\$ 6.95
Less: Vacancy @ 2%	\$	5,376	\$ 0.63
Effective Gross Income	\$	<b>263,408</b>	<b>\$ 30.91</b>
Total Expenses	\$	67,239	\$ 7.89
Net Operating Income	\$	<b>196,170</b>	<b>\$ 23.02</b>

*Source: Broker provided data*

Units of Comparison	
Overall Rate (Ro)	6.50%
Sales Price/SF	\$354.38
NOI/EGI Ratio	74.47%

## SALES COMPARISON APPROACH

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Summary of Improved Sales					
Sale No.	Address	YOC	Size SF	Price/SF	Date of Sale
1	2620 West IH-20 Grand Prairie, Tarrant County, Texas	2016	6,000	\$375.00	Jan-2020
2	2502 Royal Lane Dallas, Dallas County, Texas	1987	8,002	\$287.43	Jan-2020
3	8003 Ferguson Road Dallas, Dallas County, Texas	1982	3,360	\$357.14	Mar-2019
4	102 East Ovilla Road Red Oak, Ellis County, Texas	2015	8,522	\$354.38	Jan-2019

The sales in the sample were selected from a larger group as being most similar in overall physical characteristics as compared to the subject. The sale sample ranges in price from \$287.43 to \$375.00 per square foot, range in size from 3,360 square feet to 8,522 square feet, and were constructed between 1982 and 2016.

### ADJUSTMENT DESCRIPTIONS AND ANALYSIS

The first step in any comparative analysis is to identify which elements of comparison affect property values in the subject market. Each of the basic elements of comparison must be analyzed to determine whether an adjustment is required. If sufficient information is available, a quantitative adjustment can be made.

Adjustments for differences are made to the price of each comparable property to make that property equivalent to the subject in market appeal on the effective date of the opinion of value. The magnitude of the adjustment made for each element of comparison depends on how much that characteristic of the comparable property differs from the subject property. We have considered all appropriate elements of comparison in the following discussions.

In the following analysis, consideration is given for rights conveyed, financing, sale and market conditions, location, and physical characteristics. Property rights conveyed and financing are basic components of sale. Rights conveyed should be identical and financing should be on a cash equivalent basis. Sale conditions require analysis to determine any unusual characteristics. Consideration of market conditions is necessary because of the cyclical nature of the real estate market and continuous economic change. The location adjustment considers factors such as type, compatibility, quality, desirability, and accessibility of area development. Comparison of utility considers such factors as zoning, size, and frontage.

### COMPARATIVE ANALYSIS

In analyzing the sales, comparative analyses are used to identify differences between the subject and the comparable sales. The difference in selling price is allocated to the elements of comparison, which the market data indicates contribute to different prices. While we have no direct support for these selected adjustments, an analysis of similar properties requires adjustment for these elements to be applied. The following table is a summary of comparable elements and their associated adjustments.

These adjustments are not intended as exact measurements, but are used to define accurately the range of values indicated by the market.

### RIGHTS CONVEYED, FINANCING, SALE, EXPENDITURES, MARKET CONDITIONS, AND LOCATION

#### Rights Conveyed

When property rights are sold, they may be the sole subject of the contract or the contract may include other rights, less than all of the real property rights, or even another property or properties. Before the price of a comparable sale property can be used in sales comparison analysis, the appraiser must first ensure that the sale price of the comparable property applies to property rights that are similar to those being appraised. To do so, adjustments may be required before specific differences in the physical real estate can be compared. No adjustment is required. Adjustments for differences in occupancy or net operating income are not warranted.

#### Financing

The transaction price of one property may differ from that of an identical property due to different financing arrangements. The cost of financing includes the interest rate and any points, discounts, equity participations, or other charges that the lender requires to increase the effective yield of the loan. The cost and availability of credit for real estate financing influence both the quantity and quality of real estate demanded and supplied. Additional financing adjustments could be made based on owner financing, favorable financing terms, or assumptions. The comparable sales were purchased with cash, or third party financing which requires no adjustment.

#### Sale Conditions

Sale condition adjustments account for factors such as buyer or seller motivation, which affect the purchase price. The sales were evaluated and no adjustments for sale conditions are considered necessary.

#### Expenditures Made Immediately After Purchase

A knowledgeable buyer considers expenditures that will have to be made upon purchase of a property because these costs affect the price the buyer agrees to pay. The anticipated costs are estimated, unless specific expenditure data are available. The sales were evaluated and no adjustments for expenditures are considered necessary.

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## SALES COMPARISON APPROACH

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### Market Conditions

The sales occurred between January 2019 and January 2020. Adjustments for market conditions are applied if property values have increased or decreased since the transaction dates. Based on our observations and analysis, real estate has appreciated approximately 4% annually. Each sale is adjusted accordingly.

### Location

Location adjustments account for differences in desirability in terms of general location, as well as specific locational attributes such as access, street frontage, and corner influence. All of the sales are superior in location as compared to the subject and are adjusted accordingly.

## PHYSICAL CHARACTERISTICS

### Access

Access has significant bearing on real estate in the market. Access is defined as the points, or number of points available for ingress/egress to the subject site or ease of access to the site from abutting roadways. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. The sales are similar in access as compared to the subject, with no adjustment.

### Exposure

Exposure is a function of traffic volume or drive-by business potential. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. Sales 2, 3, and 4 are similar to the subject and are not adjusted. Sale 1 is superior to the subject and is adjusted -10% for exposure.

Improved Sales - Traffic Exposure		
Sale No.	Location	Vehicle Count
1	2620 West IH-20	117,200
2	2502 Royal Lane	30,000
3	8003 Ferguson Road	30,300
4	102 East Ovilla Road	26,600
<i>Subject</i>	<i>1880 North US Highway 175</i>	<i>60,300</i>

### Size

This adjustment accounts for the impact of size on value. Typically, a larger property will sell for less on a per square foot basis than a smaller property, assuming all other factors are relatively equal. The sales are considered similar in size as compared to the subject and are not adjusted.

### **Age**

Sales 1, 2, 3, and 4 were constructed in 2016, 1987, 1982, and 2015, and have effective ages of 4 years, 10 years, 10 years, and 5 years, respectively. The subject improvements were built in 2020 and the effective age is estimated at 0 years, as the improvements are new. Each of the sales is adjusted based on its effective age as compared to the subject's effective age; each comparable is adjusted 1% for each 3 years of difference in effective age.

### **Condition**

The subject is adequately maintained in good condition. The sales are in similar condition to the subject; the sales are not adjusted.

### **Quality**

Inherent in this adjustment is recognition of the aesthetic appeal of each property, quality, and interior finish. The required adjustments could not be extracted from the available indicators and were therefore based on reasonable estimates of differences in overall appeal between the subject and selected transactions. The subject is good quality construction. The sales are similar in quality and are not adjusted.

### **Amenity**

The subject is a typical retail strip center in design and construction. Sales 1, 3, and 4 are similar to the subject and are not adjusted. Sale 2 includes two fuel pumps, superior as compared to the subject, and is adjusted -15%.

## SALES COMPARISON APPROACH

### ADJUSTMENTS

The following grid summarizes the adjustment process.

<b>IMPROVED SALES ADJUSTMENTS</b>				
<b>Sale No.</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Year Built	2016	1987	1982	2015
Size SF	6,000	8,002	3,360	8,522
Sale Date	Jan-20	Jan-20	Mar-19	Jan-19
Sale Price	\$2,250,000	\$2,300,000	\$1,200,000	\$3,020,000
Sale Price Per SF	\$375.00	\$287.43	\$357.14	\$354.38
Rights Conveyed	-0-	-0-	-0-	-0-
Financing	-0-	-0-	-0-	-0-
Sale Conditions	-0-	-0-	-0-	-0-
Immediate Expenditures	-0-	-0-	-0-	-0-
Market Conditions	2%	2%	6%	6%
Adjusted Price	\$382.50	\$293.18	\$378.57	\$375.64
Location	-15%	-10%	-15%	-15%
Access	-0-	-0-	-0-	-0-
Exposure	-10%	-0-	-0-	-0-
Size	-0-	-0-	-0-	-0-
Age	1%	3%	3%	2%
Condition	-0-	-0-	-0-	-0-
Quality	-0-	-0-	-0-	-0-
Amenity	-0-	-15%	-0-	-0-
Net Adjustment	-24%	-22%	-12%	-13%
<b>Adjusted Price/SF</b>	<b>\$290.70</b>	<b>\$228.68</b>	<b>\$333.14</b>	<b>\$326.81</b>

### SALES COMPARABLE CONCLUSION

The sales used in this valuation are the most recent available and were selected to accurately reflect the value range of properties similar to the subject. The direct sales comparison method indicates a range from \$228.68 to \$333.14 per square foot, with an average of \$294.83 per square foot and a median of \$308.76 per square foot.

## SALES COMPARISON APPROACH

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Based on the comparables, considering the size, condition, layout, and location of the subject, the indicated value, as stabilized, is estimated to be \$250.00 per square foot, or \$1,335,000.

VALUE INDICATED BY THE SALES PRICE PER SQUARE FOOT METHOD				
<u>Size SF</u>		<u>\$/SF</u>		<u>Indicated Value</u>
5,340	x	\$250.00	=	\$1,335,000
<b>Value by Sales Comparison</b>				<b>\$1,335,000</b>

Subtracting the income loss of \$215,000 (as calculated in the income capitalization approach) from the “Prospective Future Value, Upon Stabilized” results in an “Prospective Future Value, Upon Completion” by the sales comparison approach of \$1,120,000.

Prospective Future Value, As Stabilized	\$ 1,335,000
Less: Income Shortfall	\$ 215,000
Prospective Future Value, Upon Completion	\$ 1,120,000

Subtracting the construction costs of the interior finish-out of \$295,000 from the “Prospective Future Value, Upon Completion” results in an ‘As Is’ value of \$825,000.

Prospective Future Value, Upon Completion	\$ 1,120,000
Less: Construction costs	\$ 295,000
Fee Simple, As Is	\$ 825,000

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## INCOME CAPITALIZATION APPROACH

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The premise of the income capitalization approach is that an indication of value can be derived by capitalizing the net income a property will produce - under prudent management - at an appropriate rate which reflects the current market conditions, trends, and investor requirements. The approach is based on the principle of anticipation of future benefits, foremost of which is the stream of annual net income for a holding period plus a capital sum at the end of that period. The mechanism by which these benefits are translated to value i.e., present worth, is the capitalization process.

The income capitalization approach consists of the following steps:

- Market Analysis:** Research the market to determine relevant income parameters i.e., rental rate, vacancy rates, absorption trends, escalations, allowances, and other factors.
- Estimate of Operations:** Estimate potential gross income. Then, deduct a vacancy and collection loss allowance to derive effective gross income. Finally, estimate and deduct expenses of operation to derive net operating income.
- Capitalization:** Select an applicable capitalization method and technique. Develop the appropriate rate or rates and capitalize the net operating income or income stream to derive an indication of value.

### MARKET ANALYSIS

As described above, the analysis of the market includes thorough research of the market to determine relevant income parameters i.e., rental rate, vacancy rates, absorption trends, escalations, allowances, and other factors.

The *CB Richard Ellis – MarketView* and the *CoStar Retail Sub-market Report* were consulted for Dallas/Fort Worth market data. A summary of competing properties in the subject neighborhood is also included the following pages.



