



MANOR

EST. **TEXAS** 1872

MANOR TOWN CENTER

STRATEGIC ROADMAP

A connected civic heart for a growing community. A vibrant district designed for Manor residents of all ages and abilities.

MANOR. STAY AWHILE.



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STRATEGIC ROADMAP SUMMARY

Purpose of this Strategic Roadmap

Historical lessons from peer town centers in rapidly growing small cities that are becoming regional economic powerhouses are that the commitment to the original vision and long-term fidelity to its purpose beyond simply dense development often get lost somewhere along the way as visionary leaders are replaced over time.

Master plans often fall short because they describe what and where with extraordinary creativity and wisdom but fall short in the necessary thoughtfulness and playbook describing who, when, and how. The dynamics of rapid population growth that inevitably will continue in Manor for the foreseeable future is that development either will occur without coordination or will happen because of the shared commitment of the City and its private partners to a disciplined, long-term vision for this district. The purpose of this Strategic Roadmap is to capture for future City leaders, current and future citizens, and future developers the foundational architectural rationale for this new civic heart of Manor and its business case underpinning as it evolves over the next two decades so that it is intentional rather than reactionary.

The location of a town center is vital to its success – it must be located at the geographic heart of the City as it grows and at the intersection of main traffic arteries. This 84-acre parcel on US-290 is the ideal size and location for a vibrant, cohesive mixed-use district and is one of the last known undeveloped tracts of its size with single ownership that the City can deliver its vision with certainty.

Therefore, after months of negotiations, the City deemed that in order to properly execute this vision, entering into a Letter of Intent to purchase a tract of land within this 84-acre parcel adequate to construct a future civic facility was in the public's and the City's best interests, which it executed with the owner of the property, Manor OZ 290 Real Estate, LP and Shenandoah Development Group (SDG), development manager for the owner, in January of 2025. Numerous amendments and a replacement LOI have followed since.

This document reflects the culmination of a civic vision that belongs first and foremost to the residents of Manor. Long before any private partners were engaged, the City's leadership was already laying the groundwork by commissioning a Space Needs Assessment and Facilities Master Plan, forming a City Facilities Design Committee led by the Mayor and Council Members, and listening to residents through surveys, community meetings, and public outreach. That work built the case and the community consensus that led to the November 2023 bond election, in which Manor voters granted the City a clear and democratic mandate to build a City Hall and Public Library as an expression of the community's confidence in its own future.

With that mandate in hand, the City has spent over two years engaging in collaborative negotiations and visioning with SDG while also conducting a rigorous, competitive process to select an infrastructure development partner to deliver the City's vision. Hunt was selected through that process, and the City, SDG, and Hunt then undertook an intensive, iterative master planning process led by Hunt, whose team includes world class professionals specializing in civic



★ 1. STRATEGIC ROADMAP SUMMARY

placemaking, planning, design, and construction. The journey has resulted in a superior, unified plan and vision that emerged from the strategic planning retreat on December 16, 2025. This District is perfectly aligned in this moment to achieve all four principles for success discussed below. During the November 2023 election, City voters approved Bond Proposition C, authorizing \$90.105 million for the development of a single new facility to house both City Hall and the Public Library. To best serve its residents and maintain flexibility, the City may consider alternative financing options for this project.

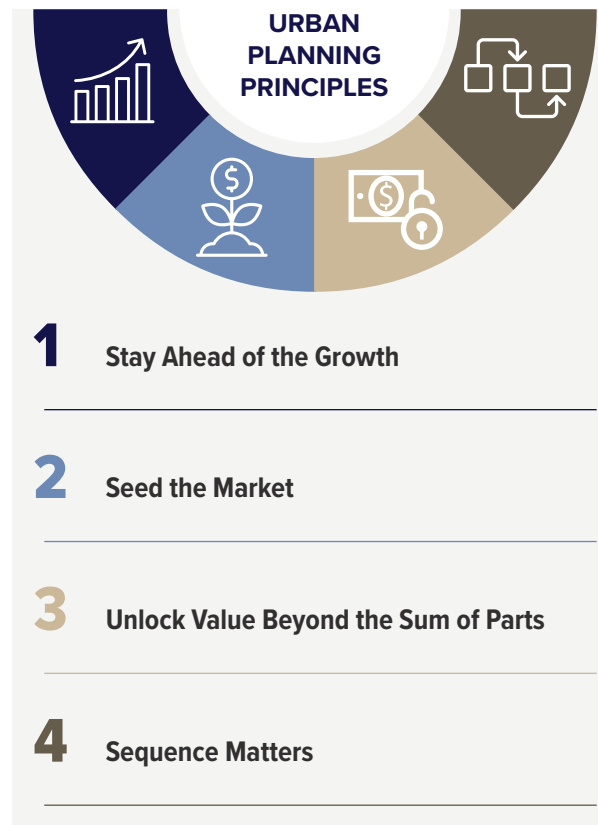
Like virtually all successful civic town centers of this scale and ambition, its full realization requires more than any single party, public or private, would typically undertake alone. This is not a reflection of limitations on either side, both the City and SDG have viable paths forward independently, and each could pursue options that meet the minimum expectations of their respective constituents. However, those options, taken separately, would fall short of what this vision can achieve together. The power of this partnership lies precisely in the fact that both parties have chosen the bolder path, one that can produce an outcome far superior to what either could accomplish alone.

The shared challenge now is to carefully and collaboratively structure a financial approach that bridges the gap between today's available resources and tomorrow's vision, while honoring the City's current and future obligations as a responsible steward of Manor's tax dollars. This roadmap is intended to serve as a tool that answers questions from all audiences and empowers the City and SDG to confidently advance the project. Upon presentation to City Council and

adoption, the anticipated outcome is that the City will authorize the City's development team to proceed with Phase 1 of the development based on the technical, financial, legal, governance, and communication parameters set forth in this Roadmap.

Principles of Town Center Development

There are four foundational and proven urban planning principles for transformational, town center developments derived from the team's broad experience with similar projects:



1. Stay Ahead of the Growth: Given Manor's location in the heart of the fastest-growing region in Texas, rapid development is certain in Manor over the next 20 years—either it will occur in a controlled, cohesive manner or on an opportunistic, reactive project basis. The latter scenario too often results in disjointed, small developments in which the City authorizes infrastructure opportunistically to enable insular projects. The former, more strategic investment, means the same level of City investment is done proactively with a plan that creates a larger, more sustainable flywheel of investment so that the market is willing to pay a premium to invest at a much larger scale in a “place” with a long-range plan (rather than a standalone civic project). Consequently, this type of placemaking investment occurs much faster and results in higher tax revenues to the City over the long term. And this is the City of Manor's plan.

2. Seed the Market: Large-scale mixed-use development investment typically occurs when there is proven, foreseeable demand measured by established market fundamentals to underwrite (e.g., rent rates, absorption rates, access to amenities, population growth, above-average median family income) in the specific location. While the fundamental market metrics for Manor's Town Center vision do not currently exist, the demand equation for dense mixed-use development will change because the City will be the first to stand behind the project and demonstrate a cohesive, sustainable development plan that creates the place. This action and City's faith in this development where it places its first



★ 1. STRATEGIC ROADMAP SUMMARY

major civic project at the center thereof creates the demand that will reduce the risk of stabilization of the private investment.

- 3. Unlock Value Beyond the Sum of Parts:** The City's acquisition of the 8.4-acre (or 10%) of the development for the City Hall/Library facility creates a unique opportunity to unlock significantly more value than the parcels otherwise would generate. Once this initial purchase is made, then every acre of the development then relies on City investment to achieve the overall vision. Therefore, it is crucial that the City make initial enabling infrastructure investments to unlock development while ensuring that it is not creating a windfall for the landowner. This critical enabling infrastructure investment is not speculative but is strategic and protects the City and taxpayer value.
- 4. Sequence Matters:** The sequence of City investments work in concert with City revenue and return on investment. At the start, the City's investment capacity has greatest impact where it can most quickly prompt a ripple effect of economic impact and be catalytic to private investment. Crucially, these returns offer the City resources to fuel the investment needed in subsequent phases. This does not necessarily mean that all City investment will equate directly to ad valorem tax revenues. For example, City Halls on civic town greens are proven strategic public investments to catalyze private downtown development. Similarly, well-planned green and outdoor amenities at connecting nodes of activation should be viewed as an indirect, high return investment to catalyze cohesive private investment.

Phasing Definition and Summary

Timing or "phasing" is critical to the District's success and is the consistent thread to the four principles because market demand and the ability of the market to absorb what is built are non-negotiable drivers to any private development financing. The phasing plan is divided into distinct phases that merge SDG's and the City's respective priorities and reflect a natural, cohesive market absorption that will generate the most private investment into Manor Town Center as quickly as possible over the next two decades.

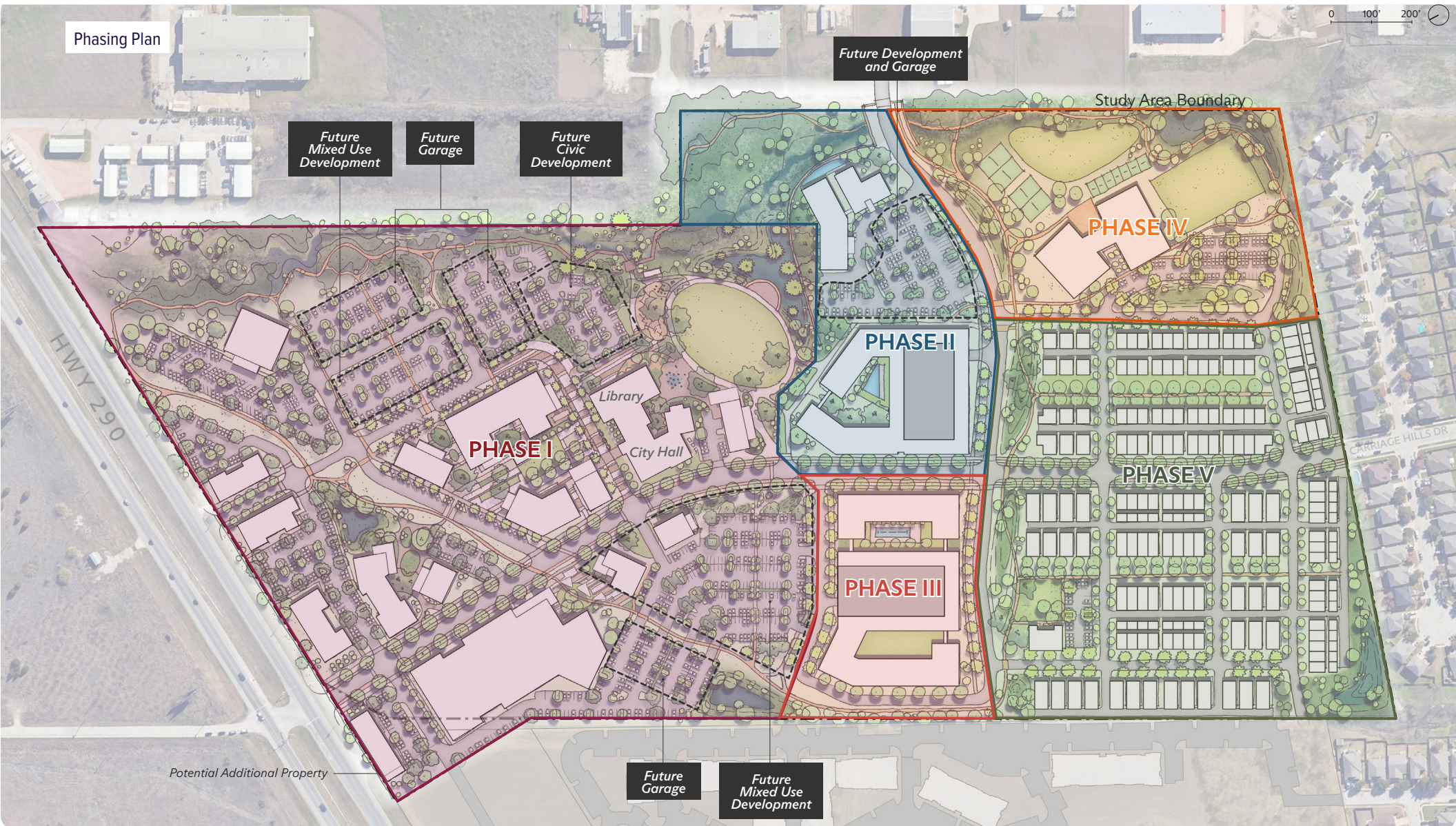
The five phases of District development, informed by experiences from other town center projects, are anticipated to follow a relatively predictable progression. Each phase, reflected in the graphic on the following page, is designed to build upon the previous, ensuring that the overall development aligns with strategic goals and principles while responding to evolving market conditions and infrastructure needs.

The phasing terminology used throughout this document refers to the entire scope within each phase, encompassing all necessary enabling infrastructure and potential financing strategies for both public and private assets. These elements are essential to achieve the desired community and economic impact by the phase's completion.





★ 1. STRATEGIC ROADMAP SUMMARY





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Organization of this Document

This document is written for several distinct audiences: the Manor resident who is hearing about this project for the first time; the engaged community member who has been following its development closely and wants the full story; the City Council, whose adoption of this Roadmap authorizes its execution; City staff, who will be responsible for carrying out its workstreams; and the City's professional advisors and representatives, such as bond and legal counsel, and financial advisors, as well as state-level stakeholders such as the Texas Attorney Generals' Office, whose oversight and engagement on public debt structures are integral to implementation.

These audiences bring very different levels of familiarity and focus to the material, and therefore, this document must strike a deliberate balance between accessible explanation and technical rigor. To the extent it does not strike that balance perfectly; FAQs, summary graphics, and other communication tools have been placed in appendices and referenced where appropriate to augment the narrative.

The organization of this document is intended to reflect the four workstreams of the task teams that will be executing the Roadmap upon adoption, as well as the management and public engagement of those teams as they work tirelessly to make this vision reality. Section 2 provides the context, vision, and guiding principles that are foundational to each of the four workstreams.

Section 3 presents the technical approach, including the architecture and placemaking vision and the anticipated timeline and rationale for phasing. Section 4 articulates the financial strategy, including current constraints and the sources and uses of City revenue that support the business case for this catalytic investment. Section 5 describes the legal framework, including the various agreements and Texas Local Government Code provisions that will govern Phase 1 implementation. Section 6 presents the vital public engagement and communications plan that will launch immediately upon Council adoption, anchored by an initial set of Frequently Asked Questions (FAQs) that will become a living document permanently residing on the project website.



BACKGROUND AND GUIDING PRINCIPLES

Manor's story has been one of finding a way forward when others saw only obstacles. Time and again, this community has moved forward on faith, betting on itself before the resources were certain, before the skeptics were convinced, and before the path was fully clear.

That spirit is not incidental to the Manor Town Center project; ***it is the foundation of it.*** The same resolve that has driven Manor's growth and civic identity is what carried this vision from a community conversation to a bond mandate to a master plan, and it is what will carry it through to completion.

Manor Town Center represents a rare opportunity to give that spirit a permanent home in a new, vibrant, civic-anchored mixed-use district that will serve as the economic and cultural heart of the City for generations.

Master Plan Rationale

The master planning process has been guided by a commitment to placemaking, prioritizing the creation of a cohesive, sustainable economic development for which the City Hall and Library is the spatial and cultural center. The conceptual master plan, developed through months of collaborative effort from City staff, SDG (land owner and mixed-use developer), Hunt Real Estate (the City's infrastructure developer), Lake Flato (master planning and placemaking), PGAL (architect of record), Kimley-Horn (civil engineer), DWG (landscape architecture), and Hensel Phelps (design-builder), reflects the City's vision that:

- 1. Embraces the US-290 Corridor:** The development fronts Manor's primary gateway, creating an iconic civic presence and commercial activation that signals Manor's civic pride and growth.
- 2. Prioritizes Walkability and Human Scale:** Pedestrian-scaled streets, festival corridors, and generous public spaces for exploration and activity create a district designed for people to stay and experience, not just cars to visit and leave.
- 3. Integrates Water as Placemaking:** Wetlands, water quality ponds, greenways, nature corridors, and water play areas are celebrated as climate-resilient amenities that define the character of the district.
- 4. Leverages Civic Investment to Catalyze Private Development:** The strategic placement of the City Hall, Library, and Gathering Lawn anchors the district and de-risks private investment by demonstrating the City's long-term commitment.
- 5. Sequences Infrastructure for Maximum Impact:** Phase 1B enabling infrastructure (also referred to as the "loop" road) strategy with permanent sewer, water, and fire flows unlocks not just the civic core but also critical commercial parcels along US-290, minimizing the prolonged "civic island" risk.



★ 2. BACKGROUND AND GUIDING PRINCIPLES

Project Precedents

The design and delivery approach for Manor Town Center draws on proven precedents from successful civic-anchored mixed-use districts across Texas, including:



Southlake Town Center, Southlake, Texas

A highly successful mixed-use town center anchored by City Hall, with retail, dining, office, and residential uses arrayed around a central town green and festival streets. Southlake demonstrates the power of civic investment to catalyze private development with high performing tax revenues and create a signature community gathering place.



Cedar Park Public Library, Cedar Park, Texas

A contemporary library that serves as a community hub with maker spaces, meeting rooms, and flexible programming areas—precisely the model Manor seeks to replicate to address citywide gaps in youth engagement, continuing education, and nonprofit meeting space.



Pearl Brewery, San Antonio, Texas

A model for adaptive reuse and placemaking that honors local heritage while creating a vibrant, walkable destination with food, retail, and cultural programming. The Pearl demonstrates how authentic, memorable design can engage all five senses and create a “place to stay awhile.”



Waco Downtown Redevelopment, Waco, Texas

Hunt Real Estate’s current master development project for the City of Waco provides direct, recent experience in delivering a civic-anchored, multi-phase downtown revitalization with a central civic green space, convention center, performing arts venue, town center, and ballpark across 100+ acres over 12–20 years. The Waco Strategic Roadmap serves as the structural model for this Manor Town Center Strategic Roadmap.



★ 2. BACKGROUND AND GUIDING PRINCIPLES

District Aspirations

Manor Town Center is envisioned to deliver on five core functional aspirations that were formulated with City Council and staff in a series of meetings and retreats:

- **Manor's First Walkable District:** A thoughtful mix of buildings, streets, and open spaces that encourage exploration, connection, and a truly human-scaled experience.
- **Iconic Civic Gateway & Destination:** A distinctive City Hall, Library, and public park that serves as a welcoming front door to Manor—an inspiring civic destination rooted in community pride.
- **Dynamic Mix of Uses & Local Experiences:** A vibrant mix of places to live, work, shop, dine, and play—a lively destination that celebrates local identity, energizes the community, and draws people together 18 hours a day, 7 days a week.
- **A Place to Meet Your Neighbor:** A welcoming cultural hub that celebrates community, strengthens connections, and serves as a gathering place for Manor and the greater region.
- **Manor's Outdoor Living Room:** A lush, sustainable, and flexible public realm and “living room” where residents can learn, play, celebrate, and gather throughout the year.

