

## Exhibit 2

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE REAL PROPERTY RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

### DEVELOPMENT AGREEMENT TEXAS LOCAL GOVERNMENT CODE §§ 43.035 & 212.172

**THIS AGREEMENT** is made and effective this \_\_\_\_ day of \_\_\_\_\_, 2013, by and between the City of San Antonio, Texas, a home rule municipal corporation of the State of Texas located within Bexar County, Texas (hereinafter referred to as "City") and \_\_\_\_\_ hereinafter called "the Owner", whether one or more natural persons or other legal entities, and is as follows:

**WHEREAS**, the Owner's property, hereinafter called "the Property", is located within the extraterritorial jurisdiction of the City and is subject to municipal annexation; and

**WHEREAS**, the Property is appraised for ad valorem tax purposes as land for agricultural or wildlife management use under Subchapter C or D, Chapter 23, Texas Tax Code, or as timber land under Subchapter E of that chapter;

**WHEREAS**, the Texas Local Government Code § 43.035 provides that the City may not annex property appraised for such purposes unless it first offers to make a development agreement with the Owner pursuant to such section; and

**WHEREAS**, the City has notified the Owner of its intent to annex the Property and has offered to enter into an agreement guaranteeing the continued extraterritorial status of the Property upon the terms and conditions hereinafter provided; and

**WHEREAS**, the City desires that any development of the property be in conformance with the City's Comprehensive plan; and

**WHEREAS**, the Owner desires to enter into this Agreement to secure the continued extraterritorial status of the Property:

**NOW THEREFORE**, in exchange for the mutual covenants, conditions and promises contained herein, City and Owner agree as follows:

**1. Identification of the Property.** The Property is described as the property owned by the Owner within the boundaries of the area, more particularly described as \_\_\_\_\_ which is appraised for ad valorem tax purposes as land for agricultural, wildlife management, or timber use.

**2. Continuation of Extraterritorial Status.** The Property shall not be annexed and shall remain in the extraterritorial jurisdiction of the City as long as this agreement is effective, the Property is not subdivided, the Property continues to be appraised for ad valorem tax purposes as land for agricultural or wildlife management use under Subchapter C or D, Chapter 23, Texas

Tax Code, or as timber land under Subchapter E of that chapter and the Owner is not in violation of this agreement. This provision does not prohibit annexation with the consent of the Owner.

**3. Annexation Upon Subdivision or Change of Use.** This agreement is void if the Owner fails to continue to use the Property solely for agricultural, wildlife management or timber use and/or subdivides or develops the Property in any manner that would require a plat of the subdivision or a related development document to be filed with any governmental entity having jurisdiction over the Property.

Existing legal residential uses may continue. No new residential development shall be permitted, except for the addition of living space to an existing legal residence, the addition of accessory residential structures such as garages and carports where the total combined floor area of all accessory structures does not exceed 2500 feet, and an accessory dwelling (either attached or detached) that does not exceed 1200 square feet in living area.

If the Property ceases to be appraised for agricultural, wildlife management or timber use or if the Owner subdivides the Property as described in this section, then the City may annex the Property, either in whole or in part, and such annexation shall be deemed to be with the consent of the Owner.

**4. Term.** This Agreement shall terminate 10 years after the effective date of this Agreement or upon annexation of the Property in conformance with this agreement and/or Section 43.035 of the Texas Local Government Code, whichever comes first. Upon termination the City may annex the Property, either in whole or in part or for full or limited purposes, and such annexation shall be deemed to be with the consent of the Owner.

City and owner may extend the term of this agreement by mutual consent, in writing, and subject to approval by the City Council, as evidenced by passage of an ordinance.

**5. Agreement a Covenant Running With the Land.** This Agreement shall be recorded in the Real Property Records of the applicable county and shall be a covenant running with the land binding upon all parties having any right, title or interest in the Property or any part thereof, including their heirs, successors and assigns, and shall inure to the benefit of the owners of the Property and to the City. This Agreement may not be revised or amended without the written consent of both parties.

**6. Notice of Sale of the Property.** Prior to the sale or conveyance of any portion of the Property, the Owner shall give written notice and a copy of this Agreement to the prospective purchaser or grantee and shall provide a copy of such disclosure to the City.

**7. Form and Delivery of Notice.** Any notice required or permitted under this Agreement shall be in writing and shall be delivered by facsimile or by registered or certified US mail. Notice to the Owner may be addressed to Owner at the address indicated on the most recent applicable county property tax roll for the Property. If more than one entity is named in this Agreement, service of any notice on any one of the entities shall be deemed service on all entities. Any notice so given shall be deemed to have been received when deposited in the United States mail so addressed with postage prepaid:

CITY:

John Dugan, Planning Director  
City of San Antonio  
PO Box 839966  
San Antonio, Texas 78283-3966  
Facsimile Number: 210-207-5480

OWNER:

Print Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip Code: \_\_\_\_\_

Facsimile Number: \_\_\_\_\_

**8. Enforcement.** This Agreement may be enforced by Owner or City by any proceeding at law or in equity. Failure to do so shall not be deemed a waiver to enforce the Agreement thereafter.

**9. Provisions Severable.** If any provision contained in this Agreement is held unconstitutional, invalid or unenforceable, then the remaining provisions shall be deemed severable and shall remain in full force and effect.

**10. Governmental Powers.** It is understood that by execution of this Agreement, the City does not waive or surrender any of its governmental powers.

**11. Captions.** Captions and headings used in this Agreement are for reference purposes only and shall not be deemed a part of this Agreement.

**12. Modification of Agreement.** This Agreement cannot be modified or amended without the written consent of all the parties hereto and attached and made a part of this Agreement.

**13. Governing Law and Venue.** Venue shall be in the state courts located in Bexar County, Texas and construed in conformity with the laws of the State of Texas.

**IN WITNESS WHEREOF,** the parties have signed and executed this Agreement effective as of the date first set forth above.

**CITY OF SAN ANTONIO**

**The Owner**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: John Dugan

Print Name: \_\_\_\_\_

Title: Planning Director

Title: \_\_\_\_\_

**State of Texas  
County of Bexar**

**State of Texas  
County of Bexar**

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2013, by John Dugan, Planning Director of the City of San Antonio, a Texas municipal corporation, on behalf of said corporation.

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2013, by \_\_\_\_\_, the Owner within the District.

\_\_\_\_\_  
Notary Public, State of Texas  
(Personalized Seal)

\_\_\_\_\_  
Notary Public, State of Texas  
(Personalized Seal)

\_\_\_\_\_  
(Print Name of Notary Public here)

\_\_\_\_\_  
(Print Name of Notary Public here)

My commission expires the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

My commission expires the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

After Recording Return to:  
Nina Nixon-Méndez, Planning Manager  
City of San Antonio  
Department of Planning and Community Development  
PO Box 839966  
San Antonio, TX 78283-3966