MARKETVIEW

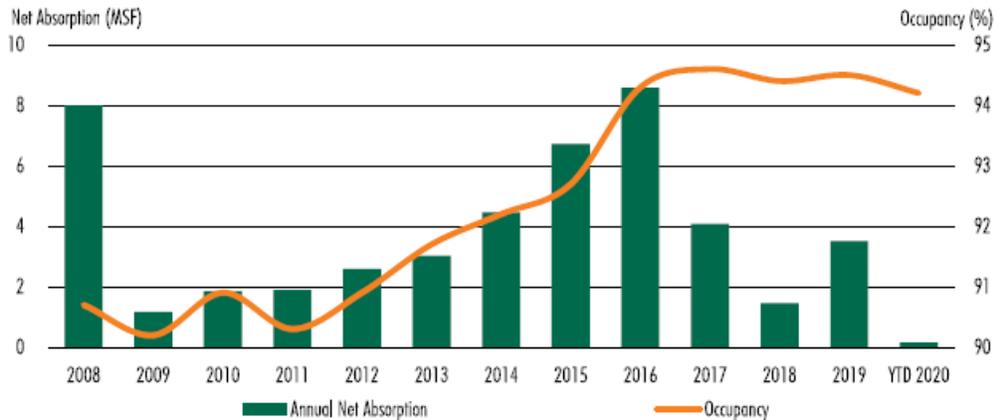
Dallas/Fort Worth Retail, Q1 2020

# Leasing activity tapers amid COVID-19 fears

▼ Occupancy 94.2%
▲ Under Construction 3,969,488 SF
▼ Completions 530,892 SF
▼ Net Absorption 166,425 SF

Figure 1: Net Absorption and Market Occupancy

\*Arrows indicate trend from previous quarter.



Source: CBRE Research, Q1 2020.

**COVID-19 SENDS U.S. ECONOMY INTO RECESSION**

The COVID-19 pandemic has forced some state governments to impose strict stay-at-home orders that are adversely affecting many industries. This is leading the U.S. economy into a recession that will result in very sharp declines in GDP for H1 2020 and in job losses, particularly in the retail, food & beverage and transportation sectors. Office-using employment may be less negatively affected than in recent recessions.

The growing amount of COVID-19 cases in Texas, as well as an oil price crash, have caused the state's economy to slow down in Q1 2020. After seeing a low unemployment rate of 3.5% in January, Comptroller Glenn Haggard stated that this metric is on track to double as the virus continues to spread, but the unique nature of this downturn should result in an unusually swift recovery that could begin as early as Q3 2020.

Assuming the coronavirus peaks this summer in the U.S.—mirroring China's experience—the U.S. government's fiscal and monetary stimulus will begin to bear fruit. This will be paired with pent-up private demand that could help the U.S. economy return to growth by year-end and drive stronger than previously expected growth in 2021.

**RETAIL LEASING ACTIVITY SLOWS IN Q1 2020**

After several quarters of strong leasing activity, DFW finally saw leasing velocity start to fall this quarter. In total, DFW saw 166,425 sq. ft. of positive absorption this quarter, with smaller leases of 15,000 sq. ft. and below driving positive absorption. Occupancy fell slightly to 94.2% as deliveries outpaced absorption with only 42% of new retail product leased at the end of the quarter.

**LANDLORDS STEP UP IN TIME OF NEED FOR DFW SMALL BUSINESS OWNERS**

Small businesses are among the retailers most affected by the rapid spread of COVID-19. Nearly half of the private workforce in Texas is employed by small businesses. Since the outbreak of the coronavirus in the U.S. at the beginning of March, small businesses have seen revenue decline 15% to 80% and are coming to terms with how they will make ends meet in the months ahead. However, many DFW landlords have stepped up in this time of crisis to mitigate stress for local small businesses by allowing tenants to hold off on paying April rent or asking them to only pay the triple net expenses for the time being.



## MARKETVIEW DALLAS/FORT WORTH RETAIL

Figure 2: Retail Total Quarterly Market Summary

Area	Inventory Total (SF)	Vacancy Total (%)	Net Absorption (SF)		Construction (SF)	
			Qtr. Total	YTD 2020 Total	Qtr. Deliveries	YTD 2020 Deliveries
Dallas CBD	1,079,223	4.1	3,374	3,374	-	-
Lakewood	3,325,743	4.2	(1,733)	(1,733)	-	-
Loveland/West Dallas	8,279,891	3.5	(27,672)	(27,672)	-	-
Uptown	1,535,473	2.2	455	455	-	-
<b>Central Dallas Total</b>	<b>14,220,330</b>	<b>3.6</b>	<b>(25,576)</b>	<b>(25,576)</b>	-	-
East Dallas Outlying	435,342	5.0	4,817	4,817	-	-
Rockwall	3,359,513	2.7	(3,293)	(3,293)	-	-
<b>East Dallas Outlying Total</b>	<b>3,794,855</b>	<b>3.0</b>	<b>1,524</b>	<b>1,524</b>	-	-
Allen	6,650,981	4.6	(10,278)	(10,278)	50,124	50,124
Central Plano	12,494,510	7.5	1,921	1,921	-	-
Far North Dallas	6,605,353	5.8	5,045	5,045	-	-
Garland	10,908,486	6.0	13,881	13,881	-	-
McKinney	7,283,442	5.6	388	388	20,123	20,123
Murphy/Wylie	2,242,725	1.8	(6,211)	(6,211)	-	-
North Collin County Outlying	1,616,835	8.4	22,151	22,151	53,279	53,279
Richardson	5,672,015	9.8	(7,362)	(7,362)	14,600	14,600
Sachse/Rowlett	2,044,040	5.1	(1,259)	(1,259)	24,700	24,700
<b>Far North Dallas Total</b>	<b>55,518,387</b>	<b>6.3</b>	<b>18,276</b>	<b>18,276</b>	<b>162,826</b>	<b>162,826</b>
North Dallas	3,853,821	3.6	(17,945)	(17,945)	-	-
Northeast Dallas	4,846,511	8.6	26,411	26,411	-	-
Northwest Dallas	5,987,205	4.7	(18,040)	(18,040)	-	-
Park Cities	1,604,213	2.3	9,702	9,702	-	-
Upper Greenville	4,901,052	5.6	(853)	(853)	-	-
<b>Near North Dallas Total</b>	<b>21,192,802</b>	<b>5.4</b>	<b>(725)</b>	<b>(725)</b>	-	-
Addison	2,283,792	8.6	(11,086)	(11,086)	-	-
East Lewisville	1,315,285	2.6	(6,000)	(6,000)	18,000	18,000
Farmers Branch	1,897,262	7.9	20,867	20,867	40,000	40,000
Frisco	8,108,282	6.1	34,697	34,697	13,112	13,112
Northeast Denton Outlying	155,415	0.9	1,480	1,480	-	-
North Carrollton	6,506,955	3.0	1,784	1,784	13,950	13,950
South Carrollton	2,831,384	9.7	6,472	6,472	-	-
West Frisco	4,089,830	7.3	48,749	48,749	70,307	70,307
West Plano	8,176,136	4.8	(24,854)	(24,854)	-	-
<b>North Central Dallas Total</b>	<b>35,364,341</b>	<b>5.8</b>	<b>72,109</b>	<b>72,109</b>	<b>155,369</b>	<b>155,369</b>
Mesquite	1,922,977	10.4	(7,752)	(7,752)	-	-
Pleasant Grove/Southeast Dallas	4,674,760	4.2	(9,518)	(9,518)	-	-
Southeast Outlying	715,267	5.5	-	-	-	-
Town East	6,554,089	4.6	21,362	21,362	-	-
<b>Southeast Dallas Total</b>	<b>13,867,093</b>	<b>5.3</b>	<b>4,092</b>	<b>4,092</b>	-	-
Cedar Hill/Duncanville/Desoto	6,830,801	6.3	18,543	18,543	-	-
Lancaster	1,247,416	7.4	(1,905)	(1,905)	-	-
Southwest Dallas County	10,205,329	6.5	66,189	66,189	-	-
<b>Southwest Dallas Total</b>	<b>18,283,546</b>	<b>6.5</b>	<b>82,827</b>	<b>82,827</b>	-	-
Coppell	3,087,451	7.1	(6,579)	(6,579)	-	-
DFW Airport	364,250	-	0	0	-	-
Irving	7,513,477	4.7	(4,149)	(4,149)	-	-
Las Colinas	2,622,695	3.8	(1,744)	(1,744)	-	-
Lewisville	14,533,370	6.7	(14,150)	(14,150)	20,520	20,520
North Grand Prairie	5,212,879	3.7	(48,107)	(48,107)	48,000	48,000
<b>West Dallas Total</b>	<b>33,334,122</b>	<b>5.5</b>	<b>(74,729)</b>	<b>(74,729)</b>	<b>68,520</b>	<b>68,520</b>

Source: CBRE Research, Q1 2020.

# INCOME CAPITALIZATION APPROACH



## MARKETVIEW DALLAS/FORT WORTH RETAIL

Figure 2: Retail Total Quarterly Market Summary

Area	Inventory Total (SF)	Vacancy Total (%)	Net Absorption (SF)		Construction (SF)	
			Qtr. Total	YTD 2020 Total	Qtr. Deliveries	YTD 2020 Deliveries
East Fort Worth	2,692,900	7.3	(2,240)	(2,240)	-	-
Fort Worth CBD	732,558	1.1	0	0	-	-
Fort Worth Southwest Quadrant	3,079,053	11.4	(19,408)	(19,408)	-	-
Haltom City	2,008,269	9.2	(5,800)	(5,800)	-	-
North Fort Worth	2,726,624	6.5	1,417	1,417	-	-
Southeast Fort Worth	2,142,146	2.7	(1,200)	(1,200)	-	-
West Fort Worth	12,112,228	6.7	51,746	51,746	-	-
<b>Central Fort Worth Total</b>	<b>25,493,778</b>	<b>7.0</b>	<b>24,515</b>	<b>24,515</b>	-	-
Denton	6,680,788	5.1	11,404	11,404	15,946	15,946
Flower Mound	188,086	6.0	7,057	7,057	-	-
Grapevine/Colleyville	5,920,103	3.9	(9,726)	(9,726)	-	-
Hurst/Euless/Bedford	10,129,556	6.1	(24,208)	(24,208)	12,734	12,734
North Arlington	3,528,895	10.5	3,440	3,440	-	-
Richland Hills	1,464,679	13.7	2,594	2,594	-	-
Southeast Outlying Tarrant	5,440,577	3.4	(7,776)	(7,776)	10,100	10,100
South Arlington	14,289,263	6.3	17,675	17,675	-	-
South Grand Prairie	1,490,188	7.4	(24)	(24)	-	-
Southlake	3,377,329	5.3	12,904	12,904	-	-
Trophy/Roanoke/WestLake	1,185,822	12.0	30,497	30,497	59,900	59,900
<b>Mid-Cities Total</b>	<b>53,695,286</b>	<b>6.1</b>	<b>43,837</b>	<b>43,837</b>	<b>98,680</b>	<b>98,680</b>
Crowley/Burleson	2,090,156	4.1	(8,900)	(8,900)	18,000	18,000
Northwest Fort Worth	7,286,645	3.4	11,143	11,143	27,497	27,497
Southwest Fort Worth	6,922,044	4.5	35,223	35,223	-	-
Watauga/Kelley/North Richland Hills	7,327,844	7.6	(19,891)	(19,891)	-	-
White Settlement	2,108,520	4.1	2,700	2,700	-	-
<b>Suburban Fort Worth Total</b>	<b>25,735,209</b>	<b>5.0</b>	<b>20,275</b>	<b>20,275</b>	<b>45,497</b>	<b>45,497</b>
<b>Dallas Total</b>	<b>195,575,476</b>	<b>5.7</b>	<b>77,798</b>	<b>77,798</b>	<b>397,715</b>	<b>386,715</b>
<b>Fort Worth Total</b>	<b>104,924,273</b>	<b>6.1</b>	<b>88,627</b>	<b>88,627</b>	<b>144,177</b>	<b>144,177</b>
<b>DPW Total</b>	<b>300,499,749</b>	<b>5.8</b>	<b>166,425</b>	<b>166,425</b>	<b>541,892</b>	<b>530,892</b>

Source: CBRE Research, Q1 2020.