Manor Origins: History Forward

Manor's identity is deeply rooted in its railroad heritage. Founded in 1872 as a stop along the Houston & Texas Central Railway, Manor has long been a crossroads community. The visual language of the district, which will be expressed through materials, massing, and public art, will honor this heritage through:

- **New Construction with Historical Character:** Brick facades, large windows, arched openings, and detailing that evoke the railroad-era architecture of Texas towns
- **Trestle Bridge Inspiration:** Timber and steel structural elements that reference Manor's railroad trestle legacy
- **Authentic Materials:** Native Texas limestone, rusted metal panels, and warm wood tones that reflect the agricultural and industrial history of the region

This “history forward” approach ensures that Manor Town Center is not a generic development in central Texas, but a distinctively Manor place that honors the past while poised for a bright future.

Strategic Planning Retreat Process

Following the City's selection of Hunt Real Estate as its P3 infrastructure developer for the Civic Core and execution of an Exclusive Negotiating Agreement, the City, SDG, and Hunt convened an all-day strategic planning retreat on December 16, 2025, to align on a shared vision, guiding principles, and execution framework for Manor Town Center.

Prior to the retreat and to establish a common understanding of the pitfalls for these bold and complex projects, the participants completed a reading assignment from the book *How Big Things Get Done*. The book and the shared vernacular will be referenced throughout the design and construction process and the continuous public engagement strategy that uses this document as its foundation to explain how complex projects like this one succeed.

The stated objectives of the retreat were to:

1. Establish the City's proclamatory “why” statement for the project
2. Define the guiding principles within that “why” to inform decision-making at each stage
3. Address placemaking vision, location, and priorities for the master plan elements
4. Establish financial affordability parameters guiding the modeling of sources and uses of City funds

The compiled presentation materials and notes from the retreat are available in Appendix B and represent the initial deliverables of the technical, legal, and financial task teams. This Strategic Roadmap document prepared from those initial deliverables reflects iterative refinement since the retreat and commitment to celebrating Manor's unique identity in a way that will be widely inclusive, inspire future generations, and spark high-quality, complementary private development and increased economic activity in Manor Town Center.

The Project “Why”

Best practice for master planning of large and complex projects like Manor Town Center is to think about the project from right to left (or inverse of typical planning) and first clearly answer the question: “*Why is Manor undertaking this project?*” The answer to that question is intended to capture the inspiration for the project in a simple, concise statement that is easy to remember and that creates an emotional understanding for every stakeholder. Through the strategic planning retreat process, the diverse group of participants dedicated substantial time to uncovering, understanding, and synthesizing a powerful “why” statement.



★ 2. BACKGROUND AND GUIDING PRINCIPLES

The vision statement from the conclusion of the retreat is:

VISION STATEMENT

Manor Town Center will be the city's connected civic heart. A welcoming, walkable, vibrant district rooted in local history honoring the City's cultural heritage and designed to support access to opportunity and an abundant future for every Manor resident. Anchored by a new civic center of gravity, it will be a place where the community comes together to work, learn, play, and stay with a potential tagline to express the vision as:

MANOR. STAY AWHILE.

This vision expresses Manor Town Center aspirations as:



Manor's First Walkable Civic District

A thoughtfully planned network of streets, plazas, and public spaces that prioritize people and create a safe, human-scaled place for daily life and community gathering.



A Vibrant Mixed-Use Destination

A blend of local food, retail, learning, recreation, and civic programs that support activity throughout the day and evening, seven days a week.



A Place to Meet Your Neighbor

A welcoming, multigenerational hub where residents from every Manor neighborhood can gather, celebrate, and participate in community life.

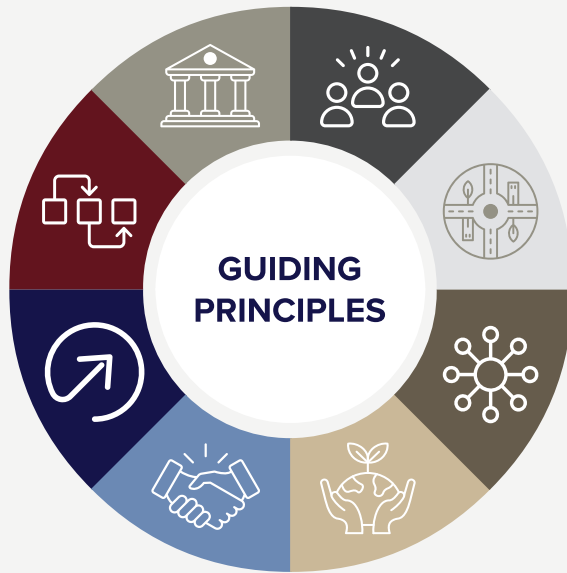


Manor's Outdoor Living Room

A safe and comfortable, flexible public realm offering shade, play areas, and outdoor education and programming that supports year-round comfort, learning, health, and celebration.



★ 2. BACKGROUND AND GUIDING PRINCIPLES



- 1 Civic Core and Community Identity**
- 2 Placemaking and Urban Design**
- 3 Mobility, Access and Connectivity**
- 4 Environmental Stewardship**
- 5 Inclusive Prosperity and Local Partnerships**
- 6 Education, Safety and Multigenerational Community Life**
- 7 Disciplined Phasing, Affordability, and Financing**
- 8 Governance and Delivery**

Guiding Principles

Building from this vision, Manor Town Center will be guided over the next two decades by a concise set of principles that shape design, phasing, financing, and governance. These principles function as decision filters during each phase and inevitable shift in the development plan to ensure each choice made along the way advances the community's long-term goals, aligns with fiscal discipline, and reinforces Manor's identity.

- 1. Civic Core and Community Identity:** Establish a recognizable civic heart and district identity, anchored by a distinctive City Hall, Library and civic green that celebrates Manor's heritage through authentic design and public art and functions as Manor's welcoming front door and primary gathering area.
- 2. Placemaking and Urban Design:** Create Manor's first truly walkable district through human-scaled streets, activated ground floors, and well-programmed public spaces that support everyday use, community events, and 18-hour activity across civic and private development.
- 3. Mobility, Access and Connectivity:** Deliver a thoughtfully planned district with a connected, complete mobility and infrastructure framework that prioritizes safety, multimodal mobility, and convenient access to civic and commercial destinations, integrates utilities and supporting systems, unlocks private development, and ensures development readiness and access for residents of all ages and abilities.
- 4. Environmental Stewardship:** Leverage water, landscape, and natural systems as defining placemaking elements by integrating native wetlands, green infrastructure, and sustainable systems to create a resilient, climate-responsive district that supports learning, play, and long-term environmental stewardship.
- 5. Inclusive Prosperity and Local Partnerships:** Use public investment to catalyze high-quality private development that generates long-term tax base growth, supports local businesses and workforce development, and expands access to opportunity for residents of all backgrounds.
- 6. Education, Safety and Multigenerational Community Life:** Expand access to educational programming, community events, and civic spaces that support literacy, continuing education, youth engagement, and public safety, helping counter trends in crime and violence while creating a welcoming, multigenerational district for all residents.
- 7. Disciplined Phasing, Affordability, and Financing:** Deliver public facilities and enabling infrastructure through disciplined phasing that respects the City's affordability limits, prioritizes infrastructure that unlocks private development, and aligns public investment with long-term community benefit and private reimbursement.
- 8. Governance and Delivery:** Guide the master development through clear governance, reciprocal public-private obligations, and planning that defines desired community outcomes first, delivers a strong initial phase, and scales responsibly as needs evolve.



★ 2. BACKGROUND AND GUIDING PRINCIPLES

These guiding principles serve as litmus tests for success and continuity of vision, ensuring that all decisions and choices, from infrastructure phasing to building design to financing structure, **advance the collective vision and protect taxpayer value.**

The matrix to the right builds upon the guiding principles with an analysis framework to be used by Council, City staff, and development partners to assess whether future proposed actions, investments, and agreements advance the vision and aspirations for the Manor Town Center district.

Guiding Principles Decision Matrix			
Guiding Principle	Applies To	Primary Intent	Decision Gate (Pass / Fail)
Civic Core and Community Identity	Public Facilities and Public Realm	Establish a recognizable civic heart and district identity anchored by City Hall, Library, and civic green	Does this strengthen the Civic Core as Manor's primary gathering place and district anchor?
Placemaking and Urban Design	District-wide	Create a walkable, activated, human-scaled district with destination-quality public spaces	Does this improve walkability, ground-plane activation, and a vibrant mixed-use environment?
Mobility, Access and Connectivity	District-wide transportation infrastructure	Provide a coordinated mobility and infrastructure framework that prioritizes safety and multimodal access, establishes development-ready conditions and serve residents of all ages and abilities	Does this strengthen mobility, access, and supporting infrastructure in a way that improves safety, ensures development readiness, and provides inclusive access for all residents without creating future rework or stranded investment?
Environmental Stewardship and Water	District-wide conservation and resilience infrastructure	Use water and landscape systems as resilient, educational placemaking assets.	Does this strengthen environmental performance, resilience, and sustainable placemaking?



★ 2. BACKGROUND AND GUIDING PRINCIPLES

Guiding Principles Decision Matrix			
Guiding Principle	Applies To	Primary Intent	Decision Gate (Pass / Fail)
Inclusive Prosperity and Local Partnerships	District-wide	Catalyze equitable economic growth, workforce development, and local business opportunity	Does this increase revenue for the City or expand opportunities and long-term economic value for Manor residents?
Education, Safety and Multigenerational Community Life	District-wide civic activity spaces	Advance continuing education, youth engagement, and public safety	Does this materially support education, youth programming, safety, and/or multigenerational use?
Phasing, Affordability and Financing Discipline	Public investment only	Ensure public facilities and infrastructure stay within affordability limits and unlock private value	Does this stay within the affordability cap while maximizing activation?
Governance and Delivery	District-wide operations and maintenance and public-private interfaces	Align public and private obligations through clear governance, agreements, and phased delivery	Are roles, obligations, and sequencing in governance and long-term reinvestment plans clearly aligned and enforceable?

TECHNICAL APPROACH

A District Vision Rooted in Civic Anchors

Manor Town Center (also referred to as the “Town Center” or “District”) is an 84-acre, civic-anchored, walkable mixed-use district that will serve as Manor’s economic and cultural heart for generations. Its essence is an economic development project based on the proven first two guiding principles (stated in Section 2) that a civic core, developed with best practice placemaking and planning sets the tone, creates superior economic and cultural outcomes for citizens. This technical approach section of the Strategic Roadmap is intended to clearly explain the rationale for what is being built, who is responsible for executing it, where it is located, and when it should be done from a technical perspective.

The technical task team described below will manage the technical workstream articulated in this section in concert with the financial, legal, and communications task teams and processes described in Sections 4 through 6. Hunt carefully manages the Civic Core design, financing, and construction process with precision, ensuring the public facility is delivered to meet the City’s goals, within its affordability limits and on the agreed schedule.

The District is organized around the civic core comprised of initially a combined City Hall and Library building, an adjacent “Gathering Lawn” public green space, and associated parking. These civic elements form the symbolic, functional, and spatial center of the Town Center. Most importantly, when integrated with the PUD design guidelines for the District, the Civic Core establishes the District’s identity, sets expectations for quality, and creates critical daily

activation to support and give life to surrounding private development as it matures.

Based on almost every other successful town center project, City investment in the initial infrastructure is intentionally frontloaded to enable the public spaces to work well while allowing the initial phase of private development to come online with the necessary flexibility to respond to market demand. If done well, additional phases of private investment will quickly follow as market conditions mature, and the perceived “pioneering” risk to commercial real estate capital is reduced. Each phase of the District described below is designed to stand on its own and be flexible to respond optimally to market demand while staying true to the long-term vision and economic vibrancy.

This Strategic Roadmap approach reflects a clear intent of City Council: to guide growth (rather than react to it) and to create a cohesive place that evokes the spirit of Manor and an emotional connection for residents and visitors as opposed to a collection of disconnected buildings and uses.

Even the best 20-year visionary town centers evolve significantly and almost never occur exactly as they were initially conceived. Apart from the overall density and scale and strict adherence to the guiding principles in Section 2, the technical approach described in this section for the overall District should not constrain future private development mix of uses. Instead, it establishes the strategic framework and logic that will ground future decisions and explains how strategic early public investment, infrastructure sequencing, and long-range planning will create a cohesive town center district that grows well with the Manor community over time.



Partnership Roles and Responsibilities (“WHO”)

Manor Town Center is structured as a public–private partnership with clearly defined responsibilities among the City of Manor, Shenandoah Development Group (SDG), and Hunt Real Estate & Infrastructure.

City of Manor will be the long-term steward and owner of the Civic Core at the center of the District. The City will purchase approximately ±8.4 acres from SDG to establish the Civic Core. This Civic Parcel (noted as P1 in the Figure below) will evolve over time as the City’s programmatic needs grow with population but always anchors the District physically and symbolically.

Through the design and delivery of the City Hall and Library (which eventually will be separated into two buildings as the City triples its current population) and the Gathering Lawn, the City sets the architectural character, landscape language, and public realm standards that define the “look and feel” of the entire Town Center. These standards extend beyond the Civic Parcel and inform the quality, scale, and materiality of private development throughout the District.

Shenandoah Development Group (SDG) is the master developer and landowner responsible for the long-term development, sequencing, and curation of the remaining ±76-acre mixed-use District. SDG’s role spans the full life of the project—from establishing the PUD

and design standards with the City, to executing phased land sales and leases, managing the infrastructure reimbursement obligations, and ensuring that private investment across all phases advances in a manner consistent with the District’s guiding principles and placemaking vision.

Hunt Real Estate & Infrastructure serves as the City’s infrastructure development partner for the Civic Core. Hunt is responsible for structuring, financing, designing, and constructing the civic facilities and enabling infrastructure in alignment with the City’s affordability constraints and long-term operational needs. Hunt brings a world-class team with deep expertise in civic and mixed-use development as described below.



★ 3. TECHNICAL APPROACH



Organization Chart



Hunt Real Estate
City's Infrastructure Developer



Shenandoah Development Group
Landowner/Master Developer



Hensel Phelps
Design-Builder for the City's Civic Facilities

- Provides Guaranteed Maximum Price (GMP), permitting, and construction delivery
- Oversees design and ensures affordability



PGAL

Design-Build Architect of Record
for City's Civic Facilities

- Completes detailed design and construction documents consistent with Lake Flato's concept design
- Ensures buildability, code compliance, and cost efficiency



LakeFlato

Master Planning & Placemaking
for Civic Core

- Design Architect for civic core architectural character
- Established design vision and land uses across entire district
- Defines street types and urban design standards

dwg.

dwg.

Landscape Architect

- Lead Designer Civic Gathering Lawn, greenways and trail network, water features, public realm "festival streets," and plazas and streetscapes
- Designs green stormwater infrastructure strategy (in coordination with Kimley-Horn)
- Establishes public realm placemaking and native landscape strategies

Kimley»Horn

Kimley-Horn

Civil Engineer of Record

- Designs roadways, utilities, stormwater management, and grading
- Permitting Lead



Parcel Plan





Land Control and District Framework ("WHERE")

As shown in the Parcel Plan, the City's planned acquisition of ±8.4 acres (Parcel P1) from SDG establishes the Civic Core. This area includes the City Hall (combined with the interim Library), space for a future permanent Library, Gathering Lawn, and associated parking and civic infrastructure. Its location and design anchor the District and define the spatial hierarchy of streets, open spaces, and development parcels. The remaining approximately +/- 76 acres are initially divided into 31 other parcels to be developed for mixed use, residential, entertainment, hospitality, and commercial uses. These 31 parcels will be phased and activated over time generally from north to south in response to infrastructure readiness and market demand.

The boundaries of the Civic Parcel P1 were carefully designed to create the prominence of the Civic Core and the gravity of activation. The parcel was further designed with sufficient scale to provide for the future expansion to a 100,000-population civic program and the functionality of having the Civic Core sit at the head of a traditional town square with prominent sight lines directly from US-290. Furthermore, the P1 parcel and streets were designed with the flexibility and functionality of festival streets that can be cordoned off from through traffic without significant mobility disruption. As discussed further in Section 4 (Financial Strategy), the City's land acquisition strategy reflects a disciplined economic development approach: appropriate land use control used to secure civic outcomes and design leadership, while preserving capital for infrastructure and public facilities.

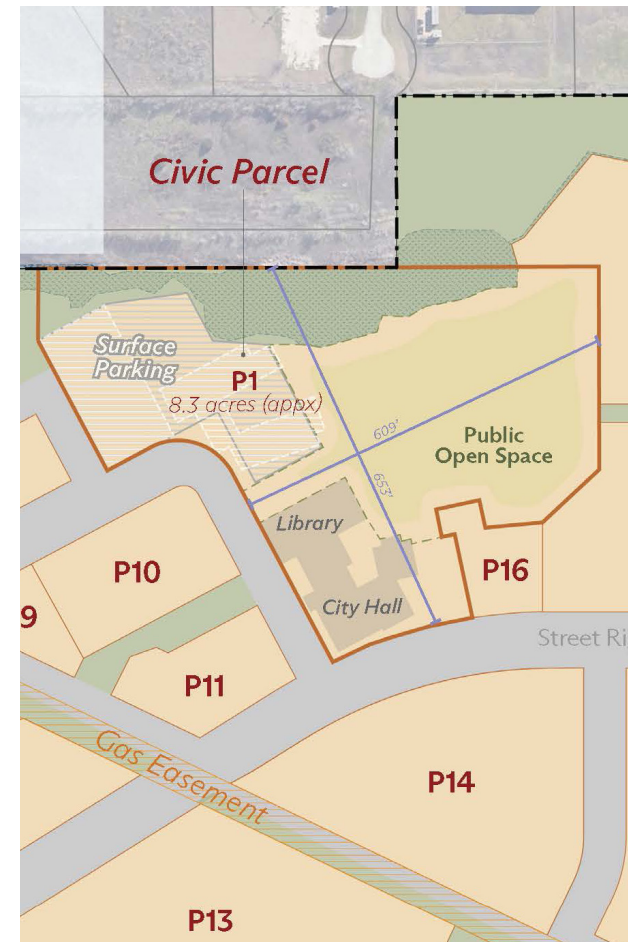
Submitted for City Council Adoption
May 6, 2026

Generally, the District is divided into three zones – the 2-3 story retail/civic zone adjacent to US-290, the denser residential/office zone in the middle, and the residential neighborhood zone closest to Carriage Hills separated by the east-west arterial. Land use compatibility with the Carriage Hills single family neighborhood will be important for those residents when establishing the PUD land use entitlements.

