

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING THE TERMS AND CONDITIONS OF A PROGRAM TO PROMOTE LOCAL ECONOMIC DEVELOPMENT AND STIMULATE BUSINESS AND COMMERCIAL ACTIVITY IN THE CITY; AUTHORIZING THE CITY MANAGER TO FINALIZE, EXECUTE, AND ADMINISTER A CHAPTER 380 ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT (“AGREEMENT”) FOR SUCH PURPOSES BY AND BETWEEN THE CITY OF MESQUITE (“CITY”) AND SRB MESQUITE, LLC, A TEXAS LIMITED LIABILITY COMPANY (“COMPANY”), AND GRANTING TO THE COMPANY CERTAIN ECONOMIC DEVELOPMENT INCENTIVES; AND AUTHORIZING THE CITY MANAGER TO TAKE SUCH ACTIONS AND EXECUTE SUCH DOCUMENTS AS ARE NECESSARY OR ADVISABLE TO CONSUMMATE THE TRANSACTIONS CONTEMPLATED BY THE AGREEMENT, AND ADMINISTER THE AGREEMENT ON BEHALF OF THE CITY.

WHEREAS, Chapter 380 of the Texas Local Government Code authorizes the City of Mesquite, Texas (the “**City**”), and other municipalities to establish and provide for the administration of programs that promote local economic development and stimulate business and commercial activity; and

WHEREAS, the City Council has been presented with a proposed agreement providing economic incentives to SRB Mesquite, LLC, a Texas limited liability company (“**Company**”), to facilitate the commercial development of an 18.6513-acre parcel of land and redevelopment of an existing building at 1738 North Town East Boulevard, as part of the Town East Mall and formerly occupied by Sears, a copy of said agreement being attached hereto as **EXHIBIT 1** and incorporated herein by reference (the “**Agreement**”); and

WHEREAS, the City Council is also considering approval of Planned Development Zoning for the Property on October 6, 2025, including allowing conference centers, major reception facilities, hotels, parking garages, governmental or municipal sponsored uses, and uses permitted by right in the Commercial Zoning District, which was approved by the Planning and Zoning Commission on September 22, 2025; and

WHEREAS, the Agreement requires the Company to construct a 58,000-square-foot Main Event brand family entertainment business within the former Sears building, opening by December 31, 2026, and with a 10-year lease; and

WHEREAS, the Company plans to develop outparcels on the Property and conduct extensive site redevelopment including pavement, landscaping, lighting, signage, and amenities to create a more aesthetically pleasing and walkable development; and

WHEREAS, the Agreement requires the Company to make a minimum capital investment of \$25M by July 1, 2027, with at least three new outparcel sites prepared for development; and

WHEREAS, the City will provide an incentive equal to one-cent of the City's sales tax generated by any qualifying businesses built on the tract by December 31, 2030. The Agreement requires that the total sales taxes paid to the City be at least \$100,000 in year one, \$150,000 in year two, and \$200,000 in years three through ten of the Agreement to qualify for the sales tax incentive; and

WHEREAS, a cash grant incentive of up to \$500,000 is also available to the Company, should the Company secure a five-year lease for a minimum 6,000-square-foot Vidorra branded restaurant within the former Sears building by July 1, 2026 and spend at least \$1,000,000 in costs finishing out the Vidorra lease space; and

WHEREAS, after holding a public hearing and upon full review and consideration of the Agreement and all matters attendant and related thereto, the City Council is of the opinion that the Agreement will assist in implementing a program whereby local economic development will be promoted, and business and commercial activity will be stimulated in the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. That the City Council finds that the terms of the proposed Agreement by and between the City and the Developer, a copy of which is attached hereto as **EXHIBIT 1** and incorporated herein by reference, will benefit the City and will accomplish the public purpose of promoting local economic development and stimulating business and commercial activity in the City in accordance with Section 380.001 of the Texas Local Government Code.

SECTION 2. That the City Council hereby adopts an economic development program whereby, subject to the terms and conditions of the Agreement, the City will provide economic development incentives to the Developer and take other specified actions as more fully set forth in the Agreement in accordance with the terms and subject to the conditions outlined in the Agreement.

SECTION 3. That the terms and conditions of the Agreement, having been reviewed by the City Council and found to be acceptable and in the best interest of the City and its citizens, are hereby approved.

SECTION 4. That the City Manager is hereby authorized to finalize and execute the Agreement and all other documents necessary to consummate the transactions contemplated by the Agreement.

SECTION 5. That the City Manager is further hereby authorized to administer the Agreement on behalf of the City including, without limitation, the City Manager shall have the authority to: (i) provide any notices required or permitted by the Agreement; (ii) approve amendments to the Agreement provided such amendments, together with all previous amendments approved by the City Manager, do not increase City expenditures under the Agreement in excess of \$100,000; (iii) approve or deny any matter in the Agreement that requires the consent of the City provided, however, notwithstanding the foregoing, any assignment of the Agreement that requires the consent of the City pursuant to the terms of the Agreement shall require the approval

of the City Council; (iv) approve or deny the waiver of performance of any covenant, duty, agreement, term or condition of the Agreement; (v) exercise any rights and remedies available to the City under the Agreement; and (vi) execute any notices, amendments, approvals, consents, denials and waivers authorized by this Section 5 provided, however, notwithstanding anything contained herein to the contrary, the authority of the City Manager pursuant to this Section 5 shall not include the authority to take any action that cannot be delegated by the City Council or that is within the City Council's legislative functions.

SECTION 6. That the sections, paragraphs, sentences, clauses, and phrases of this Resolution are severable and, if any phrase, clause, sentence, paragraph, or section of this Resolution should be declared invalid, illegal, or unenforceable by the final judgment or decree of any court of competent jurisdiction, such invalidity, illegality, or unenforceability shall not affect the validity, legality, or enforceability of any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Resolution and such remaining provisions shall remain in full force and effect and shall be construed and enforced as if the invalid, illegal, or unenforceable provision had never been included in this Resolution.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 6th day of October 2025.

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Daniel Alemán, Jr.  
Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

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Sonja Land  
City Secretary

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David L. Paschall  
City Attorney

# **EXHIBIT 1**

## **A NEW ECONOMIC DEVELOPMENT CHAPTER 380 PROGRAM AGREEMENT**

**BETWEEN  
THE CITY OF MESQUITE  
AND  
SRB MESQUITE, LLC**

**(to be attached)**