Figure 3: Historical Market Summary

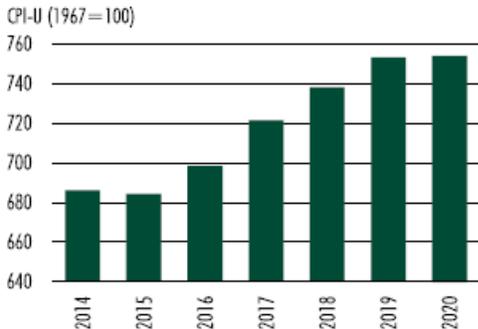
	2014	2015	2016	2017	2018	2019	Q1 2020
<b>DALLAS TOTAL</b>							
Absorption (Net, SF)	2,389,167	4,022,612	5,703,153	3,114,680	1,165,413	2,095,695	77,798
Delivered Construction (SF)	1,033,553	2,017,656	2,974,655	2,683,370	1,427,163	1,128,430	386,715
Rentable Building Area (RBA)	177,535,528	181,192,999	188,204,340	191,031,109	194,074,656	194,902,258	195,575,476
Occupancy Rate (%)	92	93.6	94.2	94.6	94.4	94.6	94.3
<b>FORT WORTH TOTAL</b>							
Absorption (Net, SF)	2,206,396	2,695,558	2,885,492	958,637	302,895	1,509,629	88,627
Delivered Construction (SF)	1,089,605	1,914,914	1,468,513	1,005,725	932,137	670,471	144,177
Rentable Building Area (RBA)	95,875,460	97,955,117	98,754,515	102,006,739	104,173,420	104,593,444	104,924,273
Occupancy Rate (%)	92.7	93.4	94.6	94.8	94.4	94.2	93.9
<b>DPW MARKET TOTAL</b>							
Absorption (Net, SF)	4,595,563	6,718,170	8,588,645	4,073,317	1,468,308	3,605,324	166,425
Delivered Construction (SF)	2,123,158	3,932,570	4,443,168	3,689,095	2,359,300	1,798,901	530,892
Rentable Building Area (RBA)	273,410,988	279,148,116	286,958,855	293,037,848	298,248,076	299,495,702	300,499,749
Occupancy Rate (%)	92.2	92.7	94.3	94.6	94.4	94.5	94.2

Source: CBRE Research, Q1 2020.



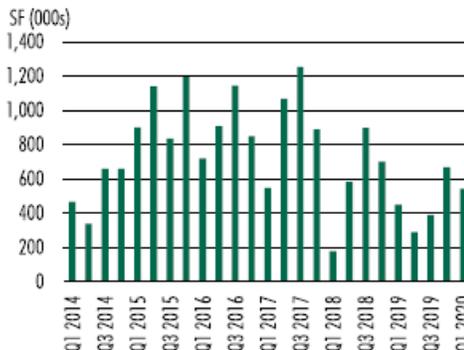
## MARKETVIEW DALLAS/FORT WORTH RETAIL

**Figure 4: DFW Consumer Price Index**



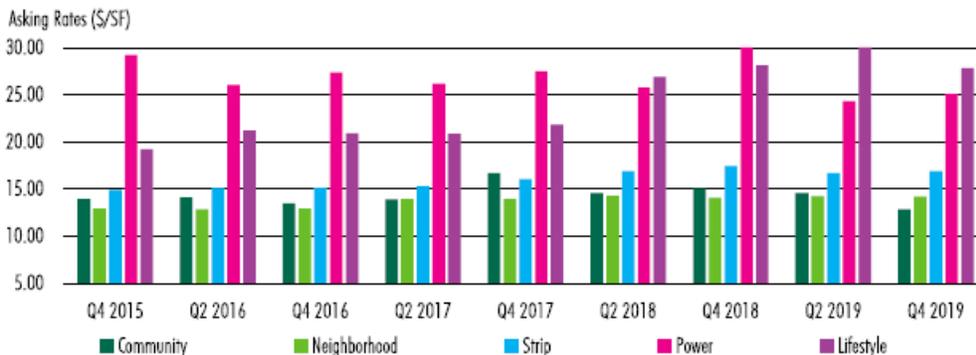
Source: Bureau of Labor Statistics, Q1 2020.

**Figure 5: Deliveries**



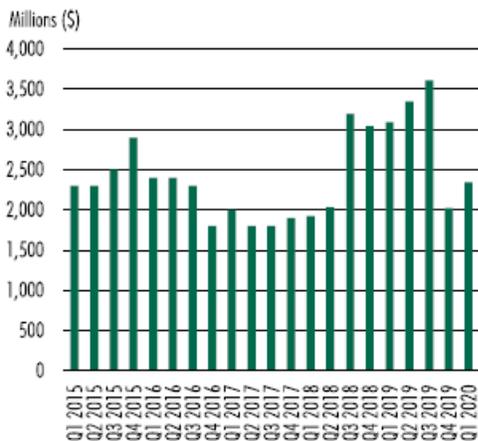
Source: CBRE Research, Q1 2020.

**Figure 6: Asking Annual Rents by Center Type, NNN Avg.**



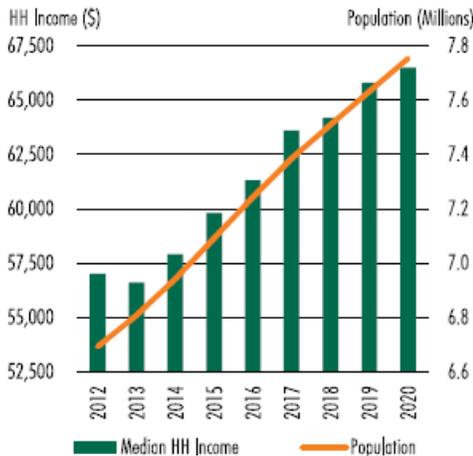
Source: CBRE Research, Q1 2020.

**Figure 7: Dallas Retail Investment Sales Volume**



Source: Real Capital Analytics, Q1 2020.

**Figure 8: DFW Population Growth and Household Income**



Source: Oxford Economics, Q1 2020.

# INCOME CAPITALIZATION APPROACH

## Overview

### Southeast Outlying Retail

12 Mo Deliveries in SF

**42.7 K**

12 Mo Net Absorption in SF

**31.6 K**

Vacancy Rate

**2.7%**

12 Mo Rent Growth

**1.4%**

Retail vacancies in Southeast Outlying were roughly in line with the five-year average during the third quarter, and they were essentially unchanged from this time last year. The rate also comes in below the region's average. Meanwhile, retail rents have risen by 1.4% in the past 12 months.

As for the pipeline, development has been relatively steady over the past few years in Southeast Outlying, and that trend has continued in the third quarter.

Retail properties trade with regularity in Southeast

Outlying, and this past year proved no different, as investors remained just as engaged in the submarket. At the same time, market pricing of \$214/SF falls below the region's average.

However, the pandemic has led to heightened uncertainty in commercial real estate, and retailers, in particular, may be the most susceptible to continued turbulence in the coming months. Its effects are likely to linger for the foreseeable future, impacting demand, rent growth, and the capital markets in the process.

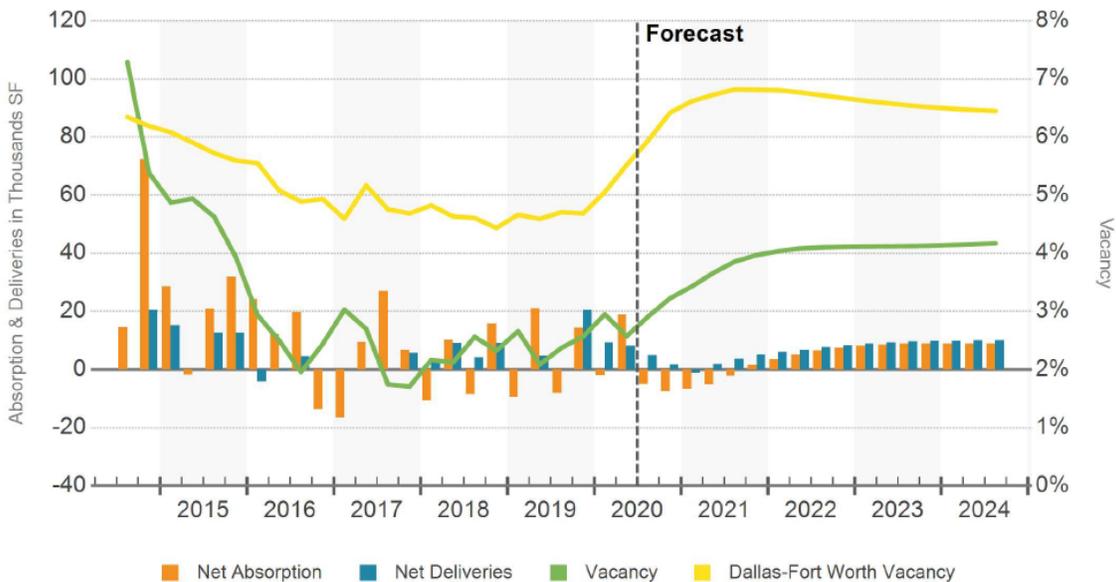
### KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	0	-	-	-	0	0	0
Power Center	0	-	-	-	0	0	0
Neighborhood Center	324,163	17.7%	\$10.95	22.9%	(17,000)	0	0
Strip Center	276,326	2.4%	\$15.62	3.1%	0	0	0
General Retail	2,117,495	0.6%	\$15.46	1.6%	19,469	4,969	2,500
Other	193,688	0%	\$18.17	7.0%	0	0	0
<b>Submarket</b>	<b>2,911,672</b>	<b>2.7%</b>	<b>\$15.16</b>	<b>4.4%</b>	<b>2,469</b>	<b>4,969</b>	<b>2,500</b>
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.3%	4.2%	3.9%	8.3%	2013 Q4	0.3%	2001 Q1
Net Absorption SF	31.6 K	44,826	17,528	274,935	2003 Q1	(63,834)	2009 Q3
Deliveries SF	42.7 K	49,842	32,696	235,035	2003 Q1	0	2017 Q3
Rent Growth	1.4%	1.4%	1.1%	5.0%	2006 Q3	-2.7%	2002 Q4
Sales Volume	\$9.2 M	\$2.1M	N/A	\$9.6M	2020 Q2	\$0	2006 Q4