Phasing: Sequenced, Flexible, and Market Responsive ("WHEN")

The development timeline for the District is anticipated to be multiple phases spanning 10+ years and track the same development pattern of other successful town center projects that started with city hall and adjacent pods of surface parked mixed-use. Each phase is designed to function independently and respond cohesively to market demand while contributing to the overall vision.

Phase 1 establishes the Civic Core and initial phase of activated ground floor retail with all necessary enabling infrastructure and the beginning of a trail network and green space.





★ 3. TECHNICAL APPROACH

Importantly, Phase 1 is not the end goal. It is the catalyst. The conditions for disciplined, market-responsive private development are created jointly: by the City's civic investment setting the standard and seeding activity, and by SDG's long-term land strategy ensuring the surrounding ±76 acres are developed as a cohesive district rather than incrementally and without coordination. Phases 2 and 3 create the denser mixed-use residential and ground floor retail around the Gathering Lawn and extend the trail network. Phases 4 and 5 create the distinctive and important neighborhood placemaking and potentially a City recreation center to draw appropriate activation and gravity on the south and east of the District.

- **Phase 1 (2029)** Establishes the civic heart of the District, including the City Hall, Library, Gathering Lawn, and enabling infrastructure along with the initial retail and commercial development along the Highway 290 frontage parcels.
- **Phase 2 (2032)** Adds a hotel/conference center and dense high quality residential/office with additional ground floor retail that reinforces daytime activity and strengthens the Civic Core around the Gathering Lawn by expanding District's commercial and employment base. The east-west connector road would be installed during this phase.
- **Phase 3 (2035)** Expands dense mixed-use residential/office along with additional ground level food and beverage and retail in the middle zone.
- **Phase 4 (2036)** Potential location of the City's recreation center directly south of the hotel/conference center and dense residential in Phase

2 with green space buffers and connecting trails. The facility will have space for playgrounds, youth sports fields, and courts to further support a 7 day, 18-hour district and solidify the District's role as a regional destination.

- **Phase 5 (2036+)** As shown in the Figures below, commercial office infills Phase 1 surface parking areas into denser office/retail with perimeter structured parking. A new, stand-alone public library or other civic facility completes the Civic Core and varied housing types, including single-family walkups and neighborhood green spaces currently missing in Manor, complete the southern end of the District adjacent to Carriage Hills.





★ 3. TECHNICAL APPROACH

Initial Build Out Site Plan





★ 3. TECHNICAL APPROACH

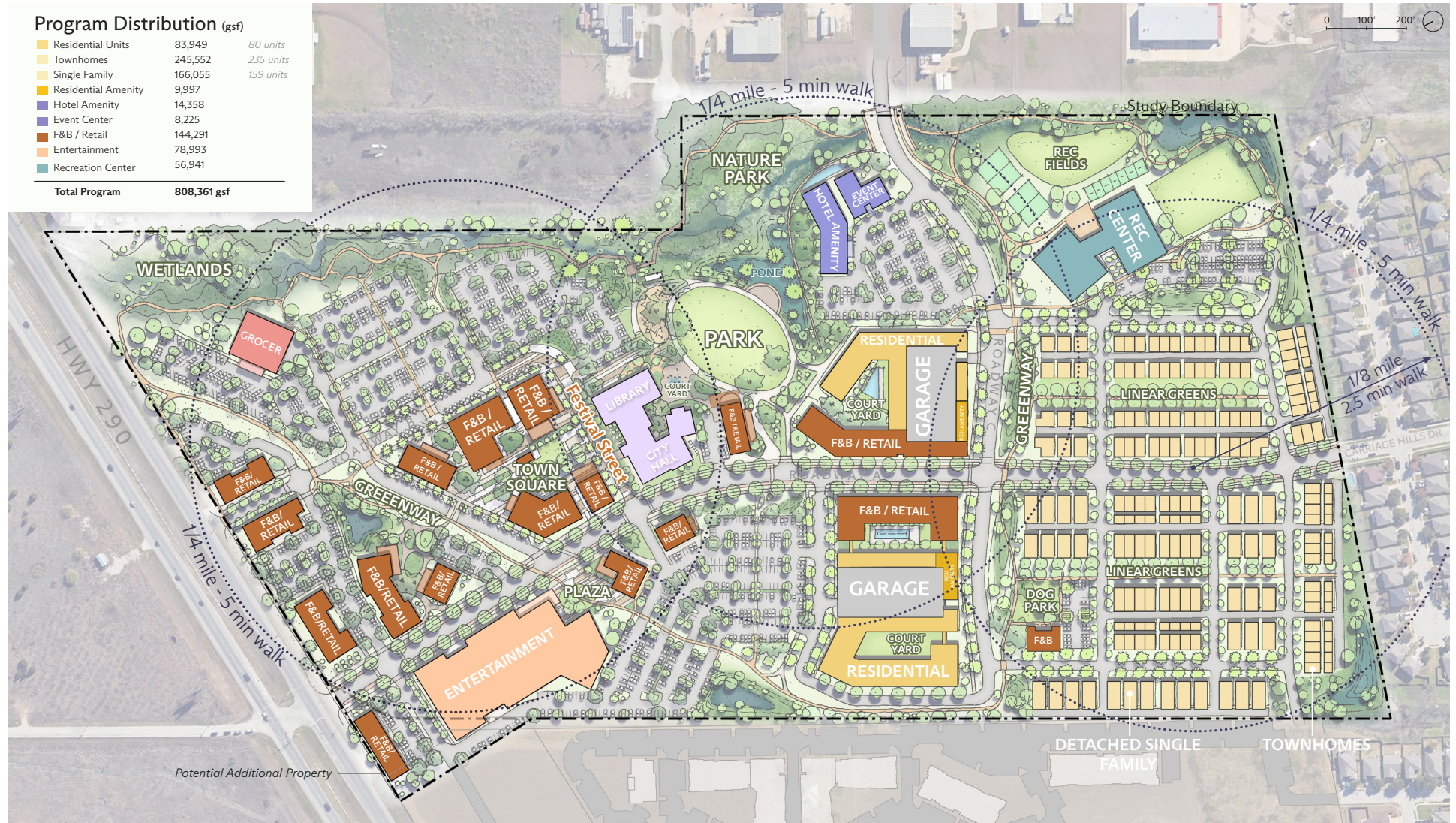
Future Build Out Site Plan





★ 3. TECHNICAL APPROACH

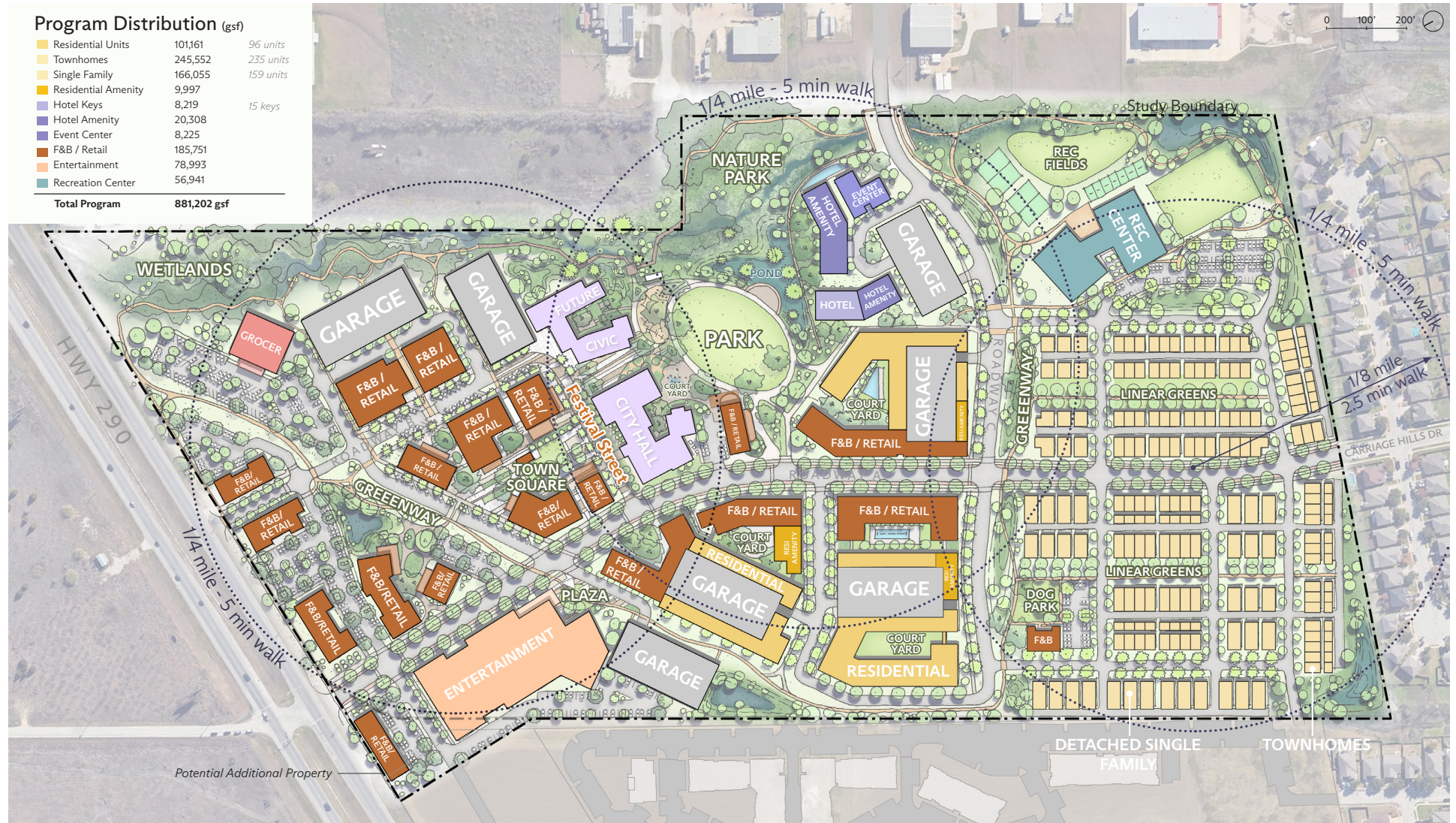
Initial Build Out Ground Floor Plan





★ 3. TECHNICAL APPROACH

Future Build Out Ground Floor Plan





★ 3. TECHNICAL APPROACH

Initial Build Out Massing View - Northwest





★ 3. TECHNICAL APPROACH

Future Build Out Massing View - Northwest





★ 3. TECHNICAL APPROACH

Initial Build Out Massing View - Northeast





★ 3. TECHNICAL APPROACH

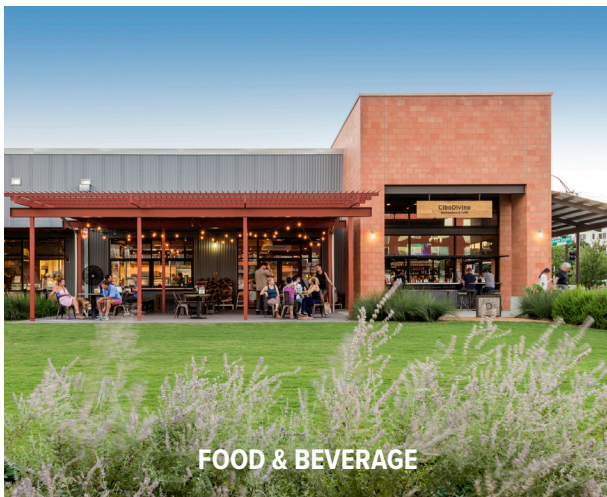
Future Build Out Massing View - Northeast





Placemaking as the Foundation of Manor Town Center (“WHAT”)

Placemaking is the central design principle guiding Manor Town Center, drawing inspiration from the proven approaches of successful Texas town centers developed in recent years. This philosophy ensures that the built environment is shaped primarily to enhance and support the public realm, rather than prioritizing buildings themselves. The buildings are intentionally positioned and oriented to foster accessibility, activity and interaction, ensuring that the public realm remains the focal point of the district’s identity and daily experience.





Public Spaces and Landscape Framework

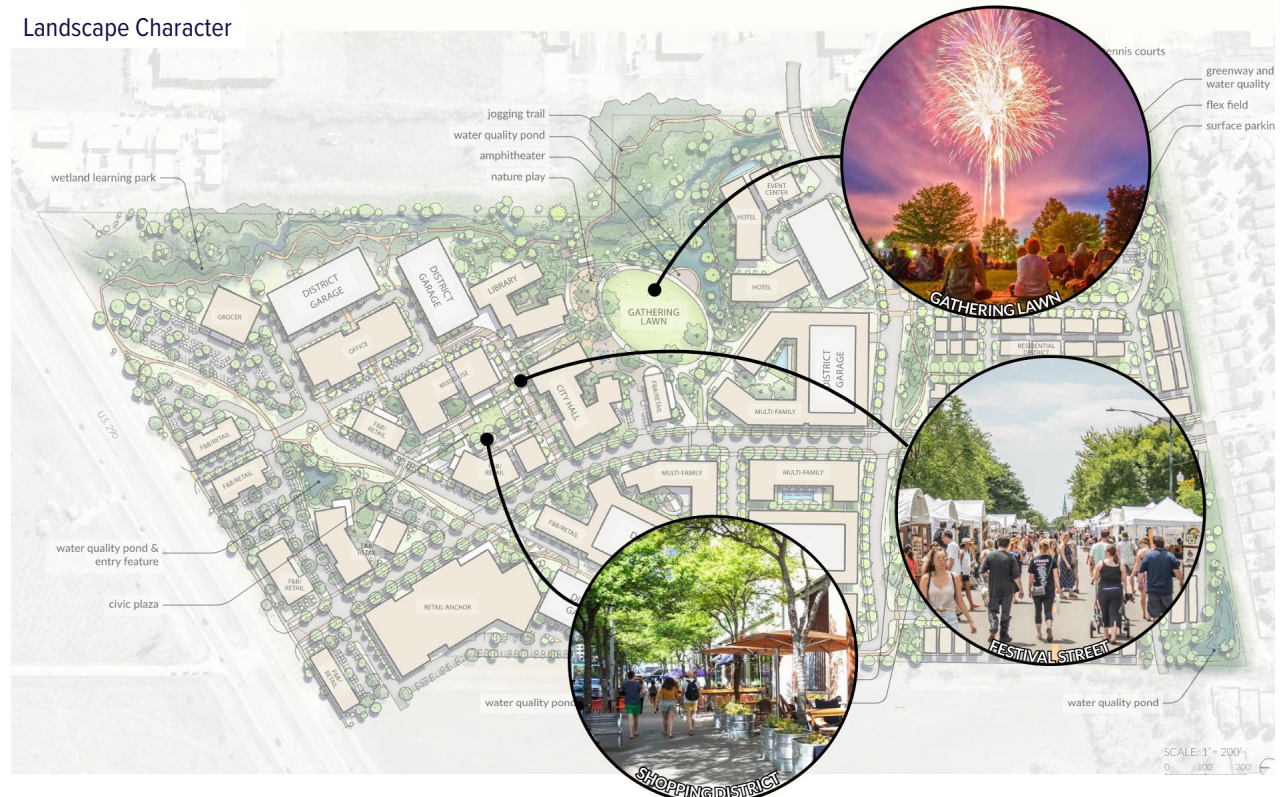
Public spaces serve as the essential connective tissue within Manor Town Center, weaving together the vibrant districts and fostering a sense of community. The landscape and open space framework is thoughtfully designed with trails and amenities that establish a sequence of civic and neighborhood spaces. These spaces support a wide range of activities, from daily use and informal gatherings to community events, all of which contribute to long-term civic pride and a strong sense of identity for Manor.

The overarching landscape vision for the development emphasizes cohesion, ensuring that all district components are seamlessly integrated. Civic destinations are created by uniting streetscapes, plazas, parks, trails, and green infrastructure into a connected, resilient, and welcoming environment. The project aspires to provide flexible outdoor spaces that not only support civic life but also enhance connectivity through multimodal pathways. Sustainable landscape infrastructure is incorporated throughout, aligning with the architectural vision for Manor's downtown core.

At the heart of MTC lies the civic Gathering Lawn, which functions as Manor's primary public "living room." This central space is designed to accommodate festivals, community events, celebrations, and informal uses throughout the week, making it a dynamic focal point for civic life. The community park and greenway system further extend this experience, connecting neighborhoods and a variety of uses across the remainder of the District and ensuring that these benefits are accessible to residents of all ages and abilities.

From a holistic perspective, the landscape emphasizes sustainability and resilience, focusing on providing shade, comfort, and long-term durability. The use of native plantings, rainwater collection systems, and integrated green-stormwater features ensures that public spaces are not only visually appealing but also highly functional and environmentally responsible. Together, these landscape elements create a district that feels civic in its character while remaining personal and meaningful in the everyday lives of Manor's residents.

Landscape Character





Landscape Character





Landscape Character





A Civic Core That Anchors the District

The Civic Core elements form the symbolic, functional, and spatial center of the District and set the public realm standards for the rest of the District's private, mixed-use development. Architectural language, material palettes, and landscape frameworks established by the Civic Core will be captured in a PUD overlay and ensure consistency and quality without uniformity.

The Civic Core intentionally is outward facing. Buildings and open spaces are oriented to streets and public areas to attract everyday use and informal gatherings. This design ensures that civic investment generates 18-hr per day foot traffic and visibility, which in turn supports adjacent retail, dining, and mixed-use development as the District grows.

From a public policy perspective, the Civic Core also serves as an economic development catalyst. A successful town center environment creates the economic engine for long-term property and sales tax generation, job creation, and meaningful opportunities for local businesses. The City's strategy is intended to facilitate observable activity and incremental value creation and reinvestment for decades, rather than speculative initial projections followed by decline as the buildings age.

CIVIC CORE: INITIAL CIVIC BUILDING PROGRAM & FUTUREPROOFED PLAN

The site plans and concept design renderings shown below illustrate the optimum space and program needed for City administration and a modern library to serve Manor's current population. These images are visual tools meant to help the public understand how

the Civic Core is organized today and how it is planned to evolve over time.

City Hall and the Public Library are initially conceived as a single, combined civic facility. This unified approach eliminates unnecessary capital and operating costs that would arise from constructing separate buildings with large, unused shell spaces that may not be needed for years to come. By consolidating these essential services, the City ensures that resources are allocated efficiently and public investment is maximized.

