

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 AND EXECUTE A TIRZ NO. 14 REIMBURSEMENT AGREEMENT AND CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AGREEMENT FOR SUCH PURPOSES WITH 42 ALCOTT, LP (THE “DEVELOPER”), AND THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NO. 14, CITY OF MESQUITE, TEXAS (“ALCOTT STATION”) REGARDING: (I) THE DEVELOPER’S CONSTRUCTION OF A CLASS A INDUSTRIAL BUILDING LOCATED AT 3301 EAST GLEN BOULEVARD AND 3300 EAST GLEN BOULEVARD, MESQUITE, TEXAS, (COLLECTIVELY THE “PROPERTY”), (II) THE ACQUISITION FROM THE CITY AND BY THE DEVELOPER OF APPROXIMATELY 1.72 ACRES OF LAND CURRENTLY DIVIDING THE PROPERTY, AND (III) THE GRANTING TO DEVELOPER OF 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**, on April 5, 2021, by City Ordinance No. 4853 (“**Ordinance No. 4853**”), the City created Reinvestment Zone Number Fourteen, City of Mesquite, Texas (Alcott Logistics Station), a tax increment reinvestment zone created pursuant to Chapter 311 of the Texas Tax Code (the “**Act**”) consisting of approximately 251.8175 acres of land (the “**Zone**”) generally located south of East Scyene Road, west of the Mesquite Metro Airport, north of Berry Road and Newsom Road, and east of Smokey Mountain Trail, being within the corporate limits of the City of Mesquite, Dallas County, Texas, and being more particularly described in Ordinance No. 4853 (the “**TIRZ**”); and

**WHEREAS**, by City Ordinance No. 4853, the City established a Board of Directors for the TIRZ (the “**TIRZ Board**”); and

**WHEREAS**, the City created the TIRZ to promote development or redevelopment in the Zone, in accordance with the Act; and

**WHEREAS**, on May 3, 2021, the TIRZ Board approved a project plan and reinvestment zone financing plan for the TIRZ and recommended approval of such project plan and reinvestment zone financing plan to the City Council for approval; and

**WHEREAS**, on May 3, 2021, by City Ordinance No. 4857, the City Council approved a project plan and reinvestment zone financing plan for the TIRZ (such project plan and reinvestment zone financing plan, as hereafter amended, being hereinafter referred to as the **“TIRZ Project and Financing Plan”**); and

**WHEREAS**, to facilitate development within the Zone, the TIRZ Project and Financing Plan contemplates abandonment of certain portions of East Glen Boulevard right-of-way within the Zone and realignment of East Glen Boulevard within the Zone and on May 3, 2021, by Ordinance No. 4860, the City Council abandoned, subject to reservation of an easement, approximately 256,347 square feet of right-of-way of East Glen Boulevard as more particularly described in Ordinance No. 4860; and

**WHEREAS**, 42 Alcott, LP (the **“Developer”**), owns or controls an approximately 10.847-acre tract of land located at 3301 East Glen Boulevard, and an approximately 12.587-acre tract of land located at 3300 East Glen Boulevard, City of Mesquite, Dallas County, Texas, which is divided by 1.72 acres of East Glen Boulevard right-of-way, all of which is situated in the James M. Sewell Survey, Abstract No. 1358, is within the Zone and is more particularly described in the Agreement, defined below (collectively the **“Property”**); and

**WHEREAS**, the City Council has been presented with a proposed TIRZ No. 14 Reimbursement Agreement and City Chapter 380 Incentive and Performance Agreement between the City, TIRZ Board, and Developer regarding: (i) the development of the Property including, without limitation, the construction of a minimum 350,000 square feet Class A Industrial building in the City with a minimum \$20,000,000 capital investment; (ii) the acquisition from the City and by the Developer of the approximately 1.72-acres of East Glen Boulevard right-of-way currently dividing the Developer’s property and more particularly described in the Agreement; and (iii) the granting to the Developer of certain economic development incentives in connection with development of the Property in accordance with the Agreement, a copy of said Agreement being attached hereto as Exhibit 1 and incorporated herein by reference (the **“Agreement”**); and

**WHEREAS**, conveyance of the 1.72-acres of East Glen Boulevard right-of-way to the Developer is necessary for development of the Property as provided in the Agreement and the City would like to encourage the development of the Property by granting certain economic development incentives to the Developer for the public purpose of creating new employment opportunities in the City, increasing the City’s ad valorem real and personal property tax base, promoting development and stimulating business and commercial activity in the City; 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: (i) the Agreement will assist in implementing a program whereby state and local economic development will be promoted, and business and commercial activity will be stimulated in the City; (ii) the conveyance of the 1.72-acres of East Glen Boulevard right-of-way to the Developer under the terms and subject to the conditions set forth in the Agreement is in the best interest of

the City and will benefit the City and its citizens; and (iii) the economic development incentives set forth in the Agreement are in the best interest of the City and will benefit the City and its citizens.

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

**SECTION 1.** The facts, findings, and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct and are incorporated and adopted as part of this resolution for all purposes.

**SECTION 2.** The City Council finds that the Agreement is in the best interest of the City, will benefit the City and its citizens, 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 3.** Subject to the TIRZ Board's approval of the Agreement and approval of an amendment to the TIRZ Project and Financing Plan consistent with the Agreement, and further subject to the City Council's approval of the TIRZ Project and Financing Plan amendment, 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 4.** 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 5.** The City Manager is hereby authorized to: (i) finalize and execute the Agreement; and (ii) take such actions and execute such documents as are necessary or advisable to consummate the transactions contemplated by the Agreement, including but not limited to those necessary to convey the 1.72-acres of East Glen Boulevard right-of-way to the Developer.

**SECTION 6.** 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 \$50,000; (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 6 provided, however, notwithstanding anything contained herein to the contrary, the authority of the City Manager pursuant to this Section 6 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 7.** 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 December 2021.

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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 TIRZ NO. 14 REIMBURSEMENT AGREEMENT  
AND AN ECONOMIC DEVELOPMENT PROGRAM  
CHAPTER 380 AGREEMENT**

**BETWEEN**

**THE CITY OF MESQUITE, TEXAS,  
42 ALCOTT, LP, AND  
THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NO. 14, CITY OF  
MESQUITE, TEXAS**

**(to be attached)**