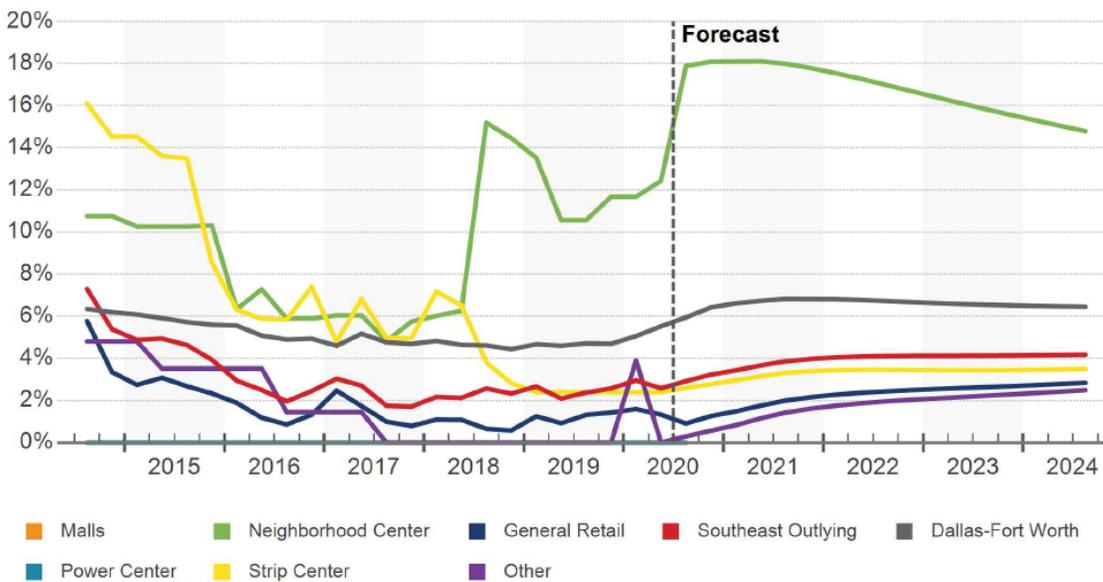
## Leasing

Southeast Outlying Retail

### NET ABSORPTION, NET DELIVERIES & VACANCY



### VACANCY RATE

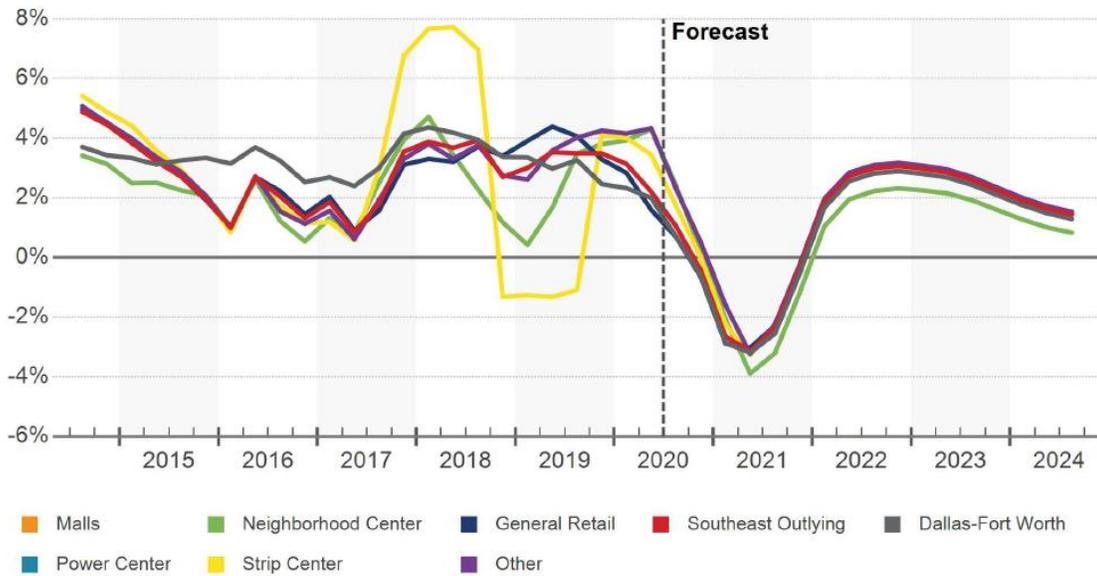


# INCOME CAPITALIZATION APPROACH

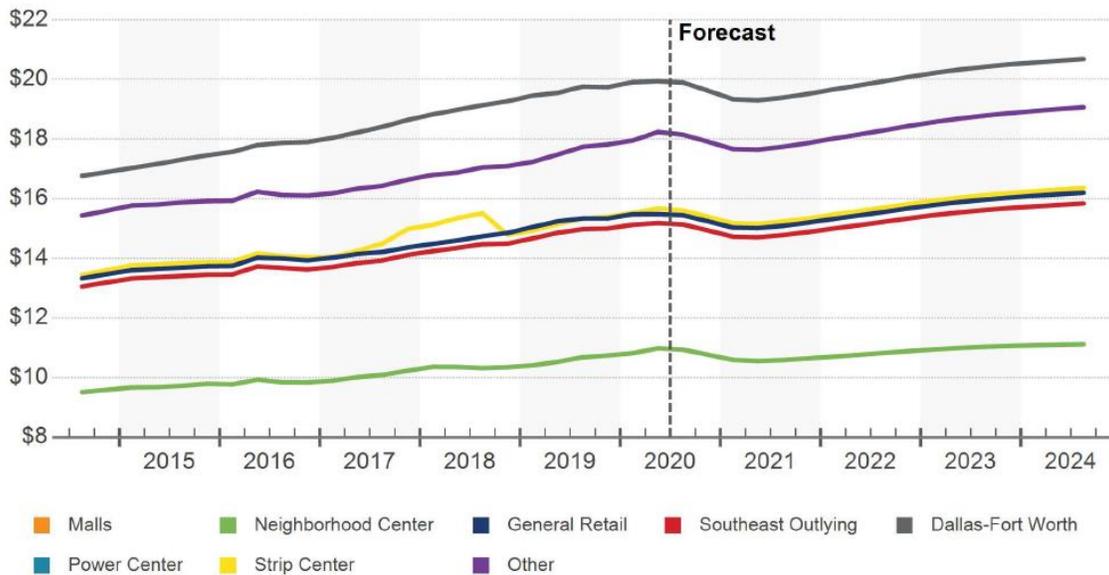
## Rent

Southeast Outlying Retail

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



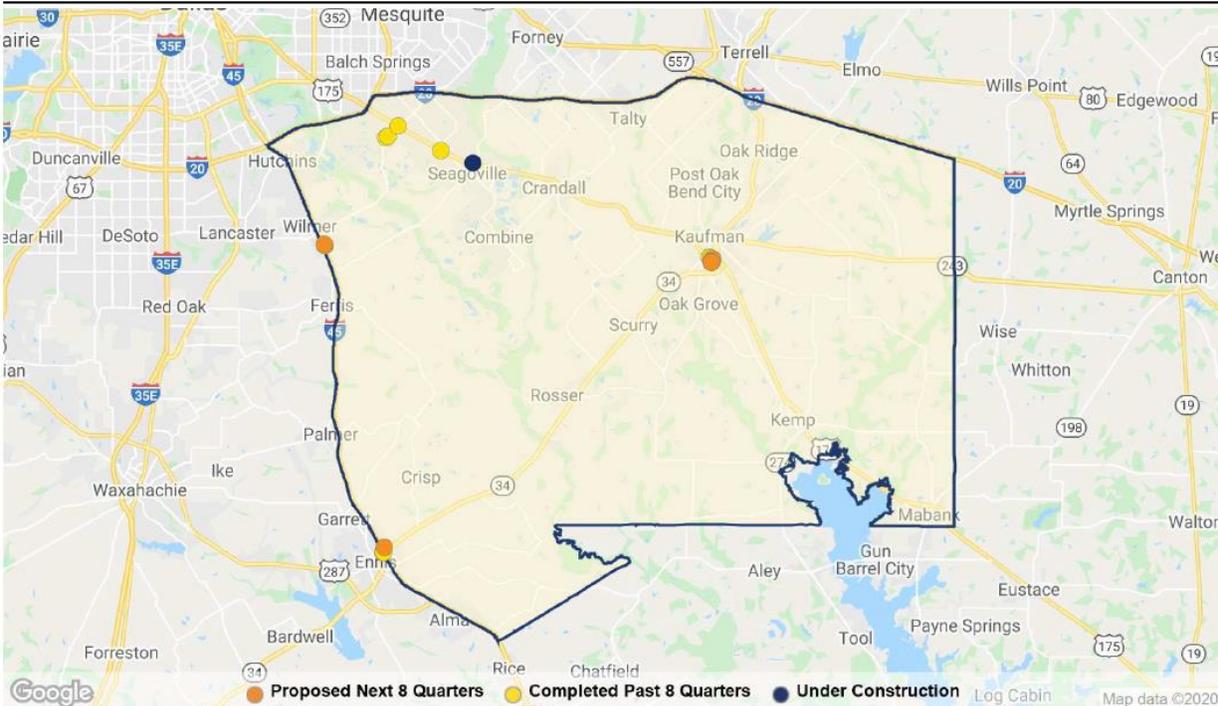
# INCOME CAPITALIZATION APPROACH

## Construction

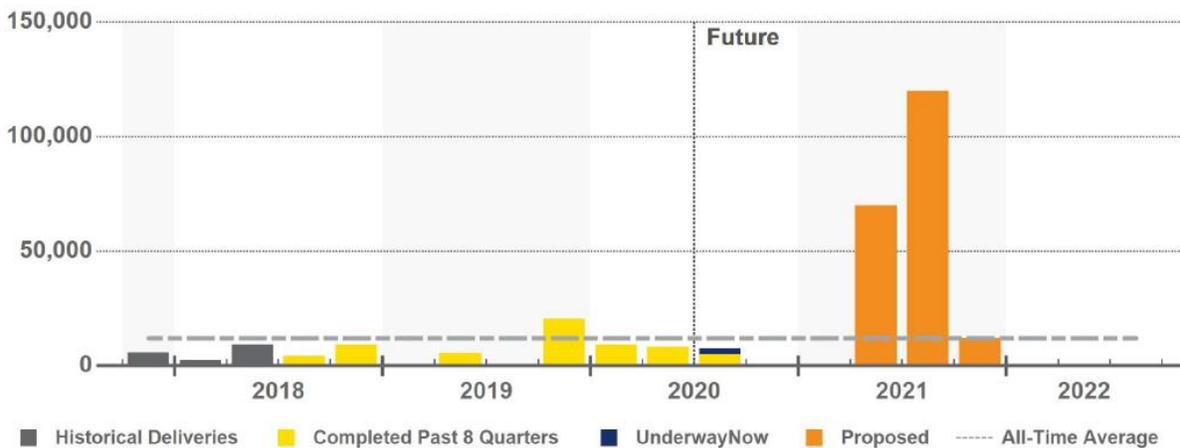
### Southeast Outlying Retail

All-Time Annual Avg. Square Feet	Delivered Square Feet Past 8 Qtrs	Delivered Square Feet Next 8 Qtrs	Proposed Square Feet Next 8 Qtrs
48,176	61,524	2,500	201,931

#### PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



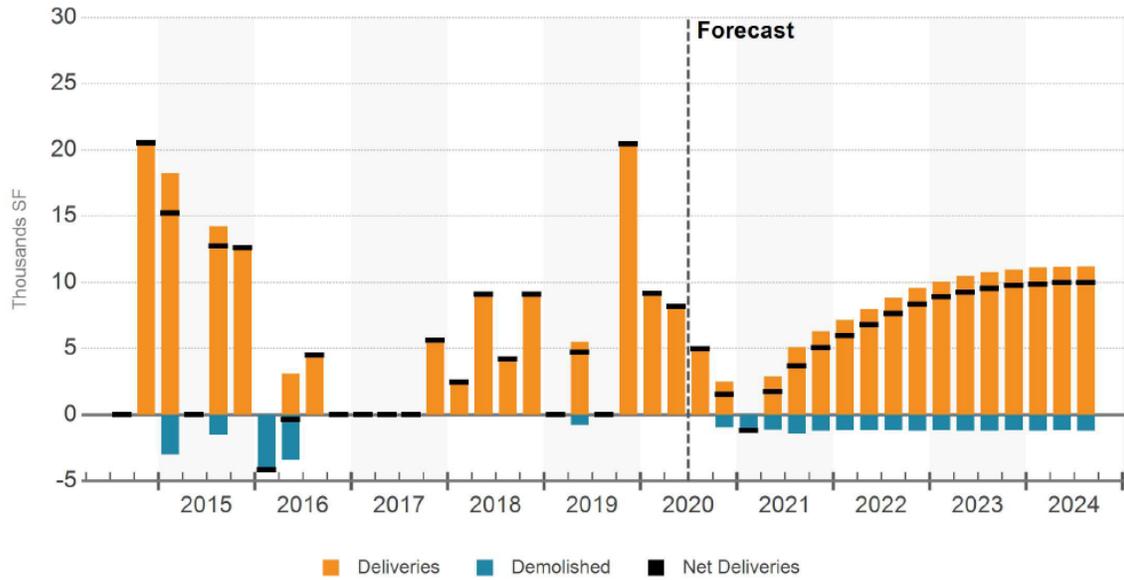
#### PAST & FUTURE DELIVERIES IN SQUARE FEET