This practical strategy enables the City to deliver both City Hall and Library functions within one prominent, highly active civic destination. By sharing lobbies, meeting rooms, and community gathering areas, the facility encourages interaction and community engagement, while also providing room for future expansion as Manor's population grows.

The integrated City Hall and Public Library foster activity throughout the day and into the evening, establishing the Civic Core as a vibrant and consistently active hub. This design not only supports administrative and community needs but also ensures operational efficiency, positioning the Civic Core as the focal point of civic life in Manor.

Architecturally and spatially, the design emphasizes transparency, accessibility, and connection to the surrounding public realm. Ground floor transparency, civic facing entries, shaded outdoor spaces, and strong visual relationships to the Gathering Lawn and adjacent streets reinforce the idea that these are public buildings meant to be experienced as part of everyday life in Manor.











★ 3. TECHNICAL APPROACH



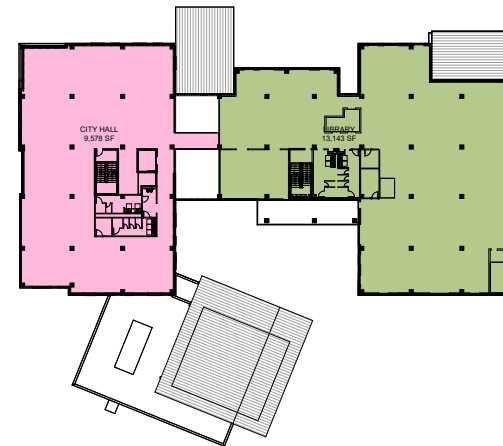


★ 3. TECHNICAL APPROACH

The preliminary floor plan layouts and massing for the combined City Hall and Library are shown below. They demonstrate how the current and mid-term space needs can be satisfied and also provide ample community space that is flexible, adaptable, and purposefully planned for growth.



GROUND LEVEL FLOOR PLAN GSF ALLOCATION | SCALE: 3/8" = 1'-0" ①



SECOND LEVEL FLOOR PLAN GSF ALLOCATION | SCALE: 3/8" = 1'-0" ②

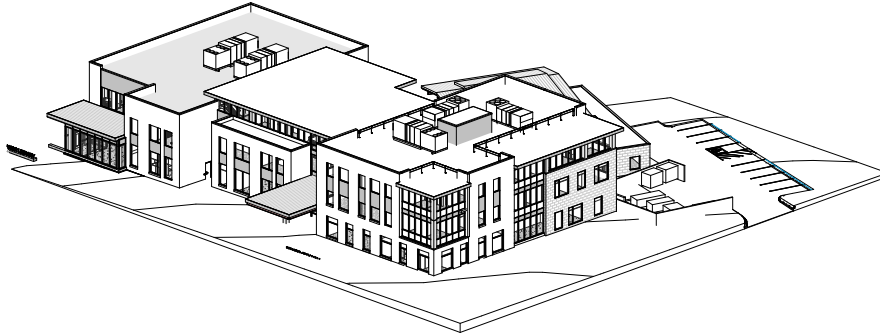


THIRD LEVEL FLOOR PLAN GSF ALLOCATION | SCALE: 3/8" = 1'-0" ③

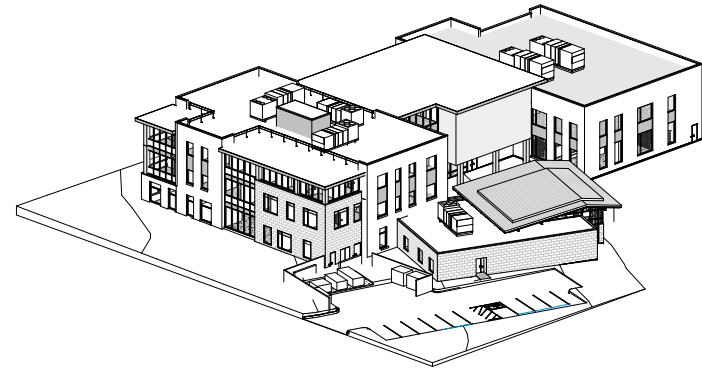
	CITY HALL	LIBRARY	COMMUNITY/ COUNCIL
1ST	10,617 GSF	13,960 GSF	5,461 GSF
2ND	9,578 SSF	13,143 GSF	
3RD	9,309 GSF	4,772 GSF	
TOTAL	29,504 GSF	37,336 GSF (31,875 + 5,461)	66,840 GSF



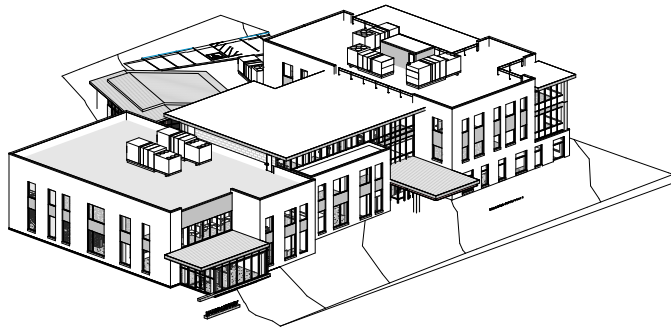
★ 3. TECHNICAL APPROACH



AXO - NORTHWEST | SCALE: NTS (18)



AXO - SOUTHWEST | SCALE: NTS (3)



AXO - NORTHEAST | SCALE: NTS (16)



AXO - SOUTHEAST | SCALE: NTS (1)

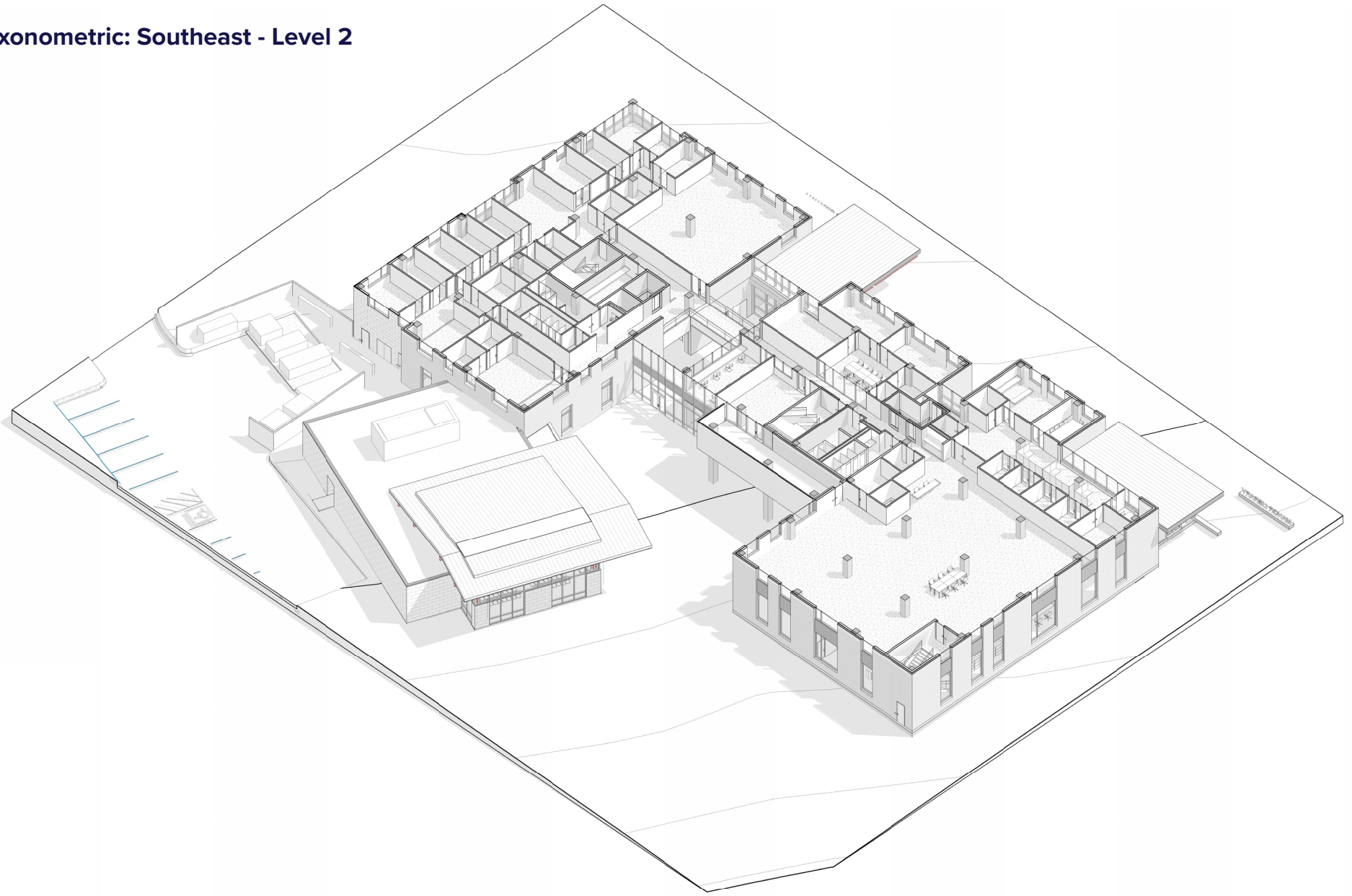


Axonometric: Southeast - Ground Level



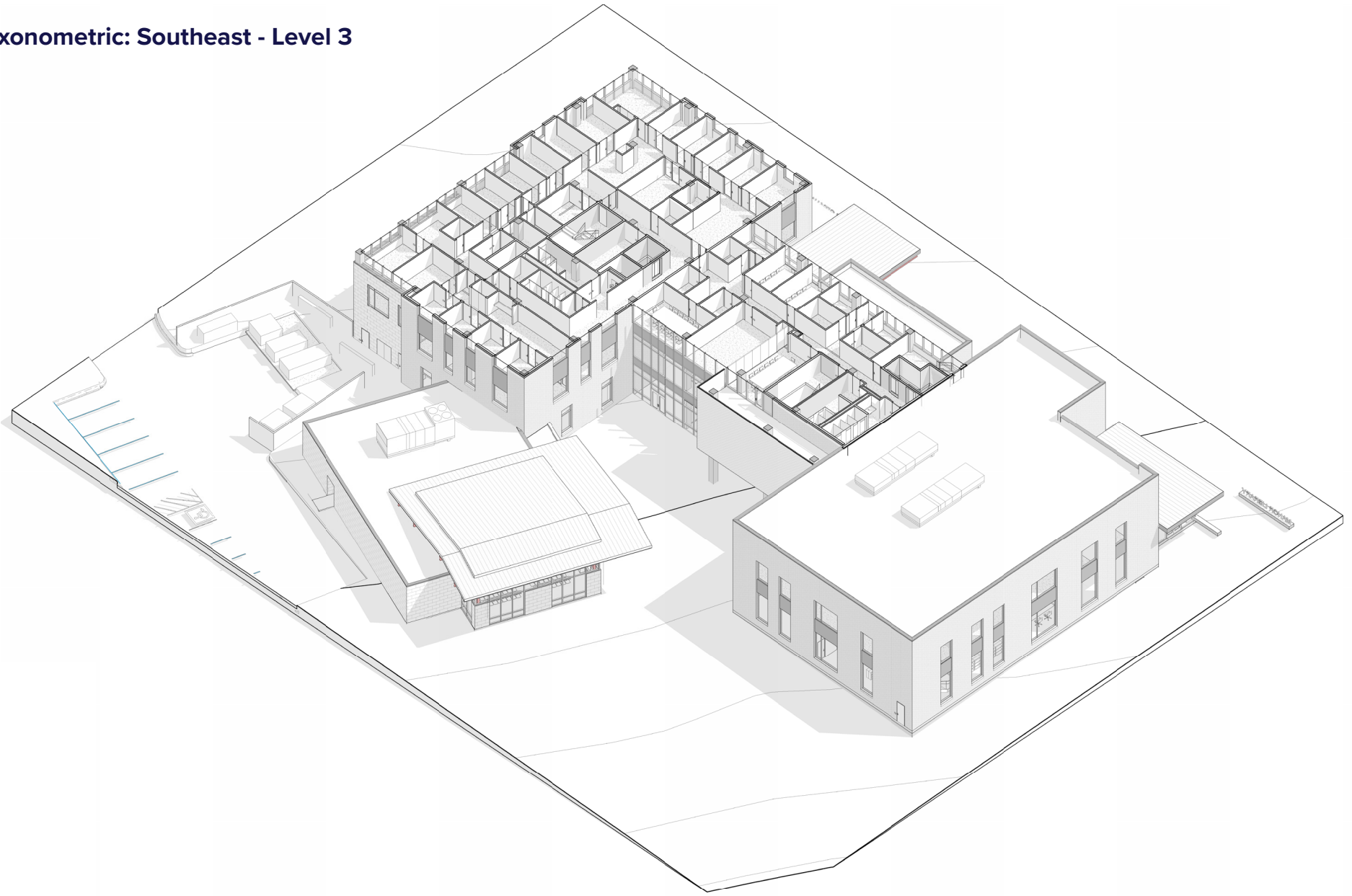


Axonometric: Southeast - Level 2





Axonometric: Southeast - Level 3



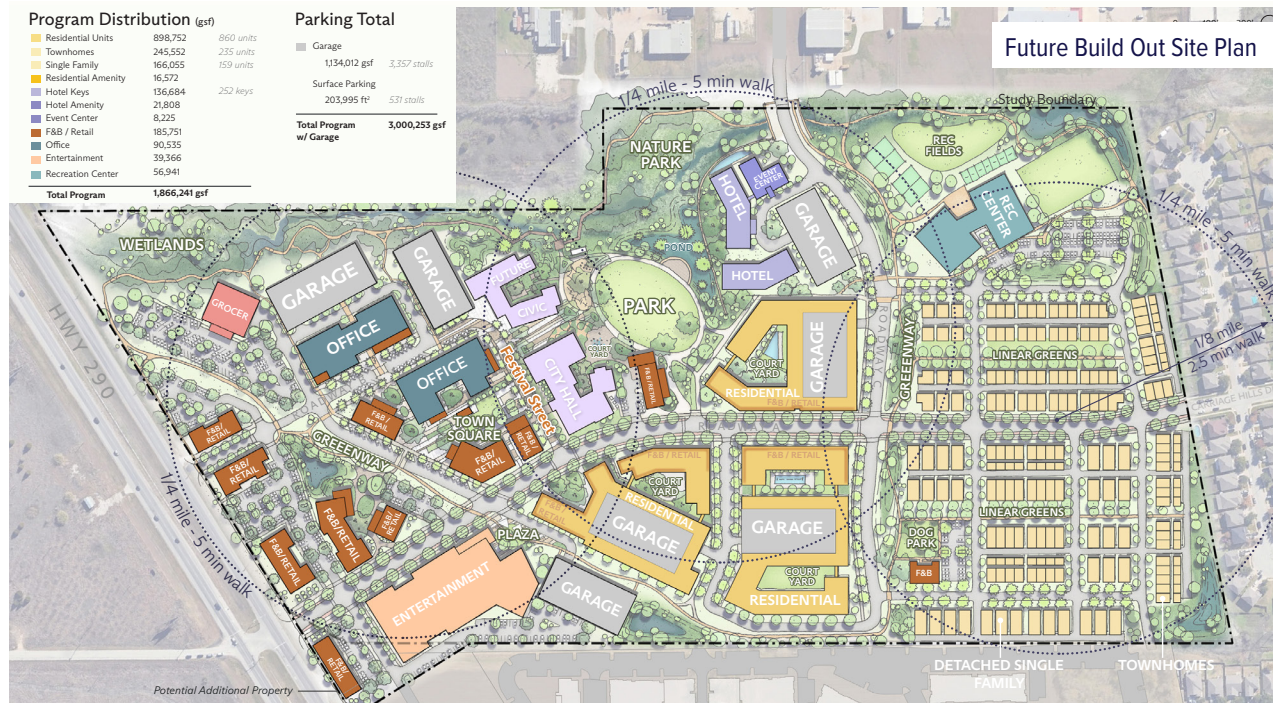


★ 3. TECHNICAL APPROACH

As Manor's population grows over the next 8–10 years and additional City staff is needed, City Hall will expand into the space initially occupied by the Library. As shown in the Future Build Out Site Plan below, the City will first construct a 300–400 car garage, followed by a new stand-alone Library building located on the area initially used for surface parking.

The new Library and garage will be seamlessly incorporated into a unified civic complex, with a plaza connecting City Hall and the Library flowing directly into the Gathering Lawn and courtyard as shown below. This future-proofed plan ensures a right-sized City complex, thoughtfully situated between the street and Gathering Lawn, that will serve the community effectively for decades to come.

The Council Chambers were intentionally located outside the main City Hall administration building, overlooking a beautiful courtyard, for several important reasons. First, the preferred height and wider column spacing for this space were not compatible with an efficient footprint for the administrative areas. Second, separating the Chambers allows for secure access without disrupting other City Hall functions. Third, the design ensures the Chamber is open, welcoming, and filled with natural light from three sides, something not possible if it is embedded within the larger structure. Finally, and perhaps most importantly, this layout enables the Chamber to serve as a versatile space for various community and civic activities when Council is not in session, including evenings and weekends when City Hall is closed.





★ 3. TECHNICAL APPROACH



CIVIC OUTDOOR SPACE: LANDSCAPE PROGRAM, PLAN, & PHASED APPROACH

The envisioned outdoor program for the District creates a seamless connection to the entire development through abundant pedestrian walkways and trails as well as everyday outdoor civic space and the opportunities for larger event space. Initial program validation efforts were performed with the Manor City Council to identify pillars of a great community space. A “Frontyard” plaza space, a “Backyard” green space, designated play area, scenic and interactive water opportunities, adjacent terrace space for City Hall/ Library functions, and festival street event space were all programmatic goals identified with the City of Manor during these program validation discussions.



FRONTYARD PLAZA

allow for a wide range of events, from festivals to concerts to community gatherings



BACKYARD GREEN

provide flexible open green space for a variety of uses and activities



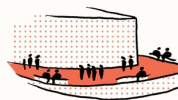
PLAY

introduce play for all ages and explore the potential for combining art + play



WATER

provide opportunity for aquatic interaction in the form of play features or functional, nature-based infrastructure



TERRACE

building integrated outdoor space serving as interior/exterior program extensions



FESTIVAL STREET

flexible streetscape designed for festival and market-type closures



ACCESSIBILITY

create a site that is universally accessible and welcoming to all



★ 3. TECHNICAL APPROACH

These programmatic pieces yield allowances for a wide range of larger seasonal events (festivals and concerts) to small-scale daily interactions (children's play and leisure activities) that are integrated into a highly accessible pedestrian-friendly outdoor landscape for the Manor community. As a backdrop to the active civic spaces, scenic wetland and naturalized fringes utilize the terrain and the protected drainage areas to provide vistas that frame a forward-thinking sustainable community space.





