

SETTLEMENT AGREEMENT

EXHIBIT B

The parties agree to the following changes to the 2012 Site Plan, which will be applied to a New Site Plan:

1. Building 1 (the western most MF building) shall not exceed a height of 43'2" as measured from the mid-point of the highest and lowest grades adjacent to the building (approximately 1018 ft. elevation). Owner shall be allowed to make an 8 foot "cut" under the building to allow the finished floor of the parking level and the entrance thereto to be at approximately 1014 ft. elevation, without a variance being required.
2. The southern most 37 feet of Building 2 (which is the eastern most MF building) shall not exceed a height of 35 feet. The remainder of Building 2 shall not exceed a height of 44'2". Height for all of Building 2 shall be measured from a FFE of 948.52 ft. elevation based on the survey dated February 8, 2014 by Paul Uterback, RPLS No. 5738.
3. All of the detached SF buildings south of the existing private drive and west of Building 2 shall not exceed a height of 35 feet.
4. All of the detached SF buildings north of the existing private drive shall not exceed a height of 40 feet.
5. The area of three SF building envelopes immediately to the east of Building 2 and south of the existing private drive shall not exceed a height of 28 feet. The remaining SF buildings east of Building 2 (outside of such area) and south of the existing private drive shall not exceed a height of 40 feet.
6. Up to but no more than 40% impervious cover NSA shall be allowed, provided that the drainage and WQ facilities are adequate for such impervious cover based on the City standards used in the 2012 Site Plan on file. If additional improvements are required to make existing facilities adequate for 40% impervious cover NSA, Jones will make such improvements to the facilities. Any additional impervious cover above the 2012 Site Plan (up to 40% NSA) may be used for detached SF residential units or for guest parking for Building 1 or Building 2. The New Site Plan may be modified to allow the use of such additional impervious cover so long as it does not intrude into the existing modified Hill Country Roadway setback that fronts RR 2222, critical environmental feature buffers, and those areas below an elevation of 920 feet. The Owner agrees not to decrease the

buffer zone area below 31.5% as calculated on the 2012 site plan and not to increase the area constructed on steep slopes as shown on Exhibit A.

7. Owner agrees to either (i) combine existing detached residential building envelopes into larger building envelopes in the New Site Plan, or (ii) agree to a site plan note on the New Site Plan providing that portions of such existing SF building envelopes may be combined into larger building envelopes only (a) if the total number of SF units set forth below is not exceeded and (b) no more than three building envelopes are combined together. Should Owner elect option (7)(b), a site plan correction shall be permitted as an administrative correction to allow such combination and increase in size of building envelopes, without affecting Jones' rights hereunder. Consistent with the City Code, additional modifications to the New Site Plan that would qualify as a site plan correction shall be allowed.
8. No more than 51 SF detached units and no more than 28 MF units in Buildings 1 and 2 shall be allowed.
9. The New Site Plan would be approved upon the effective date of the draft ordinance and shall remain in effect for a period of nine years thereafter subject to the following requirements:
 - a. The development approved by the New Site Plan (hereafter "Project") consists of no more than 79 residential units in (i) no more than 51 single family-unit detached structures; and (ii) 2 structures each containing no more than 13 residential units and 15 residential units, respectively.
 - b. For the New Site Plan to remain in effect, development of the Project must meet or exceed the benchmarks set forth Paragraphs (c) and (d) for each of three 3-year period. If those benchmarks are achieved, the City shall approve extensions for the full nine year life of the Project measured from the effective date of the draft ordinance.
 - c. For the first period of three years: Owner must complete building permit applications for at least 16 of any of the units shown on the New Site Plan for the Project must be submitted in accordance with the Land Development Code. If this requirement is achieved, the City shall administratively approve a three-year extension of the New Site Plan for the Project.
 - d. During the second period of three years, Owner must complete building permit applications for any additional 16 units shown on the New Site Plan for the Project must be submitted in accordance with the Land Development Code and may not include any of the units counted towards the benchmark under Paragraph

- (c). If this requirement is achieved, the City shall administratively approve a second three-year extension of the New Site Plan for the Project.
 - e. During the final period of three years, Owner must complete building permit applications for the remaining units shown on the New Site Plan for the Project must be submitted in accordance with the Land Development Code.
 - f. If the New Site Plan for the Project expires before the building permit applications required under Paragraph (c), (d), and (e) are submitted, any previously submitted applications or previously issued permits are not affected by the expiration as long as the application or permit remains active.
10. PDRD agrees to recommend that Council site plan fees waived with the 2012 Site Plan application be also waived for the New Site Plan application (to be filed after 1st reading).