## Construction

Southeast Outlying Retail

### DELIVERIES & DEMOLITIONS

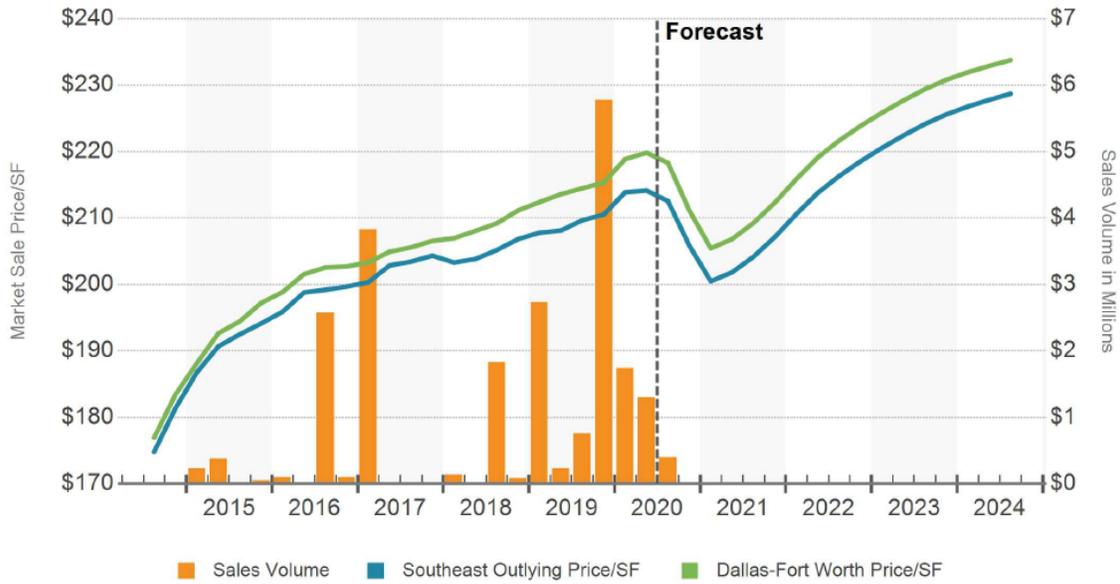


# INCOME CAPITALIZATION APPROACH

## Sales

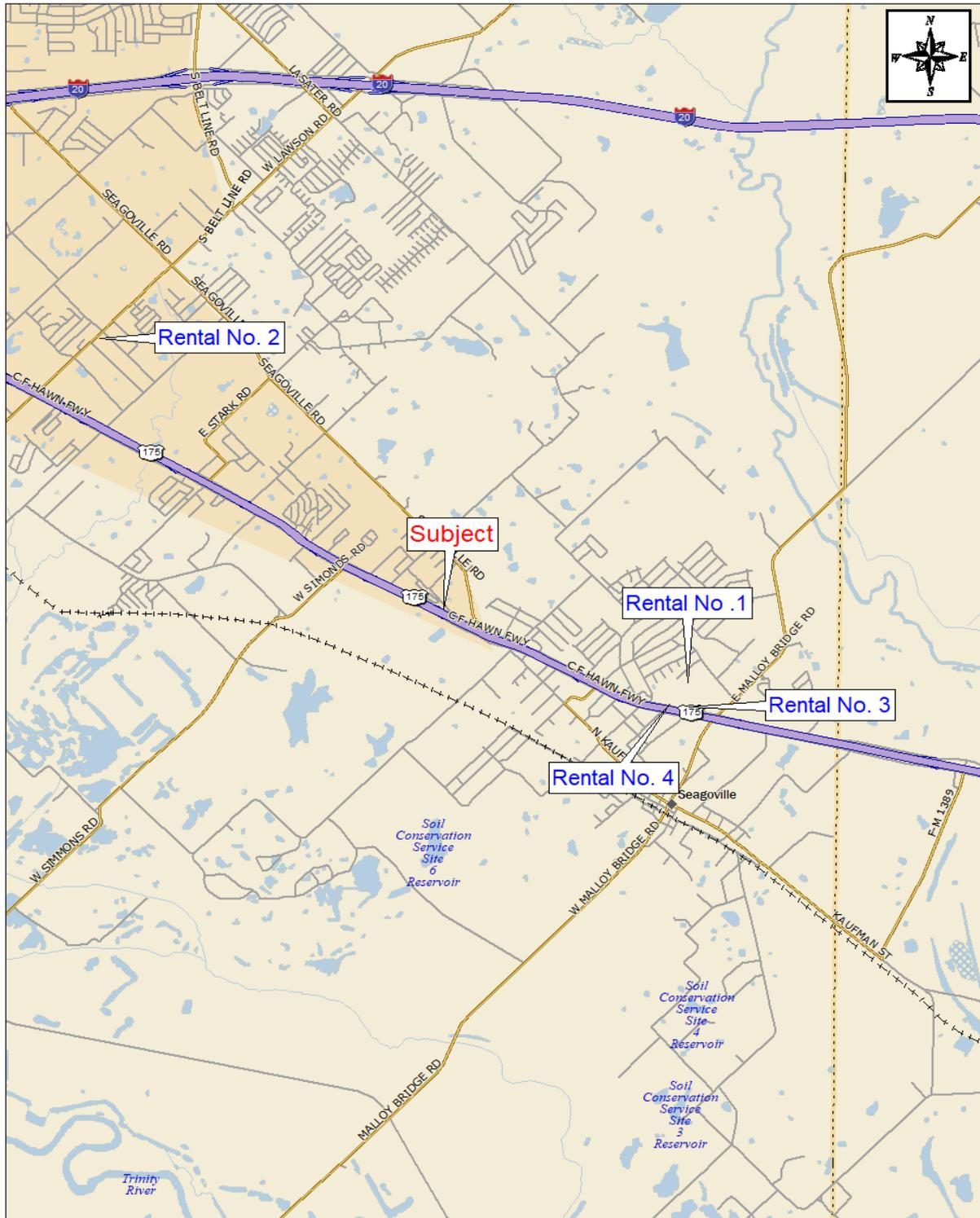
Southeast Outlying Retail

SALES VOLUME & MARKET SALE PRICE PER SF



# INCOME CAPITALIZATION APPROACH

## RENTALS MAP

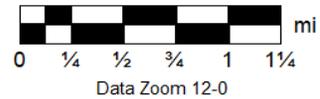


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# INCOME CAPITALIZATION APPROACH

## RENTAL NO. 1



**Address** 410 US Highway 175  
Seagoville, Texas 75159

**Mapsco** DA-80A-C

**Year of Construction** 2006

**Rentable Building Area** 39,773 SF  
**Occupancy** 96%

**Rental Rate Per SF** \$14.00  
**Lease Terms** Triple Net; 1- to 3-year terms

**Comments** This property is a multi-tenant retail shopping center anchored by Bealls department store. The site is located at the northwest quadrant of US Highway 175 and Malloy Bridge Road, next to a Wal-Mart supercenter. The rental rate is \$14.00 per square foot on a triple net basis.

---

## INCOME CAPITALIZATION APPROACH

### RENTAL NO. 2



<b>Address</b>	1512 Belt Line Road Dallas, Texas 75253
<b>Mapsc0</b>	DA-70-J
<b>Year of Construction</b>	2008
<b>Rentable Building Area</b>	11,298 SF
<b>Occupancy</b>	89%
<b>Rental Rate Per SF</b>	\$15.00
<b>Lease Terms</b>	Triple Net; Negotiable terms (averaging 1-3 years)
<b>Comments</b>	This property is a multi-tenant retail center located at the southern corner of Belt Line Road and Garden Grove Drive. The rental rate is \$15.00 per square foot, on a triple net basis, with negotiable terms from 1 to 3 years. This property is an average quality neighborhood shopping center.

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## INCOME CAPITALIZATION APPROACH

### RENTAL NO. 3



<b>Address</b>	110 US Highway 175 Seagoville, Texas 75159
<b>Mapsco</b>	DA-80A-C
<b>Year of Construction</b>	2004
<b>Rentable Building Area</b>	5,042 SF
<b>Occupancy</b>	100%
<b>Rental Rate Per SF</b>	\$17.00
<b>Lease Terms</b>	Triple Net; 3-year term
<b>Comments</b>	This property is a multi-tenant retail center located at the northwest quadrant of US Highway 175 and Malloy Bridge Road, next to a Wal-Mart supercenter. The lease is for 1,380 square feet, occupied by Cricket Wireless, for \$17.00 per square foot on a triple net basis.

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## INCOME CAPITALIZATION APPROACH

### RENTAL NO. 4



<b>Address</b>	300-344 US Highway 175 Seagoville, Texas 75159
<b>Mapsc</b>	DA-80A-C
<b>Year of Construction</b>	2004
<b>Rentable Building Area</b>	19,600 SF
<b>Occupancy</b>	92%
<b>Rental Rate Per SF</b>	\$18.00
<b>Lease Terms</b>	Triple Net; 3-year term
<b>Comments</b>	This property is a multi-tenant retail center located at the northwest quadrant of US Highway 175 and Malloy Bridge Road, next to a Wal-Mart supercenter. The lease is for 2,940 square feet, occupied by AT&T Wireless, for \$18.00 per square foot on a triple net basis.

## INCOME CAPITALIZATION APPROACH

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RENTAL SURVEY						
Rental No.	Name/Location	Rent/SF	Lease Basis	YOC	Rentable Area	
1	410 US Highway 175 Seagoville, Texas 75159	\$14.00	Triple Net	2006	39,773 SF	
2	1512 Belt Line Road Dallas, Texas 75253	\$15.00	Triple Net	2008	11,298 SF	
3	110 US Highway 175 Seagoville, Texas 75159	\$17.00	Triple Net	2004	5,042 SF	
4	300-344 US Highway 175 Seagoville, Texas 75159	\$18.00	Triple Net	2004	19,600 SF	

The properties in the survey are similar to the subject and are comparable in design, construction, and use. The facilities range in size from 5,042 square feet to 39,773 square feet. The lease rates of the survey range from \$14.00 to \$18.00 per square foot on triple net bases, and are representative of market.

For the purpose for this analysis, the subject concludes a lease agreement on a triple net lease basis. That is, the operator/tenant is responsible for operating expenses, including pro rata shares of taxes, insurance, and maintenance. Based on this lease arrangement, the only expense to an owner would be a management fee and any structural maintenance charges. Each of the comparable rents varies in location and quality, and differs in size as compared with the subject.

### Market Rent and Gross Rental Income Analysis

The premise of the income capitalization approach is that an indication of value can be derived by capitalizing the net income a property will produce - under prudent management - at an appropriate rate which reflects the current market conditions, trends, and investor requirements. Several properties similar to the subject were surveyed to determine a reasonable market rent attainable by the subject.

### Market Conclusions

Based on the preceding and realizing differences in shopping center retail stores in areas of age, size, condition/quality, and location, a market rental rate for the subject is concluded to be in accord with area rental rates. Considering the location of the subject, the quality of finish, careful consideration of data and inspecting each comparable property, the data support an average market rental rate of \$18.00 per square foot.

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## INCOME CAPITALIZATION APPROACH

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### **Potential Gross Income**

Based on the current market, and utilizing the average rate of \$18.00 per square foot, the potential gross rental income of the subject property equates to \$96,120 per year.

### **Reimbursements**

Under a triple net lease arrangement, the tenant is responsible for operating expenses. Reimbursements for taxes, insurance, and maintenance are estimated at \$26,771 for the retail strip center.

### **Vacancy & Collection Loss**

According to the Dictionary of Real Estate Appraisal, vacancy and collection (credit) loss is defined as an allowance for reductions in potential income attributable to vacancies, tenant turnover, and non-payment of rent. The portion referring to vacancy is typically derived from market sources such as the market conditions of competing properties and the competitive market. The collection loss is a reflection of the type of tenants within the market or subject.

In order to estimate anticipated vacancy and credit loss for the subject, relevant market data sources have been researched, and the operating expenses and comparable properties have been analyzed. The following Costar Analytics graph shows vacancy rates in the subject market area have been declining for the past four years.

A survey of local rental properties shows that there is a wide range of vacancy rates in the area, which vary from 0% to 50%, with an average of approximately 5%. Given the subject's current and historical tenancy, a reasonable market vacancy and credit loss rate for the subject is estimated at 5%, which equates to \$6,145, or \$1.15 per square foot. This percentage calculates at approximately 3 months of vacancy every 5 years.

### **OPERATING EXPENSES**

The following annual expense summary is estimated based on operations of similar properties in the subject market. Expenses include both fixed and variable expenses. Fixed expenses include ad valorem property taxes and property insurance. Variable expenses include management/administrative and maintenance/repair costs. Typical leases on properties of this type are structured on a triple net lease basis. That is, the operator/tenant is responsible for operating expenses, including pro rata shares of taxes, insurance, and maintenance. Based on this lease arrangement, the only expense to an owner would be a management fee and any structural maintenance charges.