★ 3. TECHNICAL APPROACH



Landscape Schematic Plan



The resulting landscape schematic plan as depicted in the Figure on the previous page is envisioned as outdoor community space primed for concert series, year-round gathering events, and recreational play for all ages and abilities. Each building-adjacent landscape area is purposely designed to function as a flexible outdoor room to respective interior spaces.

The public restrooms are carefully placed to allow the outdoor space to function well independent of City Hall. Similarly, the splash pad and play areas are situated adjacent to enhance visibility and child supervision without disruption to planned events on the Gathering Lawn. The performance pavilion situated opposite the courtyard with the detention basin and lit fountain as the backdrop also enhances the capacity and functionality of the civic outdoor space.

The extent to which the envisioned Gathering Lawn and surrounding landscaping can be realized within the City's affordability limit, as outlined in the Financial Strategy in Section 4, will depend on the cost for the final design of the building, its furnishings and equipment, and the necessary infrastructure. Decisions about tradeoffs for non-essential features and amenities, both within the building and in the landscape, will be addressed through public meetings and focused stakeholder discussions prior to finalizing the design and proceeding with the project. While adjustments may be needed to meet budget constraints, the long-term vision reflected in this document will remain unchanged and will be completed over time as the District matures and funds become available.

City-Led Infrastructure Provides the Best Value to the City

At the core of the technical approach is a simple principle: **infrastructure must lead and unlock the demand for development.**

For retail and restaurant activity to take hold in a new development, pad sites must be fully developable, entitled, and ready for permitting. As such, to realize the Phase 1 mixed-use potential, the enabling infrastructure must be installed concurrently with the infrastructure required to secure a building permit for the City Hall and Library. This coordinated timeline aligns the development of civic spaces with private development activation and helps ensure the Civic Core will not be located in an isolated area, and surrounded by an empty field.

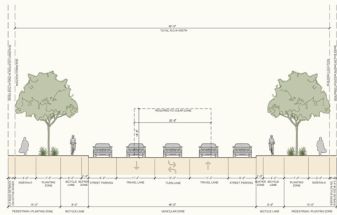
SHARED INFRASTRUCTURE INVESTMENT

The Civic Core and Phase 1 mixed-use components are inherently interconnected. There are two possible approaches for installing the necessary infrastructure: either the City undertakes the installation and receives reimbursement from SDG for its proportional share of the benefits to the remainder of the land, or SDG completes the installation at a higher cost of capital and the City pays its proportionate share via the land purchase value. If the latter approach were chosen, the Civic Core project would face permitting challenges and increased schedule risk outside the City's control, delaying the project day for day. From a business case and fiscal stewardship standpoint, Option 1 is clearly preferable, provided the City has robust protections regarding SDG's reimbursement obligation, as discussed in the Legal Strategy described in Section 5.

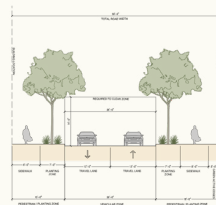




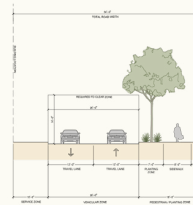
Street Type Key Plan



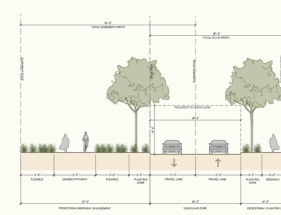
Street Type 1 



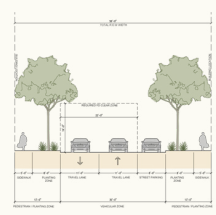
Street Type 5 



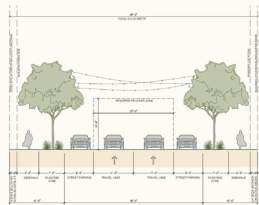
Street Type 6 



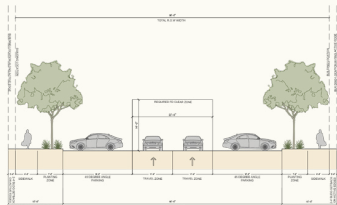
Street Type 7 



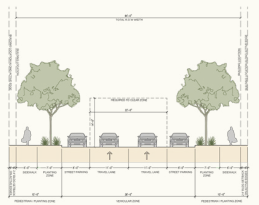
Street Type 8 



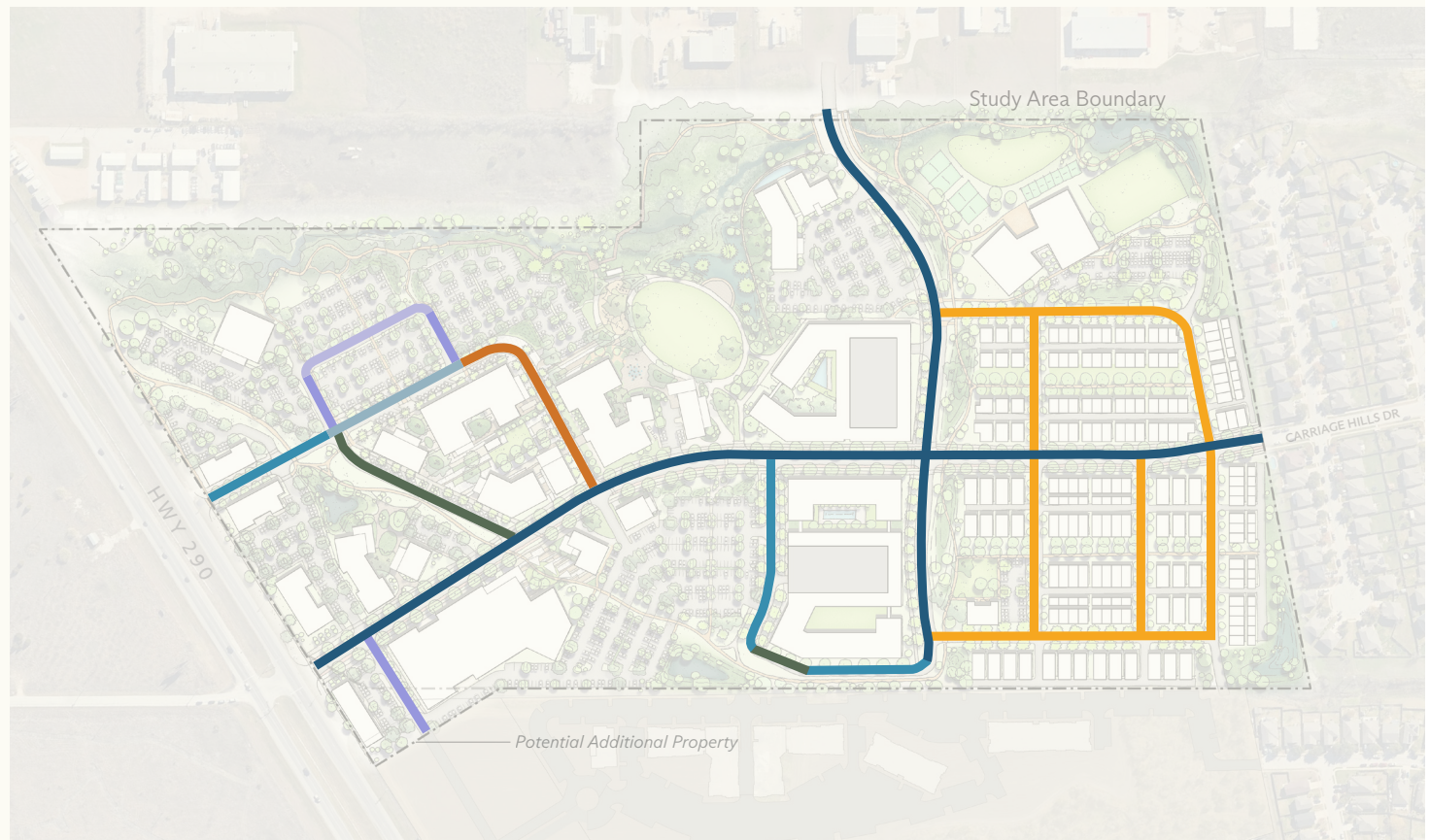
Street Type 2 



Street Type 3 



Street Type 4 





★ 3. TECHNICAL APPROACH

LAND PURCHASE STRUCTURE AND MUTUAL BENEFITS

As outlined in the Financial Strategy in Section 4, the City is acquiring the Civic Core parcel from SDG at a price that reflects its current raw, undevelopable state. This pricing structure is deliberate: SDG accepts a lower per-acre price for the Civic Core in exchange for the City's investment in enabling infrastructure, which will unlock development potential across SDG's surrounding approximately 76 acres. This arrangement offers mutual benefits: the City gains land at a cost-effective rate, while SDG receives the infrastructure catalyst necessary for viable long-term private development.

The enabling infrastructure that will be included in the Civic Core financing generally encompasses the primary streets needed for access and utility mains between the Civic Core and U.S. Highway 290, and the permanent wastewater connection to the southwest corner of the District, which is the only option that provides capacity for the Phase 1 mixed-use product without redundant expense for an interim solution.

A focused approach to derisk and mitigate both financial and scheduling risks associated with the Civic Core centers on the timely installation of essential infrastructure, which is required not only to allow the Civic Core but also to enable mixed-use development along SH 290. By targeting these dual objectives, the City is able to secure a foundation for growth that benefits the entire district.

SH 290 serves as the district's most prominent frontage, providing exceptional visibility and direct access that make it an ideal location to introduce retail, dining, and a variety of activities that enhance and complement the civic spaces. By strategically aligning infrastructure

delivery in this area, the City maximizes the impact of its initial public investments, ensuring that community amenities and district activation occur in tandem. This approach creates a vibrant environment where civic features, retail, and dining are established together, leveraging the high-traffic and accessible nature of SH 290. Early infrastructure investment not only meets the immediate needs of the Civic Core but also lays a strong foundation for future mixed-use development, demonstrating the City's commitment to sustainable, phased growth and long-term community vitality.

ROADWAYS, ACCESS, AND CONNECTIVITY

The District roadway network is critical to phased growth framework that enables access to development when the demand occurs and always emphasizes walkability, bicycle and trails infrastructure essential for placemaking.

Streets determine how people arrive, how they circulate, how civic and commercial spaces relate to one another, and whether the District feels connected, walkable, and safe. The District is planned around a proven coherent hierarchy of street types necessary for town centers, including a looped primary ingress/egress corridor from US-290, multi-use "festival streets" that support events and pedestrian activity, and internal streets that create a fine-grained block pattern for a walkable and connected phased mixed-use evolution.





★ 3. TECHNICAL APPROACH

Primary access via SH 290 is prioritized because it provides the clearest arrival sequence for residents and visitors and supports early activation along the District's most visible frontage as shown in the figure below.

Highway 290 Access and Phase 1 Primary Roadways





★ 3. TECHNICAL APPROACH

Adjacent Property Connections



Secondary access, shown in the figure above, and future connections to the surrounding network, including Beltex Drive to the east and Old Highway 20 to the south, are planned so the District functions as part of Manor's broader fabric, rather than as a standalone dead end.

The connected loop makes the Civic Core the visible prominent feature evoking civic pride, rather than isolating it, while simultaneously ensuring that the City's early infrastructure investment unlocks adjacent

parcels. As development extends south, east, and west in future phases, this framework allows streets, sidewalks, and utilities to be extended incrementally while maintaining continuity and placemaking of the civic realm. The design of the loop with the parking on the perimeter also allows the vehicular traffic to enter and park, while also allowing for street closures in front of City Hall for festivals and exhibitors. The primary street types and access points planned for the district are shown in the following figure.

The precedent images that follow are provided to illustrate the design intent for the primary street types and the streetscapes that provide the placemaking and multi-function vision for the District.



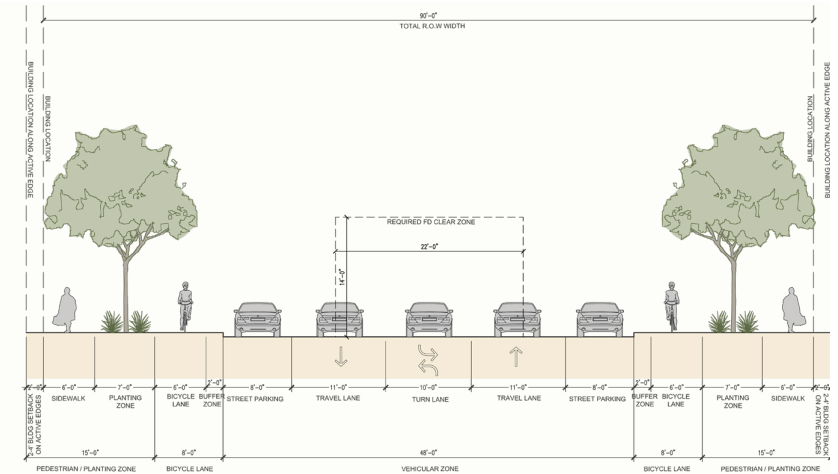
★ 3. TECHNICAL APPROACH

Main Boulevard

Primary entry from US-290 with medians, street trees, bike lanes, on-street parking, and traffic calming for 35 MPH.



Sample Street. Note - Reference street section and edge condition image for correct bike lane location



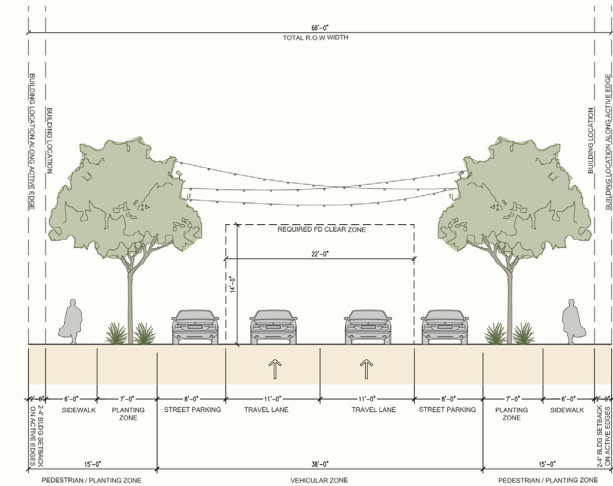
Street Edge Condition = Raised Bike Lane, planting zone, & sidewalk



★ 3. TECHNICAL APPROACH

Festival Streets

Pedestrian-priority corridors with wide sidewalks, flexible closures for markets and events, and extensive tree canopy.

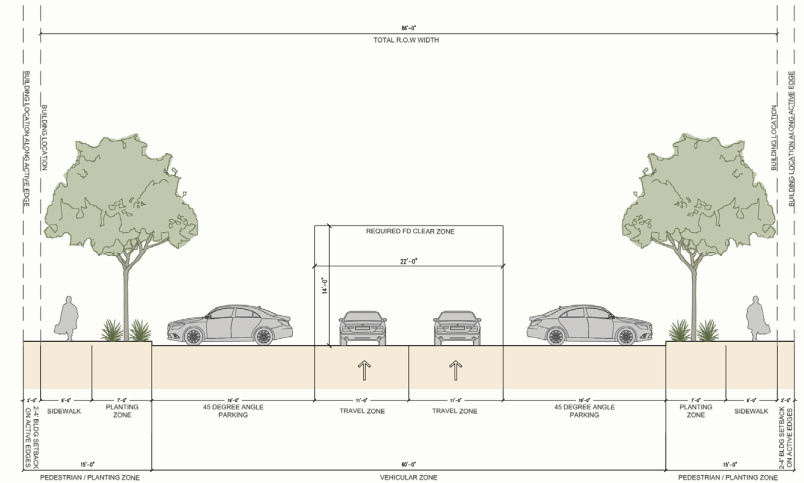




★ 3. TECHNICAL APPROACH

Urban Main Street

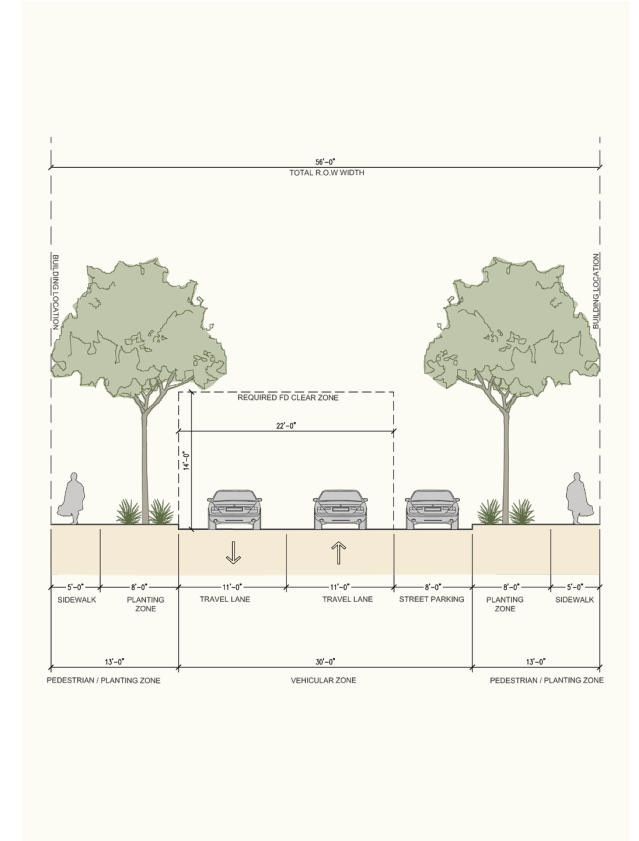
Shopping and dining corridor with wide sidewalks, street trees, amenity space, angled head in parking similar to old Texas Squares and Main Streets





Internal Streets

Varied widths supporting walkability, parking, and service access.





★ 3. TECHNICAL APPROACH

As shown in the figure below, multimodal connectivity also is integral to the District placemaking framework. Sidewalks, bike lanes, trails, and crossings are planned as a continuous network linking civic destinations, retail frontages, parking areas, and adjacent neighborhoods.

This approach supports short trips on foot and helps establish an environment that can grow into an 18-hour district over time.





★ 3. TECHNICAL APPROACH

SAFETY AND OPERATIONS: LIGHTING, SIGHT LINES, AND MOVEMENT

A walkable district succeeds only if it feels safe, intuitive, and comfortable during the day, in the evening, and during events. The technical approach therefore prioritizes safety as a delivery standard across the district, integrating lighting, clear sight lines, legible routes, and predictable movement into the design of streets, open spaces, and building edges.