Where actual operating statements were not available for analysis, estimates are applied in the expense estimates for the subject property.

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## **INCOME CAPITALIZATION APPROACH**

---

### **Real Estate Taxes**

Real estate taxes (as detailed previously in the tax analysis portion of the subject property section) are estimated at \$19,771, or \$3.70 per square foot. This expense is reimbursed. The basis of this expense is the county appraisal district.

### **Fire & Extended Coverage Insurance**

Based on information from third party reports and the owner's financial statements, the estimated typical fire, extended coverage, and liability policy is \$2,000, or \$0.37 per square foot. This expense is reimbursed. The basis of this expense is market estimates and data.

### **Common Area Maintenance**

This expense is included such items as parking lot, security, trash, lighting, and landscaping and all normal annual maintenance and repair costs. Based on information provided by the owner, this expense is estimated at \$5,000 annually, or \$0.94 per square foot. The basis of this expense is market estimates and data.

### **Management Fees**

Includes general management, supervision, professional fees, legal fees, printing, keys and locks, sign expenses, and purchasing, etc. Management fees in this market range between 3% and 8% of effective gross income. Based on the market estimates and data, we utilize a 3% management fee based on market estimates, which equates to \$3,502 (\$0.66 per square foot).

### **Reserves/Repairs**

Reserves are an appropriation from the income of the real estate that is allocated to deferred or anticipated contingencies, such as maintenance. The basis of this expense is market estimates and data. This expense is estimated at \$1,800, or \$0.34 per square foot.

### **Utilities**

Common area utilities are paid by the owner.

### **Expense Summary**

Based on the foregoing, the expenses are estimated at \$6.01 per square foot, or \$32,073 per year.

## INCOME CAPITALIZATION APPROACH

The following table represents the stabilized pro forma operating statement for the subject property.

INCOME AND EXPENSE SUMMARY			
Rentable Building Area: 5,340 SF			
		<b>Total</b>	<b>\$/SF</b>
<b>Gross Rental Income</b>		\$ 96,120	\$ 18.00
Expense Reimbursements		\$ 26,771	\$ 5.01
<b>Total Potential Income</b>		\$ 122,891	\$ 23.01
Less: Vacancy @ 5%		\$ 6,145	\$ 1.15
<b>Effective Gross Income</b>		<b>\$ 116,746</b>	<b>\$ 21.86</b>
<b>Less: Expenses</b>	<b>Reimbursed</b>		
Real Estate Taxes	X	\$ 19,771	\$ 3.70
Insurance	X	\$ 2,000	\$ 0.37
Common Area Maintenance	X	\$ 5,000	\$ 0.94
Management Fees (3% of EGI)		\$ 3,502	\$ 0.66
Reserves/Repairs		\$ 1,800	\$ 0.34
<b>Total Expenses</b>		<b>\$ 32,073</b>	<b>\$ 6.01</b>
<b>Net Operating Income</b>		<b>\$ 84,673</b>	<b>\$ 15.85</b>
Net Income/Effective Gross Income Ratio		72.53%	

## CAPITALIZATION

The method of capitalization selected for this appraisal is the Direct Capitalization Method in which the net income stream attributable to the entire property is capitalized into an indication of value by a single overall rate (OAR). Income producing property is usually bought as an investment. That is, the purchaser wants the property for the return it will yield on the capital (whether owned or borrowed) used to buy it. The rate of return the investor receives is the capitalization rate (also called the overall rate), which can be expressed as a relationship between the annual net operating income a property produces and its value. By dividing the indicated net operating income of a property by the appropriate capitalization (cap) rate, the property's value can be indicated.

Two methods of developing rates for direct capitalization are illustrated below. First is the band of investment method. This method considers the financial components, or bands, of debt and equity capital required to support the investment. Second is the market capitalization rate. This is an overall rate exhibited in the market and is the ratio between the total net operating income (NOI) produced by the property and the sales price from the property. Generally, the overall rate is extracted from the transactions of similar type properties.

### **Band of Investment Method**

A method commonly used to calculate an overall capitalization rate is the band of investment method. This method considers the financial components, or bands, of debt and equity capital required to support the investment. This method thus considers everyone who has a financial interest in the real estate being appraised. Not every investor will be satisfied with the same rate of return on an investment. For example, the owner may regard his or her position as riskier than that of the first or second lien holder. Each mortgage creates a lien on the property. If the owner defaults, the property may be sold to pay such liens, and the owner will receive only those proceeds that may remain from the sale of the property after the lien holders have been paid. Since the owner's interest is generally considered inferior to those of lien holders, the owner may require a higher total return on the investment but accept a lower cash flow return, given the value of the owner's residual interest in the property in addition to the owner's subordinated claim on the cash flow.

The band of investment method must take into account both the rate required by the lender and the rate necessary for the equity investor's desired pretax cash flow. The rate required by the lender is termed the mortgage constant and is annual debt service expressed as a percentage of the original principal amount.

The rate required by the equity investor, which is the ratio of the investor's expected pretax cash flow to the investment's value, is called the equity capitalization rate. The equity capitalization rate also may be referred to as the cash on cash rate, cash flow rate or equity dividend rate.

The overall rate developed by the band of investment method thus is based on (1) the capitalization rate for debt, called the mortgage constant, and (2) the rate of return required on equity, called the equity capitalization rate.

## INCOME CAPITALIZATION APPROACH

For the subject, we are utilizing a 30-year amortization period covering 75% of the value at 6.00% interest, and typically a buyer would require a 8.00% equity dividend rate on this type of real estate investment, considering the characteristics of the subject. Using the band of investment method, the overall rate is developed as follows:

Amortization Period	30 years	Mortgage Constant (Rm)	0.071946
Loan-to-Value Ratio	75%		
Equity Component	25%		
Interest Rate (i)	6.00%		
Equity Dividend Rate (Re)	8.00%		
<hr/>			
	<u>% Total Value</u>	<u>Return Required</u>	
Loan	0.750	x	0.07195 (mortgage constant) = 0.05396
Equity	0.250	x	0.08000 (equity dividend rate) = 0.02000
			<b>Overall Rate</b> <b>0.07396</b>
			<b>Rounded</b> <b>7.39%</b>

### Market Extracted - Capitalization Rate

In the sales comparison approach, the sales of similar properties are detailed. These sales included actual or estimated pro forma income and expense information that allowed us to extract capitalization rates from cash equivalent figures. These are summarized as follows:

Summary of Improved Sales					
Sale No.	YOC	Size SF	Sale Date	Price/SF	OAR
1	2016	6,000	Jan-2020	\$375.00	7.00%
2	1987	8,002	Jan-2020	\$287.43	6.15%
3	1982	3,360	Mar-2019	\$357.14	7.06%
4	2015	8,522	Jan-2019	\$354.38	6.50%

### Secondary Sources – Capitalization Rate

Real Estate Research Corporation (RERC) conducts a quarterly survey of major knowledgeable real estate participants including large insurance companies, financial institutions, property owners, brokers, appraisers, and other market participants. This survey tracks target rates of return for predominately investment-grade properties.

## INCOME CAPITALIZATION APPROACH

The RERC Dallas/Fort Worth Investment Criteria report is detailed in the following table:

### Dallas | First-Tier<sup>1</sup> Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate	South Region	U.S.	RERC Estimate	South Region	U.S.	RERC Estimate	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	7.6	8.0	8.3	6.6	6.7	6.8	7.0	7.3	7.3	-1.5	0.0	-0.8	0.1
Suburban	8.2	8.4	8.6	6.9	7.1	7.1	7.2	7.7	7.7	-2.0	0.0	-0.9	0.2
Warehouse	7.6	7.6	7.9	6.3	6.5	6.4	6.7	7.0	7.0	0.9	0.8	0.7	0.1
R&D	8.8	8.4	8.5	7.0	7.3	7.0	7.3	7.8	7.5	0.1	0.4	-0.1	-0.1
Flex	8.4	8.4	8.4	7.0	7.5	7.1	7.4	8.0	7.6	-0.9	0.3	-0.2	-0.1
Regional Mall	8.2	8.4	8.9	7.4	7.3	7.5	7.5	7.8	8.1	-3.8	-0.7	-3.4	-0.8
Power Center	8.5	8.1	8.7	7.4	7.0	7.2	7.6	7.5	7.8	-2.9	-0.1	-2.5	-1.0
Neigh/Comm	7.6	8.2	8.5	6.6	7.1	7.1	6.8	7.7	7.6	-1.6	-0.1	-1.8	-0.3
Apartment	7.0	6.9	7.3	5.6	5.5	5.6	5.8	6.0	6.3	-0.2	-0.7	-0.2	-0.4
Hotel	9.4	9.5	9.4	7.6	8.1	7.9	8.3	8.6	8.3	-5.6	-3.6	-4.0	-3.7
Average	8.1	8.2	8.5	6.8	7.0	7.0	7.2	7.5	7.5	-1.8	-0.4	-1.3	-0.6

<sup>1</sup> First-tier investment properties are defined as the best quality assets in largest markets.  
Source RERC, 1Q 2020.

Another secondary source of published actual capitalization rates is the RG Watts & Company – RealtyRates.com Investor Survey. Their Investor Survey by methodology for is presented below.

RealtyRates.com INVESTOR SURVEY - 2nd Quarter 2020*						
RETAIL - ALL TYPES						
Item	Input					OAR
<b>Minimum</b>						
Spread Over 10-Year Treasury	1.11%	<b>DCR Technique</b>		1.05	0.040305	0.80
Debt Coverage Ratio	1.05	<b>Band of Investment Technique</b>				
Interest Rate	2.61%	Mortgage		80%	0.040305	0.032244
Amortization	40	Equity		20%	0.077803	0.015561
Mortgage Constant	0.040305	<b>OAR</b>				<b>4.78</b>
Loan-to-Value Ratio	80%	<b>Surveyed Rates</b>				<b>4.54</b>
Equity Dividend Rate	7.78%					
<b>Maximum</b>						
Spread Over 10-Year Treasury	6.95%	<b>DCR Technique</b>		2.15	0.117817	0.50
Debt Coverage Ratio	2.15	<b>Band of Investment Technique</b>				
Interest Rate	8.45%	Mortgage		50%	0.117817	0.058909
Amortization	15	Equity		50%	0.176412	0.088206
Mortgage Constant	0.117817	<b>OAR</b>				<b>14.71</b>
Loan-to-Value Ratio	50%	<b>Surveyed Rates</b>				<b>13.98</b>
Equity Dividend Rate	17.64%					
<b>Average</b>						
Spread Over 10-Year Treasury	3.45%	<b>DCR Technique</b>		1.39	0.069667	0.70
Debt Coverage Ratio	1.39	<b>Band of Investment Technique</b>				
Interest Rate	4.95%	Mortgage		70%	0.069667	0.048814
Amortization	25	Equity		30%	0.132038	0.039522
Mortgage Constant	0.069667	<b>OAR</b>				<b>8.83</b>
Loan-to-Value Ratio	70.1%	<b>Surveyed Rates</b>				<b>9.32</b>
Equity Dividend Rate	13.2%					

\*1st Quarter 2020 Data

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## INCOME CAPITALIZATION APPROACH

The Second Quarter 2020 Price Waterhouse Coopers (PWC) National Strip Shopping Center investment data is presented below.

<b>NATIONAL STRIP SHOPPING CENTER MARKET</b>					
Second Quarter 2020					
	<b>CURRENT</b>	<b>LAST QUARTER</b>	<b>1 YEAR AGO</b>	<b>3 YEARS AGO</b>	<b>5 YEARS AGO</b>
<b>DISCOUNT RATE (IRR)<sup>a</sup></b>					
Range	5.50% – 11.00%	5.50% – 11.00%	5.50% – 11.00%	5.50% – 10.50%	6.00% – 10.75%
Average	7.70%	7.71%	7.81%	7.32%	7.86%
Change (Basis Points)		- 1	- 11	+ 38	- 16
<b>OVERALL CAP RATE (OAR)<sup>a</sup></b>					
Range	4.75% – 10.00%	4.50% – 10.00%	4.25% – 10.00%	4.00% – 9.50%	4.50% – 10.00%
Average	6.75%	6.81%	6.75%	6.26%	6.91%
Change (Basis Points)		- 6	0	+ 49	- 16
<b>RESIDUAL CAP RATE</b>					
Range	4.75% – 10.00%	4.75% – 10.00%	4.50% – 10.00%	4.75% – 9.75%	5.00% – 9.75%
Average	6.93%	6.92%	7.00%	6.50%	7.13%
Change (Basis Points)		+ 1	- 7	+ 43	- 20
<b>MARKET RENT CHANGE<sup>b</sup></b>					
Range	(5.00%) – 3.00%	0.00% – 3.00%	0.00% – 3.00%	0.00% – 3.00%	0.00% – 3.00%
Average	0.43%	1.58%	1.67%	1.72%	1.84%
Change (Basis Points)		- 115	- 124	- 129	- 141
<b>EXPENSE CHANGE<sup>b</sup></b>					
Range	0.00% – 5.00%	0.00% – 5.00%	0.00% – 3.00%	0.00% – 3.00%	0.00% – 3.00%
Average	2.29%	2.75%	2.58%	2.69%	2.72%
Change (Basis Points)		- 46	- 29	- 40	- 43
<b>MARKETING TIME<sup>c</sup></b>					
Range	2 – 18	2 – 18	2 – 18	2 – 18	2 – 12
Average	8.4	7.4	7.4	6.2	6.2
Change (▼, ▲, =)		▲	▲	▲	▲

### Capitalization Rate Conclusions

<b>Method</b>	<b>Indicated Discount Rate</b>
Property Model (Band of Investment)	7.4%
Local Market Extraction – Comparables	6.15% – 7.06
Market Survey	
RERC - Survey	6.6%
PwC – Survey	6.75%
RealtyRates.com – DCR	6.78%
RealtyRates.com – Band of Investment	8.83%
RealtyRates.com – Survey	9.32%

## INCOME CAPITALIZATION APPROACH

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In comparison to the sales extractions, market surveys, given the characteristics of the area and market demand, an overall capitalization rate of 7.00% is supported. Using the net operating income and capitalizing it at that OAR produces the following value at stabilized operation. Utilizing the preceding steps, the calculation for a value estimate by direct capitalization is presented below:

Net Operating Income	=	\$84,673
Capitalization Rate		0.0700
Value Indicated By Direct Capitalization		\$1,209,614
<b>Value by Direct Capitalization, Upon Completion &amp; Stabilization</b>		<b>\$1,210,000</b>

## INCOME CAPITALIZATION APPROACH

### INCOME LOSS DURING ABSORPTION PERIOD

The current occupancy rate for the subject property is 0%, leaving 100% of vacant space. Demand for this type of space is sufficient and proven in the market by healthy occupancies by most similar properties. It is anticipated that the subject property should lease-up within 24 months. Thus, an absorption period of 24 months is estimated for the subject property, and the stabilization date is anticipated as November 2022. As typical occupancy increases at differing amounts over the absorption period and these increases are difficult to estimate, we estimated a straight-line increase of the occupancy level over the absorption period, maintaining level rent and expenses.

The discounted differential between the 1<sup>st</sup> quarter and the end of the 8<sup>th</sup> quarter (24 months) represents the income shortfall. This shortfall analysis assumes the following scenario: the rental rates will remain level during the period, the rentable supply will remain the same over the period, the subject owner will repair and maintain the property during this period, the subject owner will actively market the subject, and the occupancy will increase over the 8 quarters to a stabilized state. Considering the current market capitalization rates and growth rates, a 10.0% discount rate is deemed appropriate. Discounting the differential at 10.0% results in an income shortfall of \$101,847. The leasing costs include leasing commissions of 5.0% on a 5-year term basis and \$25.00 per square foot for tenant improvements, totaling \$114,346 discounted. These deductions total \$216,192, or \$215,000 (rounded).

Prospective Cash Flow	Current	Year 1				Year 2				Stabilized
	Nov-2020	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Nov-2022
Square Feet Occupied	SF	1,068 SF	1,068 SF	2,136 SF	2,136 SF	3,204 SF	3,204 SF	4,272 SF	4,272 SF	5,073 SF
% Occupied	0%	20%	20%	40%	40%	60%	60%	80%	80%	95%
Gross Rental Income	\$96,120	\$24,030	\$24,030	\$24,030	\$24,030	\$24,030	\$24,030	\$24,030	\$24,030	\$96,120
Reimbursed Expenses	\$26,771	\$6,693	\$6,693	\$6,693	\$6,693	\$6,693	\$6,693	\$6,693	\$6,693	\$26,771
Potential Gross Income	\$122,891	\$30,723	\$30,723	\$30,723	\$30,723	\$30,723	\$30,723	\$30,723	\$30,723	\$122,891
Less: Vacancy	\$122,891	\$24,578	\$24,578	\$18,434	\$18,434	\$12,289	\$12,289	\$6,145	\$6,145	\$6,145
Effective Gross Income	\$0	\$6,145	\$6,145	\$12,289	\$12,289	\$18,434	\$18,434	\$24,578	\$24,578	\$116,746
Less: Operating Expenses	\$32,073	\$8,018	\$8,018	\$8,018	\$8,018	\$8,018	\$8,018	\$8,018	\$8,018	\$32,073
Net Operating Income	-\$32,073	-\$1,874	-\$1,874	\$4,271	\$4,271	\$10,415	\$10,415	\$16,560	\$16,560	\$84,673
<b>Difference</b>		<b>\$23,042</b>	<b>\$23,042</b>	<b>\$16,898</b>	<b>\$16,898</b>	<b>\$10,753</b>	<b>\$10,753</b>	<b>\$4,608</b>	<b>\$4,608</b>	
Leasing & Capital Costs (in month 24)										
										<b>Total</b>
Leasing Commissions (5%)		\$4,806	\$0	\$4,806	\$0	\$4,806	\$0	\$4,806	\$0	\$19,224
Tenant Improvements (\$25/SF)		\$26,700	\$0	\$26,700	\$0	\$26,700	\$0	\$26,700	\$0	\$106,800
<b>Total</b>										<b>\$126,024</b>
Discount Rate of 10%										
NPV of NOI Shortfall for 24 months										\$101,847
NPV of Leasing/Capital Cost for 24 months										\$114,346
<b>Total Discounted Income Shortfall</b>										<b>\$216,192</b>
										<b>(Rounded) \$215,000</b>

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## INCOME CAPITALIZATION APPROACH

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### INCOME APPROACH CONCLUSIONS

Subtracting the income loss of \$215,000 (as calculated in the income capitalization approach) from the “Prospective Future Value, Upon Stabilized” results in an “Prospective Future Value, Upon Completion” by the sales comparison approach of \$995,000.

Prospective Future Value, As Stabilized	\$ 1,210,000
Less: Income Shortfall	\$ 215,000
Prospective Future Value, Upon Completion	<u>\$ 995,000</u>

Subtracting the construction costs of the interior finish-out of \$295,000 from the “Prospective Future Value, Upon Completion” results in an ‘As Is’ value of \$700,000.

Prospective Future Value, Upon Completion	\$ 995,000
Less: Construction costs	\$ 295,000
Fee Simple, As Is	<u>\$ 700,000</u>

## RECONCILIATION

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In the preceding sections of this report, the area data and trends, location amenities, highest and best use, and other elements of value are discussed. The market was researched for comparable improved sales, and income producing properties.

<b>SUMMARY OF APPROACHES - As Is</b>	
Cost Approach	\$695,000
Sales Comparison Approach	\$825,000
Income Capitalization Approach	\$700,000
<b>Reconciled Value</b>	<b>\$700,000</b>

<b>SUMMARY OF APPROACHES - Upon Completion</b>	
Cost Approach	\$1,205,000
Sales Comparison Approach	\$1,120,000
Income Capitalization Approach	\$995,000
<b>Reconciled Value</b>	<b>\$995,000</b>

<b>SUMMARY OF APPROACHES - As Stabilized</b>	
Cost Approach	\$1,205,000
Sales Comparison Approach	\$1,335,000
Income Capitalization Approach	\$1,210,000
<b>Reconciled Value</b>	<b>\$1,210,000</b>

In the final analysis, considering the approaches to value, each approach is analyzed in terms of the quantity and quality of the data used in each approach and applicability to estimate a reliable value.

### **Cost Approach**

Sufficient sales of tracts of land with similar utility are available to arrive at an opinion of value of the land by market comparison. The estimated costs are compared with the Marshall Valuation Service Cost Manual. Additionally, a review of the actual costs, conversations with local building contractors and developers, and the appraiser's experience in valuing similar properties readily support these costs.

The cost approach is most applicable when a property is new or proposed and when the development represents the highest and best use of the site. The improvements are new with an effective age of 0 years. The cost approach is a supporting valuation method for this analysis.

### **Sales Comparison Approach**

The price per square foot is used in the sales comparison approach to provide an indication of value for the subject. These transactions are considered to reflect the behavior of typical market participants. Although the sales were somewhat different in age, size, and use, they provide reasonable value indications of the subject, after adjustment for these various differences. The value range produced by this approach is a reasonable indicator based on the best available market data.

**Income Capitalization Approach**

The direct capitalization method is used in the income capitalization approach to develop an indication of market value. Operating expenses are estimated based primarily on actual data from other projects, subject historical records (if available), and data extracted from the tax rolls.

**CONCLUSION**

In conclusion, the cost approach is a supporting valuation approach, due to the age of the improvements, which represents the highest and best use of the site. The sales comparison and income capitalization approaches are equally reliable indicators due to both the quality and quantity of the available sale data and current rental market data, and provide a good basis for valuation. Based on this type of property, my final opinions of the fee simple interest, market value of the subject are as follows:

**Market Value Opinions**

<b>Fee Simple, As Is, August 27, 2020</b>	<b>\$</b>	<b>700,000</b>
<b>Prospective Value, Upon Completion (December 2020)</b>	<b>\$</b>	<b>995,000</b>
<b>Prospective Value, Upon Stabilization (November 2022)</b>	<b>\$</b>	<b>1,210,000</b>

***EXTRAORDINARY ASSUMPTIONS***

*The owner provided the construction costs for the improvements. This appraisal assumes that all of the information obtained for analysis is accurate; this information has been verified to the extent possible by the appraisers.*

*As the improvements are under construction, this appraisal is based on the assumption that the subject interior will be constructed as represented to the appraiser at the time of the appraisal, and that all construction and development will proceed in a timely manner and without delay or cost overruns. In addition, it is assumed that the economic conditions projected in this appraisal will not change significantly over the projected absorption period for the subject.*

***HYPOTHETICAL CONDITION***

*At the request of the client and for purposes of this appraisal, the subject is valued as if the improvement construction and associated interior finish-out were completed and available to the market as of the date of the completion, December 2020.*

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## REASONABLE MARKETING PERIOD

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The request to provide a reasonable marketing time opinion exceeds the normal information required for the conduct of the appraisal process, and is treated separately from the process.

Reasonable marketing time, as defined by the Uniform Standards of Professional Appraisal Practice, Advisory Opinion No. 7, is an opinion of the amount of time it might take to sell a real or personal property interest in at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

The development of a marketing time opinion uses some of the same data analyzed in the process of developing a reasonable exposure time opinion as part of the appraisal process and is not intended to be a prediction of a date of sale or a one-line statement. It is an integral part of the analyses conducted during the appraisal assignment. This opinion may be expressed as a range and can be based on one or more of the following:

- statistical information about days on market
- information gathered through sales verification
- interviews of market participants
- anticipated changes in market conditions

Related information of market conditions that may affect marketing time includes identification of typical buyers and sellers for the type of real estate involved and typical equity investment levels and financing terms. Reasonable marketing time is a function of price, time, use, and shifting market conditions, e.g. changes in the cost and availability of funds-not an isolated opinion of time alone. The price that may be achieved in the future, at the end of the marketing period, may or may not be equal to the current appraised value opinion, depending on potential changes in the physical real estate, demographic and economic trends, the real estate market, tenancy, property operations, and the effectiveness of the marketing program, among other factors.