Lighting is planned as a continuous, pedestrian scaled system that emphasizes sidewalks, crossings, plazas, parking to storefront paths, and building entries. Consistent lighting supports evening activity and reinforces the viability of civic programming and retail activation. Street and landscape design protect sight lines by avoiding blind corners and hidden recesses and by orienting public spaces so they are visible from multiple streets and active uses, supporting natural surveillance.

Street design also prioritizes predictable, low conflict movement. Crossings are made legible, curb zones are managed so drop off, rideshare, and deliveries do not compromise pedestrian comfort, and speed management is integrated through geometry and streetscape character so safety is built into the district framework rather than added later.

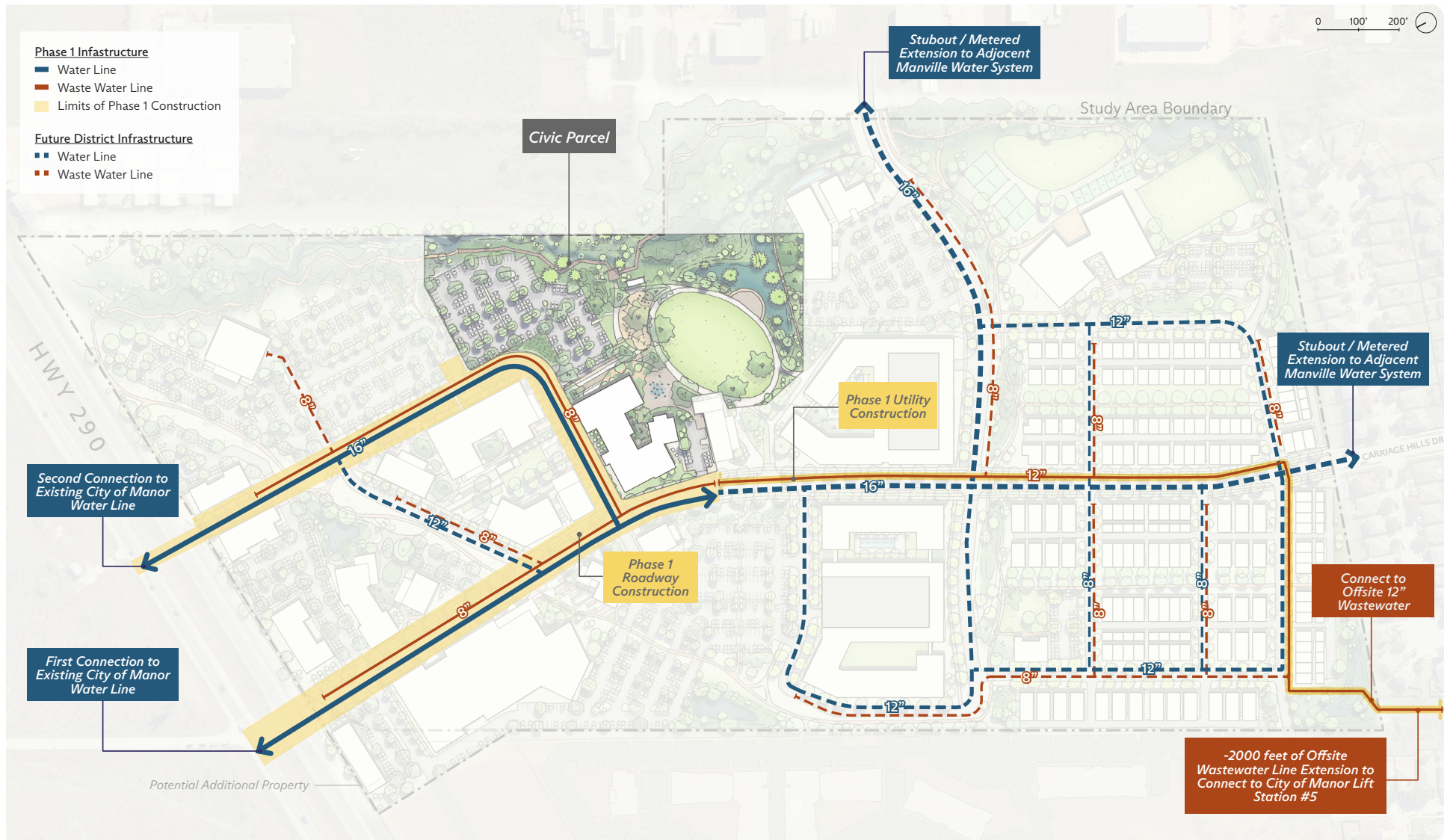
The District vision is that state-of-the-art security and public safety technology will be incorporated into each phase of the District in a public information node (PINN) housing the wi-fi and sensor technology so that AI and other automated systems can identify threats before or as they are occurring and alert public safety officials and patrons immediately.





★ 3. TECHNICAL APPROACH

Wet Utility Plan





★ 3. TECHNICAL APPROACH

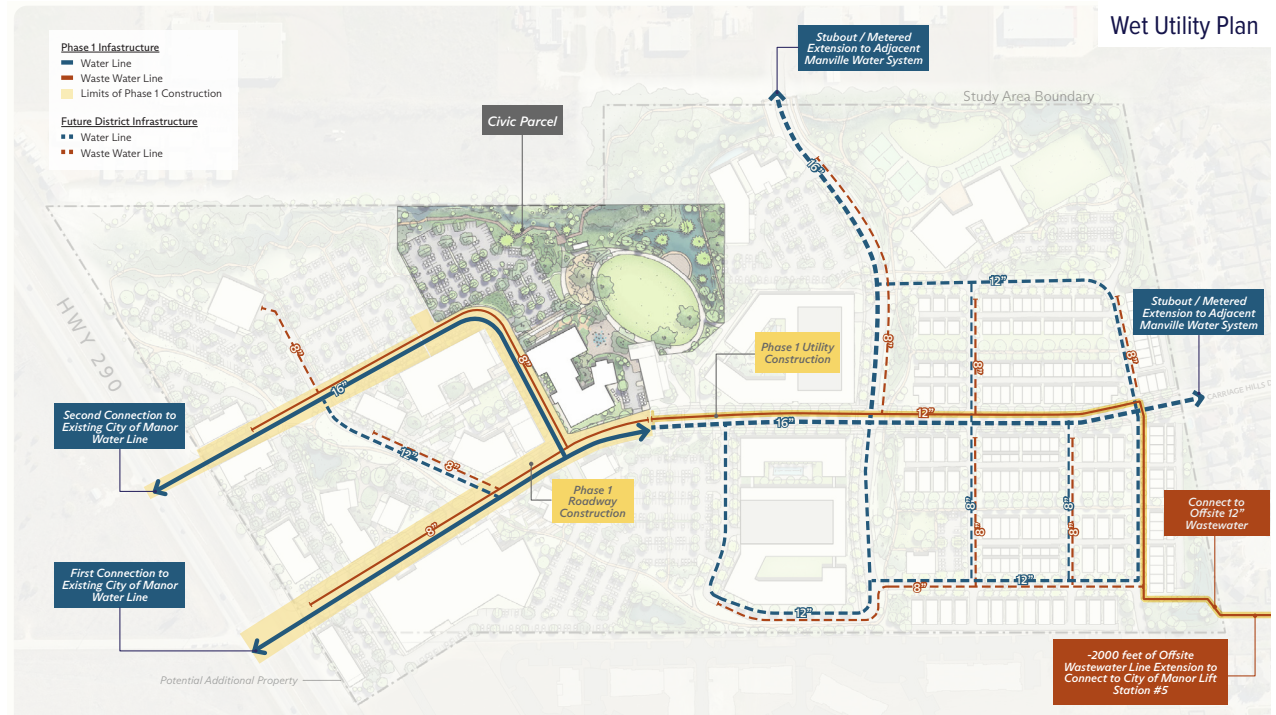
SCALABLE UTILITY INFRASTRUCTURE TO UNLOCK THE ENTIRE DISTRICT

Utility mains serve as the foundational infrastructure for the district, directly influencing what can be constructed and the timeline for development. Their placement and capacity are integral to unlocking the potential of both public and private projects across the area. By considering utility mains as district-enabling infrastructure, the City ensures that development is not constrained by inadequate or improperly routed systems.

The strategy emphasizes scalable and permanent solutions, especially for water and wastewater infrastructure. These systems are identified as the most critical constraints on development readiness, making it essential to invest in robust, long-term designs rather than temporary fixes. By prioritizing durable infrastructure, the City positions the district for sustained growth and reliable service as the community expands.

The major strategic features of the utility plan are shown in the Utility Plan below and include:

- Water infrastructure is planned as a looped system created by two borings under US290, providing reliable fire flow and redundancy while supporting full build-out conditions. All interim options were evaluated, but limited capacity and fire flow constraints were identified as risks to both the Civic Core and private development. The looped approach removes these constraints and provides long-term certainty for both.
- Wastewater infrastructure is planned around the permanent southwest trunk line strategy that



extends capacity to the District's southwest corner and coordinates with improvements to Lift Station 5. Interim options to route wastewater to the east were rejected because of limited capacity to a fraction of the LUEs needed, eventual redundancy (and thus wasted funds), and the risk of near-term disruption. The permanent trunk strategy supports full District build-out and strengthens the credibility of near-term private activation along the US290 frontage.

- Stormwater infrastructure is thoughtfully integrated into the design of the public realm through detention areas, greenways, bioswales, permeable surfaces, and rainwater harvesting as shown in the

Water Strategy Plan on the following page. This approach manages runoff on site while enhancing streets and open spaces and emphasizes visible, distributed green infrastructure rather than buried systems. Design standards also incorporate water quality treatment and major storm considerations to support long-term resilience.

- Other utilities, including electric, gas, telecommunications, and street lighting, are planned in coordinated corridors within roadway rights-of-way. This approach allows systems to be extended in later phases without repeated disruption to completed portions of the district.



★ 3. TECHNICAL APPROACH



Water Strategy Plan

Development and Construction Schedule

The summary schedule for the Civic Core and enabling infrastructure for Phase 1 is provided below. The predevelopment period currently is scheduled to complete (with a near final design incorporating city and public feedback) and proceed to financial close and NTP with construction in September 2026. The construction duration for the Civic Core and enabling infrastructure is approximately 22 months from financial close or end in mid-2028.

ID	Task Name	Type	Start	Finish	Days	2025												2026												2027												2028					
						A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J			
1	Procurement & Developer Selection	Summary	5/1/2025	9/27/2025	149																																										
2	Statement of Qualifications (SOQ) Submitted	Milestone	8/15/2025	8/15/2025	0																																										
3	Notification of Award	Milestone	8/15/2025	8/15/2025	0																																										
4	ENA Negotiation & Execution	Summary	8/20/2025	9/27/2025	38																																										
5	Negotiate ENA	Task	8/20/2025	9/27/2025	38																																										
6	Execute ENA	Milestone	9/27/2025	9/27/2025	0																																										
7	ENA Period	Summary	9/9/2025	9/23/2026	379																																										
8	Pre-Development & Design	Summary	9/9/2025	8/21/2026	346																																										
9	Technical Team Kickoff	Milestone	9/26/2025	9/26/2025	0																																										
10	Visioning and Concept Development	Task	9/26/2025	12/12/2025	77																																										
11	Strategic Retreat - Establish Project Goals/Objectives, Affordability, & Phasing	Milestone	12/22/2025	12/22/2025	0																																										
12	Prepare Strategic Roadmap	Task	12/17/2025	5/4/2026	138																																										
13	City Council Adoption of Strategic Roadmap	Milestone	5/10/2026	5/10/2026	0																																										
14	Create Project Website	Task	5/4/2026	6/2/2026	29																																										
15	Conduct Town Halls / Stakeholder Meetings	Task	5/9/2026	8/21/2026	104																																										
16	Civic District Design & Permitting	Summary	12/16/2025	9/23/2026	281																																										
17	Schematic Design & Due Diligence	Task	12/16/2025	3/22/2026	96																																										
18	Schematic Design Cost Estimate	Task	3/22/2026	5/3/2026	42																																										
19	Detail Design and Permitting	Task	3/22/2026	8/31/2026	162																																										
20	Draft Project Agreements	Task	4/11/2026	8/14/2026	125																																										
21	Develop Guaranteed Maximum Price	Task	7/4/2026	8/28/2026	55																																										
22	Approve Final GMP	Milestone	8/28/2026	8/28/2026	0																																										
23	Approve Project Agreements	Milestone	9/8/2026	9/8/2026	0																																										
24	Financial Close	Task	9/2/2026	9/23/2026	21																																										
25	Construction	Summary	9/28/2026	6/13/2028	624																																										
26	Phase 1 - Civic District and Enabling Infrastructure	Summary	9/28/2026	6/13/2028	624																																										
27	Notice To Proceed (NTP)	Milestone	10/3/2026	10/3/2026	0																																										
28	Finalize Interior & FFE Design	Task	9/28/2026	12/21/2026	84																																										
29	Enabling Infrastructure	Task	9/28/2026	10/16/2027	383																																										
30	City Parcel Site Work	Task	9/28/2026	2/20/2027	145																																										
31	City Hall / Library Construction	Task	1/4/2027	4/28/2028	480																																										
32	Landscaping - City Hall / Gathering Lawn	Task	1/1/2028	5/20/2028	140																																										
33	FF&E Installation	Task	4/28/2028	6/10/2028	43																																										
34	New City Hall & Library Open	Milestone	6/10/2028	6/10/2028	0																																										

LEGEND: SUMMARY TASK MILESTONE



Technical Approach Conclusion

The technical approach for the Civic Core described in this section is intended to explain why this town center project is an important investment for the City in this moment of its history that will yield return on its investment for generations. It poises the City to think slow so it can act fast and understand why this project is important for responsible and sustainable economic development for the community.

The Civic Core project in the first phase is not a single project that will fit every City need today, nor is it a promise of an immediate economic engine. Rather, it is a thoughtful and foundational framework for creating a true town center that delivers significant civic value today, unlocks robust economic development over time, and is flexible to respond to future market and City demands. The success of this foundational investment also depends on SDG's long-term commitment as master developer, holding and curating ±76 acres of private land, fulfilling the infrastructure reimbursement obligations structured in the Development Agreement, and delivering phased private investment that builds on the civic foundation the City is establishing.



FINANCIAL STRATEGY

Economic Development Context

Manor Town Center (also referred to as the “Town Center” or “District”) is a long-term civic-anchored district investment that initiates a sustainable economic engine for the City that eventually should pay for itself. This section analyzes the City’s finance options and the rationale for the option the City has chosen in consultation with the City’s legal team and bond counsel. The City’s financial approach is tailored to deliver the Civic Core and the enabling infrastructure needed to make the District functional, while protecting taxpayers through clear affordability limits, disciplined phasing, and risk management through a developer-led delivery method.

While the immediate purpose of the investment is to deliver essential civic facilities (i.e., the City Hall / Library), the broader objective is to unlock private development activity that will generate long-term property tax growth, sales tax revenues, and broader economic vitality for Manor. The City’s financial strategy therefore must balance the need to deliver critical public infrastructure today with the goal of aligning long-term repayment with realized growth in taxable value and economic activity within the District.

The simplified graphic below illustrates how the initial civic and infrastructure investment is expected to create the pathway for private development, economic activity, and long-term tax base growth within the District.

Public Investment: Creates the platform for private development.

Private Development: Generates economic activity and tax revenue that sustain district over time.

District Value Creation Pathway

CATALYTIC PUBLIC INVESTMENT

City Hall
Library
Enabling Infrastructure

DEVELOPMENT-READY DISTRICT

Roads
Utilities
Access
Public Realm

PHASED PRIVATE INVESTMENT

Retail
Residential
Hospitality
Office

ECONOMIC ACTIVITY & COMMUNITY USE

Jobs
Spending
Visitors

EXPANDED LOCAL TAX REVENUES

Property
Sales
Hotel Tax Revenues

Builds Long-Term Fiscal Capacity for Future Community Investments



City Finance Options

In November 2023, voters approved a \$90.1 million bond election, granting the City the authority to issue general obligation-backed (GO) debt to finance the new City Hall and Library facilities. The City's existing GO debt service obligations will continue to govern the timing of a permanent GO bond issuance. The project team has evaluated the full spectrum of financing structures to align the City's bond issuance with an optimal cost of capital while preserving schedule certainty for the Civic Core.

The selection of an optimal financing strategy is not determined solely by quantitative analysis. Qualitative considerations also play a critical role, including the City's GO bond rating, the timing of existing debt obligations rolling off, competing infrastructure priorities, and the sentiment of local voters. These factors collectively inform the approach to structuring a prudent and sustainable financing solution for the Civic Core and associated enabling infrastructure.

As a steward of taxpayer dollars funding the Civic Core, the developer's obligation to the taxpayers of Manor is to find the most competitive cost of capital solution for the City. Generally, there are four alternative finance options that local governments in Texas have utilized to finance civic infrastructure projects like Manor's:

1. **General Obligation Debt with Milestone Payments During Construction:** Under this approach, the City issues traditional tax-exempt debt prior to the start of construction and pays for construction as milestones are completed. This structure typically offers the lowest long-term borrowing cost provided the City has debt capacity

available and is constrained by bond issuance process once the price and schedule commitments are made.

- City issues traditional long-term bonds or Cos prior to financial close as general obligation of the City paid from the interest and sinking fund
- Developer obtains construction financing of the largest single milestone payment at 150-175 bps over SOFR with a hedge, which transfers development and completion risk at the lowest possible cost with the offset of the interest arbitrage
- Predevelopment expenses paid by the City without developer carry cost
- Maintenance contract for 2-5 years with renewal options, or the City could maintain
- Semi-annual cycle for bond issuance drives commencement of the project

2. **100% Construction Financing and Purchase at Completion: [SELECTED STRATEGY]** Under this approach, the developer secures construction financing and completes the project before the City accepts the facility and issues the debt to purchase the facility. While this structure can accelerate delivery and transfer construction-phase risk away from bondholders, it requires the same City debt capacity slightly later.

- Developer obtains 100% construction financing backed by the City's obligation to purchase the project at 50-175 bps over SOFR to address development and completion risk
- After construction is completed and accepted

by the City, the City purchases the project by issuing the already approved voter authorization using permanent funding sources

- City then has the flexibility going forward to utilize various sources to repay the debt, including M&O funds, TIRZ funds, or other sources to make the debt payment at the lowest cost of capital
- Developer pays predevelopment expenses with carry cost and is reimbursed at financial close of the construction loan
- Allows 2-3 years before the City needs to issue the debt and start and finish of project are not tied to a bond cycle
- Same maintenance contract flexibility as above

3. **Long-Term Tax-Exempt Lease Back Financing with Call Option:** Under this structure, a separate City-controlled corporation finances and owns the facilities while the City makes annual lease payments over time. This approach can provide greater timing flexibility, preserves debt capacity, and aligns repayment with future revenue growth in the District.