A reasonable marketing period for the subject property at the market value opinion stated above is developed in the following manner:

The opinion of value reached herein is considered supportable and reliable. It is based upon recent market data including conversations with area brokers and principals involved in the comparable sales utilized in the valuation of the subject.

According to local brokers, appropriately priced similar properties generally sell within time periods ranging from approximately 8 to 16 months. This opinion was supported by the marketing times reported by several of the parties to the improved comparable sales utilized herein. A reasonable marketing time for the subject property, priced in accordance with the market value opinion concluded in this report, is considered to be 12-18 months.

## APPRAISER'S CERTIFICATE

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The undersigned do hereby certify that, except as otherwise noted in this appraisal report:

I have no present or contemplated future interest in the real estate that is the subject of this appraisal report. I have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved. My engagement in this assignment was not contingent upon developing or reporting predetermined results. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

To the best of my knowledge and belief, the statements of fact contained in this appraisal report, upon which analyses, opinions and conclusions expressed herein are based, are true and correct.

This appraisal report sets forth all of the assumptions and limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analyses, opinions, and conclusions contained in this report. These are my personal, impartial, unbiased professional analyses, opinions, and conclusions.

This appraisal report has been made in conformity with the Uniform Standards of Professional Appraisal Practice. I certify that, to the best of my knowledge and belief, the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute and in conformity with the rules of the Texas Real Estate Commission. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

The Appraisal Institute conducts a program of continuing education for its members. As of the date of this report, Richard McBride has completed the Standards and Ethics Education Requirements of the Appraisal Institute for Practicing Affiliates.

I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. No one provided real property appraisal assistance to the person signing this certification. I certify that Richard McBride personally inspected the property appraised.

### **PYLES WHATLEY CORPORATION**



**Richard McBride**

State of Texas Certification #TX-1380335-G

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## QUALIFICATIONS OF APPRAISER

### RICHARD MCBRIDE

Appraisal assignments include retail centers, existing and proposed office buildings, commercial and industrial properties, self-storage facilities, automobile dealerships, single-family and multi-family residential properties, and vacant land. Additional consulting assignments include condemnation and right-of-way work, and other various consulting assignments.

#### Experience

- ◆ Appraiser with Pyles Whatley Corporation since 2007
- ◆ Over thirteen years experience in electronics manufacturing industry in Process Development and Management.

#### Education

- ◆ Numerous Appraisal Courses offered by the Appraisal Institute
- ◆ Right-of-way courses offered by the International Right of Way Association
- ◆ Richland College, 1992-1994
  - Engineering
  - General studies

#### Professional

- ◆ Texas Appraiser Licensing and Certification Board
  - *Certified General Real Estate Appraiser #TX-1380335-G*
- ◆ Appraisal Institute
  - *Practicing Affiliate*

International Right of Way Association, Chapter 36, Member

# **ADDENDA**

# TAX INFORMATION

## Commercial Account #500036000A0030000

[Location](#) [Owner](#) [Legal Desc](#) [Value](#) [Improvements](#) [Land](#) [Exemptions](#) [Estimated Taxes](#) [Building Footprint](#) [History](#)

**Location (Current 2021)**  
 Address: 1880 N U S HWY 175  
 Market Area: 0  
 Mapsc0: 70-Z (DALLAS)

[DCAD Property Map](#)

[View Photo](#)

[2020 Appraisal Notice](#)

[Electronic Documents \(ENS\)](#)

 [Print Homestead Exemption Form](#)

**Owner (Current 2021)**  
 KH LLC DBA KELLY HARRIS COMPANY  
 ALLEN NATIONAL INVESTMENTS LLC  
 1026 FM 660  
 FERRIS, TEXAS 751259534

### Multi-Owner (Current 2021)

Owner Name	Ownership %
KH LLC DBA KELLY HARRIS COMPANY	50%
ALLEN NATIONAL INVESTMENTS LLC	50%

### Legal Desc (Current 2021)

- 1: BEST WESTERN/SEAGOVILLE
  - 2: BLK A LT 3 ACS 0,9853
  - 3:
  - 4: INT201800247149 DD09122018 CO-DC
  - 5: 0036000A00300 3500036000A
- Deed Transfer Date: 9/14/2018

### Value

2020 Certified Values	
Improvement:	\$612,750
Land:	+ \$107,300
Market Value:	= \$720,050
Revaluation Year:	2020
Previous Revaluation Year:	2019

### Improvements (Current 2021)

#	Desc: RETAIL STRIP	Total Area: 5,500 sqft	Year Built: 2019
	<b>Construction</b>		<b>Depreciation</b>
	Construction: S-PRE-ENGINEERED STEEL BLDGS		Physical: 1%
	Foundation (Area): CONCRETE SLAB (5,500 sqft )		Functional: + 0%
	Net Lease Area : 5,500 sqft		External: + 0%
	# Stories: 1		Total: = 1%
	# Units: 0		Quality: EXCELLENT
	Basement (Area): NONE		Condition: EXCELLENT
	Heat: CENTRAL HEAT		
	A/C: CENTRAL A/C		
1			Appraisal Method: COST

### Land (2020 Certified Values)

#	State Code	Zoning	Frontage (ft)	Depth (ft)	Area	Pricing Method	Unit Price	Market Adjustment	Adjusted Price	Ag Land
1	COMMERCIAL IMPROVEMENTS	COMMERCIAL	0	0	42,920.0000 SQUARE FEET	STANDARD	\$2,50	0%	\$107,300	N

\* All Exemption information reflects 2020 Certified Values. \*

### Exemptions (2020 Certified Values)

No Exemptions

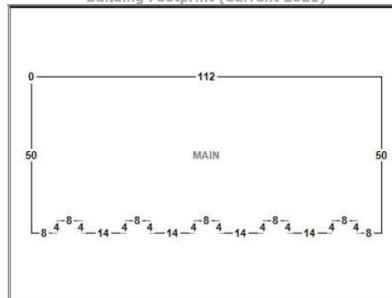
### Estimated Taxes (2020 Certified Values)

	City	School	County and School Equalization	College	Hospital	Special District
<b>Taxing Jurisdiction</b>	SEAGOVILLE	DALLAS ISD	DALLAS COUNTY	DALLAS CO COMMUNITY COLLEGE	PARKLAND HOSPITAL	UNASSIGNED
<b>Tax Rate per \$100</b>	\$0,7888	\$1,310385	\$0,2531	\$0,124	\$0,2695	N/A
<b>Taxable Value</b>	\$720,050	\$720,050	\$720,050	\$720,050	\$720,050	\$0
<b>Estimated Taxes</b>	\$5,679,75	\$9,435,43	\$1,822,45	\$892,86	\$1,940,53	N/A
<b>Tax Ceiling</b>					N/A	N/A
	<b>Total Estimated Taxes:</b>					<b>\$19,771.02</b>

**DO NOT PAY TAXES BASED ON THESE ESTIMATED TAXES.** You will receive an **official tax bill** from the appropriate agency when they are prepared. Please note that if there is an Over65 or Disabled Person **Tax Ceiling** displayed above, **it is NOT reflected** in the Total Estimated Taxes calculation provided. Taxes are collected by the agency sending you the **official** tax bill. To see a listing of agencies that collect taxes for your property, [Click Here](#)

The estimated taxes are provided as a courtesy and should not be relied upon in making financial or other decisions. The Dallas Central Appraisal District (DCAD) does not control the tax rate nor the amount of the taxes, as that is the responsibility of each Taxing Jurisdiction. Questions about your taxes should be directed to the appropriate taxing jurisdiction. We cannot assist you in these matters. These tax estimates are calculated by using the most current certified taxable value multiplied by the most current tax rate. **It does not take into account other special or unique tax scenarios, like a tax ceiling, etc.** If you wish to calculate taxes yourself, you may use the [Tax Calculator](#) to assist you.

### Building Footprint (Current 2021)





STATE CERTIFICATION



**Certified General  
Real Estate Appraiser**

Appraiser: **Richard Clayton McBride**

License #: **TX 1380335 G**

License Expires: **06/30/2022**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title:  
Certified General Real Estate Appraiser

For additional information or to file a complaint please contact TALCB at [www.talcb.texas.gov](http://www.talcb.texas.gov).

Chelsea Buchholtz  
Commissioner

# Pyles Whatley Corporation

Real Estate Consultants

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9/11/2020

**Invoice- 20-608**

Seagoville Economic Dev. Corp.  
c/o Victoria Thomas, NJDH&S, LLP  
500 N Akard  
1800 Ross Tower  
Dallas, Texas 75201

Re: Appraisal of Trinity Plaza Retail located at 1880 North US Highway175, Seagoville, TX

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**Fee for Appraisal**

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**\$2,400.00**

20-608 RM  
EIN: 83-0534942

**THANK YOU FOR YOUR BUSINESS!**

This invoice is due upon receipt. Please note invoice number on all checks for payment and correspondence submitted. A late fee of 1-1/2% interest per month (18% interest per annum), or the maximum allowable by law may be assessed for all amounts owed past 30 days from the date of the invoice.

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**16910 Dallas Parkway, Suite 100, Dallas, Texas 75248 \* P: 214.340.5880 \* F: 214.340.5422**

**Appraisals@pyleswhatley.com  
www.PylesWhatley.com**

## ***Regular Session Agenda Item: 14***

**Meeting Date:     October 5, 2020**

### **ITEM DESCRIPTION:**

Receive Councilmember Reports/ Items of Community Interest

### **BACKGROUND OF ISSUE:**

Section 551.0415 of the Texas Government Code authorizes a quorum of the governing body of a municipality or county to receive reports about items of community interest during a meeting without having given notice of the subject of the report if no action is taken. Section 551.0415 defines an “item of community interest” to include:

- (1) expressions of thanks, congratulations, or condolence;
- (2) information regarding holiday schedules;
- (3) an honorary or salutory recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in status of a person’s public office or public employment is not an honorary or salutory recognition for purposes of this subdivision;
- (4) a reminder about an upcoming event organized or sponsored by the governing body;
- (5) information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the political subdivision; and
- (6) announcements involving an imminent threat to the public health and safety of people in the political subdivision that has arisen after the posting of the agenda.

### **FINANCIAL IMPACT:**

N/A

### **RECOMMENDATION:**

N/A

### **EXHIBITS:**

N/A

## ***Regular Session Agenda Item: 15***

**Meeting Date:    October 5, 2020**

**ITEM DESCRIPTION:**

Future Agenda Items

**BACKGROUND OF ISSUE:**

Council provides direction to staff regarding future agenda items. These items will not be discussed and no action will be taken at this meeting.

**FINANCIAL IMPACT:**

N/A

**RECOMMENDATION:**

N/A

**EXHIBITS:**

N/A

## *Executive Session Agenda Item: 16*

**Meeting Date:     October 5, 2020**

### **ITEM DESCRIPTION:**

#### Recess into Executive Session

Council will recess into Executive Session in compliance with Texas Government Code:

- A. § 551.071. Consultation with City Attorney: receive legal advice to wit: Planned Development Zoning
  
- B. § 551.071. Consultation with City Attorney: receive legal advice regarding Police Department Operations

### **BACKGROUND OF ISSUE:**

N/A

### **FINANCIAL IMPACT:**

N/A

### **RECOMMENDATION:**

N/A

### **EXHIBITS:**

N/A

## *Executive Session Agenda Item: 17*

**Meeting Date:     October 5, 2020**

### **ITEM DESCRIPTION:**

#### **Reconvene into Regular Session**

Council will reconvene into open session, and take action, if any, on matters discussed in Executive Session.

- A. § 551.071. Consultation with City Attorney: receive legal advice to wit: Planned Development Zoning
  
- B. § 551.071. Consultation with City Attorney: receive legal advice regarding Police Department Operations

### **BACKGROUND OF ISSUE:**

N/A

### **FINANCIAL IMPACT:**

N/A

### **RECOMMENDATION:**

N/A

### **EXHIBITS:**

N/A