- New city-controlled special purpose tax-exempt entity (PFC or LGC) created to "own" the public facilities, which issues investment grade tax-exempt debt under a lease revenue bond
- City makes an annual lease payment (either capital or operating lease, depending on lowest rating agency impact and capacity within M&O) to the SPE subject to



appropriation

- Offers flexibility and defers City I&S debt until City desires to take it on balance sheet
- Developer pays predevelopment expenses and is reimbursed at financial close of lease financing
- Maintenance responsibility can be built into the PFC/LGC lease with KPIs subcontracted to asset manager to transfer lifecycle risk
- More flexible sources available for lease payment (e.g., sales tax, hotel occupancy tax, TIRZ, land monetization) than a traditional bond program
- Interest rate slightly (approximately .35bps) higher as a Lease Revenue Bond rather than a traditional GO bond
- Although this is a proven bond finance structure in Texas with numerous successful bond financings, there currently are significant challenges in gaining administrative approval from the public finance division of the Texas Attorney General's Office for these conduit structures that pose risk to the project.

4. Taxable Lease Back Financing with a Call Option:

This structure allows the City to move forward with construction using bank debt under a flexible operating lease arrangement without a separate conduit entity and tax-exempt debt revenue bond process. While cost of capital may be modestly higher, the approach can reduce timing risk, maintain full flexibility in the bridge to permanent financing, and support earlier district activation.

- Developer special purpose taxable entity created to “own” the public facilities, with taxable bank debt on a delayed draw to minimize the capitalized interest sculpted to the City's affordability limit
- City makes monthly operating lease payment to the SPE from M&O subject to appropriation
- 7-10 year call option to terminate the lease without penalty and purchase for outstanding principal
- Offers flexibility and creates the bridge to future City Interest & Sinking (I&S) debt capacity and minimizes balance sheet and rating impact
- Developer pays predevelopment expenses with carry cost and is reimbursed at financial close of lease financing
- Maintenance responsibility within the lease with KPIs similar to a triple-net lease to transfer lifecycle risk
- Same flexible sources available for lease payment (e.g., sales tax, hotel occupancy tax, TIRZ, land monetization) than a traditional bond program
- Weighted average cost of capital (WACC) with 10% equity and/or subordinated debt (approximately 200 bps higher)
- While the initial financing does not require approval through Texas Attorney General's Office, any takeout with the permanent financing from the GO authorization would incur scrutiny of the bond referendum language to ensure it allowed this interim step

- As with Option 3, the current political environment to gain approval for these types of alternative structures currently is challenging and also pose risk to the project

Core Principles & Considerations for Finance Strategy Selection

Council selection of which of the four financial strategy options for the Civic Core and enabling infrastructure is guided by the following core principles:

- First, public investment should be tailored to what the City needs to serve the community today without stranding capital in oversized shelled space. The initial scope should prioritize essential civic facilities, a high-quality public realm, and the essential enabling infrastructure that makes the Civic Core permissible and supports early mixed-use activation and tax generation.
- Second, the City's financial commitments are governed by an affordability cap. The financial approach intentionally right-sizes the day-one program and defers optional components that can be delivered later as demand warrants, such as structured parking and additional space needs driven by long term population growth.
- Third, the City's early investment should be intended to enable broader taxable value creation. Over time, incremental property tax value, local sales tax generation, and other legally available revenue sources within the Town Center development can support reimbursement and permanent financing decisions and funding of non-essential amenities or building features subject to future Council action.



★ 4. FINANCIAL STRATEGY

- Fourth, the City's investment should be structured to avoid an unintended subsidy to private development. Where enabling infrastructure provides measurable benefit to private parcels, the financial framework anticipates reimbursement and cost-alignment mechanisms that can be formalized in later agreements, such as land contribution, assessment-based reimbursement mechanisms, and district financing tools that are implemented when value is created and bankable.

The political risk of the transaction is low because the Manor voters approved the project in November 2023. The City's strong credit rating of Aa1 provides favorable and cost-efficient access to the municipal market. Following consultation with the City's legal team and bond counsel, the City has selected **Option 2 — 100% Construction Financing and Purchase at Completion** as the recommended finance strategy for the Civic Core and Phase 1 enabling infrastructure. This approach transfers construction-period development and completion risk to the developer through a construction loan priced at 150–175 bps over SOFR, while preserving the City's access to its lowest cost of capital (tax-exempt General Obligation debt) by deferring the City's permanent bond issuance until construction is complete and the facility is accepted. The 2–3 year development period provides the City the needed additional time to align the permanent financing within its available GO capacity by sequencing its permanent debt issuance relative to existing M&O & I&S obligations and potentially moving utility-related obligations to self-supporting enterprise funds. Compared to a taxable leaseback structure, Option 2 avoids the higher weighted average cost of capital associated with taxable bank debt and equity/subordinated debt layers,

avoids potential rating-agency confusion over the interim structure, and all political risks of an unfavorable Attorney General review of an interim operating lease financing.

Detailed assumptions, payment profiles, and outputs supporting this finance strategy are provided in the base case financial model and supporting material provided in Appendix A.

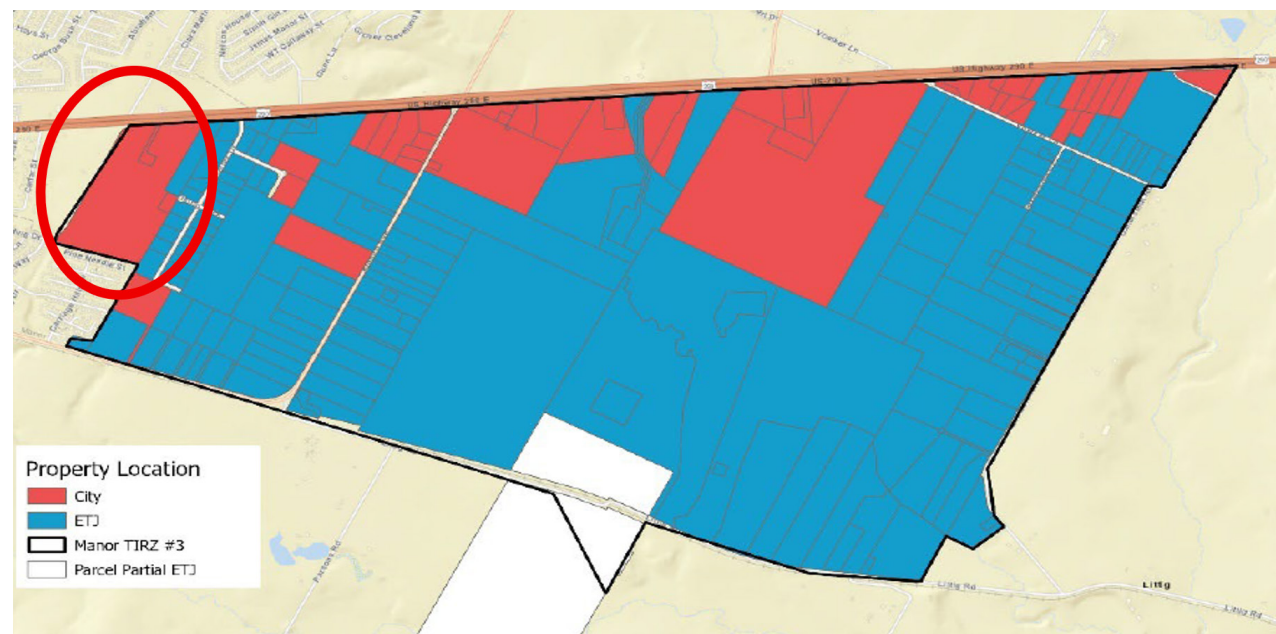
Repayment Sources and Value Capture Approach

The business case objective for an infrastructure investment that is part of an economic development strategy is that the City's initial investment will be more than repaid by new revenues over time. The cornerstone of this repayment plan is the incremental

property tax value captured within a Tax Increment Reinvestment Zone (TIRZ). This approach is designed to align repayment with the actual generation of new taxable value and predictable economic activity in and near the District, rather than relying on speculative forecasts.

REPAYMENT STRUCTURE

The entire 84-acre District is situated on the western boundaries of the City's proposed TIRZ No. 3 and will establish the new geographic center of Manor with projected long-term growth to the east and south of US290, as illustrated in the Figure below, which is extracted from the City's recent TIRZ study. The incremental property tax revenue generated within this designated area forms the primary source for repaying the City's investment in the project.





In addition to property tax increment, the repayment structure is bolstered by local sales tax revenues that will be generated as retail and food & beverage establishments become operational within the District. As the District develops hospitality, hotel occupancy tax (HOT) and related revenues may also contribute further support for the overall repayment plan. This layered approach ensures that the City's repayment capacity grows in tandem with increases in taxable value and broader economic activity in the District.

Importantly, the repayment framework does not depend on speculative timing assumptions. Instead, it is designed to scale based on realized growth and actual revenue generation. Further details regarding taxable value phasing, estimated current property values, and escalation assumptions are shown in the base case financial model provided in Appendix A.

VALUE CAPTURE MODEL

The base case financial model, which aligns with the City's established TIRZ practices, assumes that 50% of the City's ad valorem tax increment within the TIRZ will be dedicated to eligible reinvestment purposes throughout the TIRZ term, which is assumed to be 2050. Under this approach, the increment attributable to Manor Town Center is applied first to eligible Civic Core and enabling infrastructure costs, covering the City's permanent GO debt service after the facility is completed. In addition to the TIRZ, the City will also layer in an additional assessment in the form of a PID and/or an MMD to fund the District horizontal enabling infrastructure and to fund maintenance of the investment. These actions are subject to future Council decisions and statutory requirements.

SUPPLEMENTAL REVENUE SOURCES

Sales tax and hospitality-related revenue streams are included in the financial model as supporting sources for planning purposes. The model treats these sources as incremental upside, rather than prerequisites for project affordability.

Affordability-Based Project Budget

The tax capture revenue potential to service the debt discussed above will continue to mature over the project's early years, with the TIRZ and related supplemental revenue streams expected to supplement the City's permanent GO debt service as the District develops.

The financial strategy is focused on delivering the project as quickly as possible and then aligning the City's permanent GO debt, issued at construction completion, with the City's balance sheet capacity and affordability constraints. Under Option 2, the developer carries construction-period financing risk and cost, and the City's debt service obligation commences at acceptance of the completed facility. A foundational element of this is to establish an affordability constraint, which sets the upper limit of the City's capital cost financial commitments related to the Civic Core. This constraint is intended to safeguard the City's fiscal health while supporting the phased delivery of critical civic infrastructure.

The base case financial model establishes a clear affordability constraint based on total hard cost budget (design and construction) of \$70 million for the direct expenses of all essential public facilities and Phase 1 enabling infrastructure as defined in the Technical Section 3. This budget remains within the debt service

constraint on the City's permanent GO bonds, ensuring that the City's financial obligations remain within sustainable and predetermined limits during the early years of the Town Center project. This affordability constraint is central to the overall financial strategy, directly shaping both the project's budget and phasing decisions.

Based on this annual payment limitation, the model converts affordability constraint into an all-in project budget of approximately \$82.2 million. This amount is inclusive of all financing costs and soft costs associated with project delivery. **Upon construction completion, the City will issue \$82.2 million of its 2023 approved GO capacity at its cost of capital.**

Total City Investment Based on Affordability Cap: \$70M Hard Costs Budget	
Total Development Budget	
Capitalized Interest	\$3.39M
Financing Costs	\$3.12M
Softs Costs	\$5.69M
Total Hard Costs Available (Design and Construction)	\$70.00M
• Site	\$5.71M
• Building	\$45.79M
• Parking	\$3.00M
• Enabling Infrastructure	\$13.50M
• Furniture, Fixtures, & Equipment	\$2.00M
Total Development Budget	\$82.20M
Statistics	
Cost of Capital during Construction (100% Financing)	5.02%



SCOPE PRIORITIZATION WITHIN THE AFFORDABILITY CAP

Until the project is mostly designed, procured, and permitted, the exact scope that can be afforded within the \$70 million design and construction cost cap will be determined within a priority tree for decision making during design discussions. The recommended priorities below ensure that essential needs are addressed first, while allowing flexibility to incorporate amenities, features, and higher level of finishes as design evolves.

PRIORITY 1 – CIVIC BUILDINGS

The primary focus is on delivering a three-story 30,000 GSF City Hall (including a one-story Council Chamber) and a two-story 37,000 GSF Library with shared spaces in each program to meet the community's immediate needs. These facilities are vital for the functioning of the City and form the foundation of the Civic Core. To address affordability constraints, the City made two strategic scope decisions to ensure the space is not overbuilt for today's needs and shelled in, thus avoiding unnecessary expenditures that would dilute other priorities.

- **Combined Civic Facility for City Hall and Library:** Initially, the City Hall and Library functions will be delivered as a single, combined facility in the same building envelope that eventually will contain the full City Hall program for a 100,000 population. This approach maximizes the use of shared spaces and ensures efficient daily utilization from day one, all within the affordability constraints. Importantly, the interim combined design preserves the option for future expansion, allowing a separate permanent Library building sized for the same 100,000 population to be constructed prior to the

conversion of the combined facility into dedicated City Hall space.

- **Surface Parking with Future Structured Parking Option:** The project initially will utilize a 200-car asphalt surface parking lot and defer the substantially greater (up to 10X) cost of concrete structured parking until the land is needed for the permanent Library building. The initial site plan and utility layout shown in the Technical Approach Section 3 are intentionally designed to accommodate the future parking garage on the northeast corner of the civic parcel site, ensuring that a transition from surface to structured parking can occur smoothly and without disruption to ongoing City operations before the permanent Library building is started.

PRIORITY 2 – ENABLING INFRASTRUCTURE

The second priority for investment (and ultimately reimbursement from the PID/MMD/TIRZ) is the minimal infrastructure to make the private parcels in Phase 1 developable so that the Civic Core achieves mixed-use activation as quickly as the market will support it. This infrastructure is necessary to ensure the City's tax revenue streams intended to pay for the entire project are realized.

PRIORITY 3 – PUBLIC REALM IMPROVEMENTS

As discussed in the Technical Section XX, placemaking is essential to the long-term success of the District, and placemaking is entirely dependent on the outdoor public realm design. Enhancements to the public realm, such as landscaping, plazas, and streetscape improvements, are imperative to create a high-quality environment in the District for residents and visitors and

to achieve maximum property values and tax revenues from the District.

PRIORITY 4 – NON-REVENUE GENERATING SCOPE ELEMENTS

Unless the scope can be tied to essential for current City mission or direct revenue generation for the City (i.e., in the top three priorities), they should be the lowest priority within the affordability limit. This category would include structured parking, shell space for growth, extension of the main road to Carriage Hills, and some of the elements around the Gathering Lawn (i.e., pavilion, splash pad, outdoor restrooms, trails, site lighting). These elements potentially will be added to the scope as funds not needed for the top three priorities are identified in the City's budget.

Interim Financing Structure and Permanent Take-Out Path

The recommended financial approach is a proven finance structure that places construction-period financing cost and risk where it is best managed with the developer while utilizing the City's lowest cost of capital (i.e., tax-exempt General Obligation debt) for permanent financing when the facility is complete. Under this structure, the City's permanent bond issuance occurs at or near construction completion, allowing the City to 1) avoid capitalized interest on bond debt in favor of a delayed draw bank financing during the construction period and 2) align its bond issuance timing with favorable market conditions, restructuring of revenue backed enterprise debt, and available debt capacity.

Relative to issuing General Obligation bonds at the start of construction, this approach defers the City's bond



issuance by approximately 2–3 years, which decouples the project schedule from the semi-annual bond issuance cycle and allows the City to time its permanent financing to the most favorable market window.

Relative to a taxable operating lease bridge (Option 4), this approach avoids the higher weighted average cost of capital associated with taxable bank debt and equity/subordinated debt layers and avoids appropriation-risk and potential rating-agency confusion, and current state political risk involving alternative finance structures.

Appendix A summarizes construction-period financing assumptions, interest rate sensitivities, and permanent GO take-out scenarios used for planning purposes. Final execution of the construction-period and permanent financing will be subject to separate City Council approval and supported by documentation from the City's Financial Advisor and Bond Counsel, consistent with the City's affordability limits, scope controls, and applicable legal requirements.

Private Infrastructure Reimbursement Strategy

As discussed in the Technical Section 3, basic enabling infrastructure investment that makes undevelopable land developable and, therefore, 2 to 2 ½ times more valuable inherently should be accounted for and underwritten based on the increased land value. This is the underlying policy behind PIDs and MUDs in Texas. However, the traditional structure that the developer uses equity and leverages it with expensive debt and carries the cost until the land is sold certainly transfers the risk of the infrastructure investment but at a high cost to the renters and purchasers of the assets that pay the assessments.

In this case, the City is the purchaser of roughly 10% of the 84-acre district and paying the undevelopable land cost to SDG. The City parcel in the geographic center of the District appropriately needs to be the first parcel developed, which is impossible without utilities, access, and fire code compliance provided from outside of the City parcel boundary. Therefore, if the City were to transfer the risk of the City's enabling infrastructure design, permitting, and construction to SDG, the City would be injecting significant risks to the Civic Core project completion that are beyond its control and would be paying significantly more for the infrastructure than the City would have paid if it performed the work itself. In other words, the best alignment for financing the enabling infrastructure in this project is for the City to control its risk and lower its cost by installing the minimum required infrastructure to unlock Phase 1, trade infrastructure to SDG for the City Parcel P1, and have SDG reimburse the City for its remaining share (roughly 56%) that benefits only SDG's land.

The currently estimated math equation for this finance approach that creates the best value at the lowest risk for the City of Manor is as follows: the City finances within its permanent GO financing the full Phase 1 enabling infrastructure (\$13.5 million) offsets the cost with the developable fair market land value for the City Parcel (\$6 million), and obtains a promissory note at the City's cost of capital that provides a lien right security interest in the remainder of the land from SDG for the remaining value that increases SDG's land value (\$7.5 million).

Phase 1 Enabling Infrastructure Cost Allocation & Reimbursement Summary

Phase 1 Enabling Infrastructure Cost Financed in Permanent GO Debt	\$13.5M
Total City Parcel Developable Land Value (\$16.40/ac)	\$6.0M
• City Parcel Raw Land Value (w/o infrastructure)	\$2.9M
• Civic Core Share of Enabling Infrastructure Cost	\$3.1M
Remaining Enabling Infrastructure Reimbursed by SDG	\$7.5M

The TIRZ will pledge the portion of the new mixed-use tax revenue generated from the new development in the District to the City that will reduce the \$7.5 million SDG obligation. At the appropriate time, when SDG can time the market and profitably sell the developable parcels above its stepped up basis, it will either reimburse the City with interest from the land sale to pay down the promissory note incrementally or SDG and the City will issue tax-exempt debt backed by a lien (i.e., a reimbursement PID) at 2:1 leverage on land value and pay off the note to the City. The specific form of these City protections from SDG default on the promissory note will be finalized in future agreements.

LEGAL STRATEGY

Procurement Authority

The legal authority for the alternative delivery method under which a developer acts as an agent for local government is Local Government Code §271.908. Under this statute, a City is permitted to competitively select the most qualified developer to provide development services as an agent of the City in all aspects of a public works project, including finance, design, construction, operations, and maintenance, for a fee. The developer is required to comply with all public procurement rules applicable to public works projects.

The City conducted the procurement using proven best practices and solicitation documents from prior successful procurements under §271.908 between March and August 2025 and selected Hunt Real Estate as its infrastructure development services provider and partner for the scope approved by Manor voters in November 2023.

Exclusive Negotiating Agreement

Upon selection of the preferred developer, the customary approach for these projects is to enter into an Exclusive Negotiating Agreement (“ENA”) with the developer that allows the developer to work collaboratively with the City, its independent financial and legal advisors, and all appropriate stakeholders, including affected landowners, to objectively determine financial technical and financial feasibility and the optimum strategy for the infrastructure project. The feasibility process must be measured and sequential so that assumptions are rigorously tested and iterated through the financial, technical, and legal task teams before they are incorporated into planning and financial modeling.

The culmination of that feasibility phase is this Strategic Roadmap document that becomes the playbook for the implementation phase of the project, which must conclude before making a financial commitment and proceeding to the execution phase of the project under the Development Agreement.

Purchase and Sale Agreement Transaction

Given the recommended permanent GO finance structure at completion of construction, the Development Agreement will essentially take the form of a Purchase and Sale Agreement (“PSA”) under which the City will be obligated to purchase the completed Civic Core from the Developer at or below the Guaranteed Maximum Purchase Price established in the PSA. In addition to the land transaction conveying the City Parcel in exchange for the enabling infrastructure benefit discussed below, the two primary sub-agreements under the PSA are the Design-Build and FF&E contracts.

Design Build and FF&E Contracts

The developer enters into two primary contracts under the lease agreement – a design-build construction contract and a FF&E management agreement. The design-build contract is a proven cost reimbursable contract with fully auditable cost plus fixed fees that requires transparent competition of all subcontracted scopes of work and fully complies with the public procurement laws under Government Code §2269. The FF&E management agreement is a professional service agreement to specify and compete the FF&E scope also in accordance with §2269.



Enabling Infrastructure Reimbursement

As discussed in Finance Section 4, the Lease will finance the full \$13.5 million Phase 1 enabling infrastructure cost to achieve a permittable and functional City Hall and Library building at the lowest risk to the City. In return, SDG will convey the undevelopable City Parcel to the lessor special purpose entity in exchange for the enabling infrastructure. The City's portion of the \$13.5 million will be \$6 million and reflected in the land valuation at the termination of the Lease. SDG's promissory note obligation to reimburse the City for the portion of the enabling infrastructure cost that benefits the remainder of the SDG land in the District is \$7.5 million.

The promissory note between SDG and the City will contain protections for the City to ensure the enabling infrastructure cost is reflected in the valuations of the private development parcels and repaid with interest when those parcels are transacted. In addition, the City will retain lien rights on any unsold land in the unlikely event SDG and the City are unable to issue PID debt at a mutually agreeable time to fund SDG's \$7.5 million reimbursement obligation to the City. In addition, SDG and the City will agree that TIRZ revenue generated from property tax in the District that the TIRZ pays the City to reimburse the enabling infrastructure cost will reduce SDG's reimbursement obligation *pari passu*.



PUBLIC RELATIONS STRATEGY

Purpose and Role of Communications

Public relations and community communications are foundational to the successful delivery of Manor Town Center. Because the project is structured as a long-term, phased public-private partnership, rather than a single development transaction, public understanding and trust are essential to maintaining momentum, policy alignment, and fiscal discipline over time.

The success of the Manor Town Center depends on public confidence in: 1) the people responsible for stewarding the project and their transparency; 2) the process used to make decisions and deploy public funds; 3) the clarity, accuracy, and timing of information provided to the community; and 4) the thoughtfulness with which public input is received and considered.

Manor Town Center will evolve and potentially course correct through multiple City Council actions, technical milestones, and market-responsive decisions over the next two decades. As a result, communications must focus not only on outcomes, but on setting realistic expectations for the journey and explaining the rationale behind those expectations. Occasionally, the Strategic Roadmap must be updated to ensure its relevancy and accuracy, which will be the responsibility of the communications task team.

The purpose of this section is to establish a clear communications framework aligned with the Strategic Roadmap, identify roles and responsibilities for public messaging, define core principles that govern all communications, and provide a flexible structure for phase-specific outreach as the project advances.

Communications Approach: People, Process, and Tools

COMMUNICATIONS LEADERSHIP AND COORDINATION

Like the technical, legal, and financial workstreams, the communications workstream will be an integrated team of City staff and the project delivery team working in tandem with them as co-equals, rather than treated as a standalone or derivative function. The work of the communications task team will be managed by a detailed communications plan that will address the people, processes, and tools needed to execute the plan. The Communications task team will:

- Be embedded in the technical, legal, and financial workstreams,
- Coordinate closely with the City communications team in the drafting of any public information release; and
- Ensure consistency and accuracy of information and messaging across Council materials, public meetings, digital platforms, and media engagement.

All external communications will be reviewed and approved through the City's established administrative process prior to release.

COMMUNICATIONS PROCESS

First principles are as crucial to the communications process as the guiding principles discussed in Sections 2 and 3 are to the technical process. They act as a litmus test for the communications team's decisions and outputs so that the "why" behind the project and public investment remains clear and visible.



All Manor Town Center communications will be guided by the following first principles:

- **Community First:** Communication will clearly convey that community interests are the priority and that their feedback is valued and crucial to the project's success.
- **Transparency and Consistency:** Communication will be timely, transparent, consistent, and frequent with open lines of communication throughout the project.
- **Economic Growth and Opportunity:** Communication will be grounded in the value of the City's investment in providing community resources, stimulating economic growth, creating jobs, and enhancing the quality of life for all residents of Manor, including future generations.
- **Uniquely Manor:** Communication will reflect Manor's identity as a growing community while remaining sensitive to the historic context that shaped Manor.

COMMUNICATIONS TOOLS

The communications strategy contained in the communications plan will utilize the full range of modern communications tools available and old-fashioned town halls to reach different stakeholder groups without over reliance on any single channel.

- **Public Meetings and Work Sessions:** City Council meetings, workshops, and public hearings will remain the primary forum for major decisions and updates.

- **Project Website:** A dedicated website for the project will be established to provide project details, updates, and a feedback portal. It will include a downloadable version of the adopted Strategic Roadmap, graphics illustrating elements, phasing, infrastructure, and civic elements, and a living FAQ that evolves as decisions are made.
- **Community Engagement Sessions:** Targeted engagement sessions may be held at key milestones to present progress, explain upcoming decisions, discuss infrastructure impacts, or highlight policy considerations.
- **Social Media Campaign:** Social media will be utilized to disseminate information, celebrate milestones, and address concerns in real-time.
- **Media Coordination:** Media engagement will occur upon request to keep the media informed and ensure accurate coverage. Updates and briefings will focus on accuracy and context, particularly around project scope, timing, and fiscal implications.
- **Partnership with Local Organizations:** Collaborate with local business organizations, non-profits, and community groups to leverage their networks and meetings for broader community engagement.

Identification of Stakeholder Groups and Issues

Effective communications strategy (and ultimately the communication plan) first identifies all key stakeholder groups (who) and their specific issues or concerns (what) and then create a plan and process with specific tools (how) to communicate the information important to them timely (when). The communications task team started identifying the groups and their concerns in the drafting of this Strategic Roadmap because the communication process will begin the moment City Council meets to consider adopting the Roadmap and begin soliciting public feedback on the Phase 1 design.

Primary Stakeholder groups include:

- Manor residents and taxpayers
- City Council and City staff
- Adjacent property owners and local businesses
- Regional and state agencies with jurisdiction over infrastructure
- Prospective private developers and investors
- Community organizations and advocacy groups

Communications will be tailored to address recurring themes, including:

- Why civic facilities are being delivered first
- How infrastructure investments benefit the broader district
- What decisions are reserved for future phases
- How private development will be guided but not preselected
- How public investment is aligned with long-term value creation



Frequently Asked Questions with Answers

The foundation for community engagement starts for complex infrastructure projects is a project website, which houses this Roadmap and relevant information a citizen or stakeholder would want to know about the project and how it affects them. The Frequently Asked Question (FAQ) section of the website is a critical part of the communications process that allows City leadership to refer their constituents to the FAQs to facilitate conversations and, if necessary, public discourse on a given issue. The Manor Town Center FAQ will be intentionally phased to ensure accuracy and relevancy. Early FAQs will address what the project is, what Phase 1 includes and excludes, how infrastructure sequencing works, and what has been decided versus what remains to be decided. Additional FAQs will be added as the project progresses and decisions are made. The following are a list of initial FAQs that will be expanded over time:

GENERAL PROJECT

1. What is Manor Town Center?

Manor Town Center is a long-term, civic-anchored district envisioned as the community's future civic, economic, and cultural heart. It is not a single development project, but a framework for coordinating public investment, infrastructure, and future private development over time.

2. Why is the City pursuing a Town Center now?

Manor is growing rapidly and lacks a centralized civic and community focal point. Establishing a Town Center allows the City to plan proactively for civic facilities, infrastructure, and future growth rather than

responding piecemeal as development occurs. This particular 84-acre parcel owned by SDG on US-290 is the only parcel remaining near the future geographic center of Manor that is owned by a single owner willing to partner with the City in a civic-anchored, master planned district. Unless the City demonstrated a good faith willingness to partner with SDG in 2025 by selecting a qualified infrastructure developer and committed to advance the project in a year or less, SDG was going to move forward without the City and the generational opportunity would have been lost.

3. What is included in Phase 1?

Phase 1 focuses on:

- The Civic Core, including City Hall, the Public Library, and associated parking and outdoor public spaces,
- Primary access, streets, and district-serving infrastructure,
- Water, wastewater, and stormwater systems designed to support long-term buildout
- Phase 1 is intended to establish the foundation for a functioning civic center and enable future growth.

4. Why are civic buildings being built before private development?

Civic facilities provide certainty, activity, and identity. By leading with public investment, the City creates a visible center of gravity that allows private development to occur incrementally and responsively, rather than relying on speculative projections. This approach is made possible in part because SDG, as the master developer and landowner, has structured

its land contribution and infrastructure obligations to align with the City's long-term investment, ensuring the public and private interests in this district are mutually reinforcing from day one.

5. Is this a subsidy to private developers?

No. Early public investment is required to deliver civic facilities and district-serving infrastructure. While this infrastructure also benefits future private parcels, the Strategic Roadmap contemplates mechanisms to align private benefit with public investment over time.

6. How will the City pay for Phase 1?

Funding will come from current and future growth City cash flows primarily from the District and the new TIRZ #3 as they mature. Specific financing mechanisms will be brought forward separately and considered by City Council to bridge to the time that the City can issue permanent general obligation backed bond debt within its current Aa1 rating. The Roadmap explains the approach to financing and cost alignment, but does not authorize debt, taxes, or assessments.

7. Will taxes increase as a result of this project?

No tax increase is proposed or approved as part of adopting the Strategic Roadmap. The voters approved the City Hall and Library project in November 2023. Any future funding decisions would require separate Council action and, where applicable, voter approval.



8. What private development is planned?

No private development is approved or guaranteed. The Roadmap establishes a framework that allows private development to occur over time based on market demand, infrastructure readiness, and future regulatory tools such as a Planned Unit Development (PUD) overlay.

9. Will there be retail, restaurants, or housing?

These uses are anticipated over the long term, but no specific buildings, tenants, or timelines are committed yet. That process will begin in late 2026 when the Civic Core and enabling infrastructure timelines are made firm at financial close. The Roadmap intentionally avoids prescribing private outcomes so the district can evolve responsibly.

10. Will there be parking?

Initial phases rely on surface parking sized to near-term needs. The site is planned to accommodate future structured parking if and when demand and potentially parking revenue justifies that investment.

11. How does this project address traffic and safety?

The Roadmap prioritizes a connected street network, clear access from US-290, and a walkable internal framework designed to support safe, predictable movement for pedestrians, vehicles, and events.

12. How will infrastructure investments benefit the broader area?

Infrastructure is designed at a district scale, not for a single project. Streets, utilities, and drainage systems delivered early will serve both civic uses and surrounding properties as development occurs.

13. What role does the public have going forward?

Public engagement will be a continuous workstream with particular emphasis on milestone events, such as Council decisions, regulatory actions, and major design decisions. Feedback is used to inform decisions, not retroactively justify them.

14. When will the Town Center be “complete”?

There is no single completion date. Manor Town Center is intended to evolve over many years, with each phase functioning independently while enabling the next.

15. What decisions are still ahead?

Future decisions include:

- Final design of civic facilities
- Adoption of regulatory tools
- Timing and form of future phases
- PUD for private development density, land use, etc.

16. Where can residents find accurate, up-to-date information?

The City will maintain a dedicated Manor Town Center webpage and provide updates through Council meetings and official City communications. Residents are encouraged to rely on these sources rather than informal or speculative information.

APPENDIX

The anticipated 10-15 year mixed use phasing plan presented in the Technical Approach (Section 3) is modeled at a conservative base year average ad valorem value of approximately \$360 per GSF beginning in 2027 with a 3% annual escalation as shown in the table below. This totals approximately \$740M in new mixed-use development in the District by 2038. Also, approximately 34 acres of developable land (net of the Civic Core and dedicated streets and green space) will be developed, yielding an approximately \$38M in land value assuming an average fair market value of \$25/SF after the parcels are developed.

Manor Town Center: Preliminary Commercial Phasing Plan							
Phase	Begin	End	SF	Value/SF	Vertical TAV	Land Value	Total TAV
Phase 1	2027	2029	398,167	\$360.50	\$143.54M	\$5.75M	\$149.29M
Phase 2	2030	2032	420,926	\$393.93	\$165.81M	\$9.93M	\$175.75M
Phase 3	2033	2035	756,872	\$430.46	\$325.80M	\$11.60M	\$337.40M
Phase 4	2033	2036	Not included assuming Rec Center is eventual land use				
Phase 5	2035	2038	233,336	\$456.67	\$106.56M	\$10.25M	\$116.81M
TOTAL			1,809,300		\$741.71M	\$37.53M	\$779.24M

When the combined total TAV is increased at 3% annually, the District's total taxable value is projected to exceed \$1 billion by 2041. Based on this valuation, the estimated net present value (NPV) of the 50% increment from TIRZ No. 3 until 2050 is \$57 million, which is assumed to reimburse and/or reinvest in the Civic Core. The remaining 50% of the increment is an increase to the City's general fund for municipal operations, maintenance, and other City-wide purposes and services. In addition to the TIRZ, the implementation of PID and/or MMD assessments will total an additional \$29 million in NPV. The combined NPV of the TIRZ and MMD is approximately \$86 million, which exceeds the total capital cost of the Phase 1 Civic Core.



In addition to these projected revenues from TIRZ No. 3 and the PID/MMD, the 185,000 GSF of new retail space in the District will conservatively generate new sales tax revenue from retail, food, and beverage (F&B) of approximately \$300/SF per year or a cumulative sales tax revenue over 25 years of \$13.49 million. The estimated NPV of these incremental sales tax revenues is \$5.77 million, as detailed in the table below.

Manor Town Center: Cumulative HOT and F&B Tax Capture	
Square Footage	185,751
Sales/Square Foot	\$300
Total Sales	\$55.73M
Local Sales Tax	1%
Total Capture	\$13.49M
Net Present Value	\$5.77M

In addition to the projected sales tax revenue, the District is expected to benefit from hotel-related tax revenues. For the purposes of this analysis, we have assumed the development of two hotels, one 135 key full-service conference hotel opening in 2030 and a 90 key limited-service hotel in 2032. The hotels are anticipated to generate revenue from both Hotel Occupancy Tax (HOT) and hotel related F&B taxes with an NPV for the combined HOT and F&B tax capture estimated at \$6.13 million, as outlined in the following table.

Manor Town Center: Cumulative HOT and F&B Tax Capture	
Room Revenue	\$189M
HOT Tax	7.00%
HOT Tax Revenue	\$13.24M
Food & Beverage Revenue	\$37.82M
Sales Tax	1%
Sales Tax Revenue	\$378.24k
Mixed Beverage Revenue	\$11.35M
Mixed Beverage Tax	1.58%
Mixed Beverage Tax Revenue	\$179.33k
Total Hotel Related Taxes	\$13.80M
Net Present Value	\$6.13M

The base case financial model establishes a clear affordability constraint based on total hard cost budget (design and construction) of \$70 million for the direct expenses of all essential public facilities and Phase 1 enabling infrastructure as defined in the Technical Section 3. This budget remains within the debt service constraint on the City's permanent GO bonds, ensuring that the City's financial obligations remain within sustainable and predetermined limits during the early years of the Town Center project. This affordability constraint is central to the overall financial strategy, directly shaping both the project's budget and phasing decisions.

Based on this annual payment limitation, the model converts affordability constraint into an all-in project budget of approximately \$82.2 million. This amount is inclusive of all financing costs and soft costs associated with project delivery.

Upon construction completion, the City will issue \$82.2 million of its 2023 approved GO capacity at its cost of capital.

Total City Investment Based on Affordability Cap: \$70M Hard Costs Budget	
Capitalized Interest	\$3.39M
Financing Costs	\$3.12M
Softs Costs (legal services, due diligence, insurance, development fee, etc.)	\$5.69M
Total Hard Costs (Design & Construction)	\$70.00M
Site	\$5.71M
Building	\$45.79M
Parking	\$3.00M
Enabling Infrastructure	\$13.50M
Furniture, Fixtures & Equipment	\$2.00M
Total Development Budget	\$82.20M



A connected civic heart
for a growing community.
A vibrant district designed
for Manor residents of all
ages and abilities.

MANOR. STAY AWHILE.

PREPARED FOR
Manor City Council | Public Meeting
May 6, 2026