



Monday, December 4, 2023
Tax Increment Finance Reinvestment Zone #2 (TIRZ #2) Board

Council Chambers
3815-B Sachse Road
Sachse, TX 75048
6:15 p.m.

A. Regular Meeting

1. Call to Order: The Tax Increment Finance Reinvestment Zone #2 (TIRZ #2) Board of the City of Sachse will hold a Regular Meeting on Monday, December 4, 2023, at 6:15 p.m. to consider the following items of business:
2. The public is invited to address the Board regarding any topic not already on the agenda. The time limit is 3 minutes per speaker. A Public Comment Card should be presented to the City Secretary prior to the meeting. According to the Texas Open Meetings Act, the Board is prohibited from discussing any item not posted on the agenda but will take comments under advisement.
3. Consider recommending approval of and authorizing the City Manager to execute a TIF Zone Number Two Economic Development Incentive and Infrastructure Reimbursement Agreement among the City of Sachse, the TIRZ #2 Board, and the PMB Station Developer, LLC.; and any amendments or instruments related thereto.
4. Adjournment.

I, the undersigned authority, do hereby certify that this notice of a public meeting was posted in accordance with the regulations of the Texas Open Meetings Act and was posted on the bulletin board, an accessible location at Sachse City Hall.


Leah K Granger, City Secretary

Posted: 12/1/2023 by 5 p.m. _____ Removed: _____

Accommodation requests for persons with disabilities should be made at least 48 hours prior to the meeting by contacting Lauren Rose, ADA Coordinator, via phone at 469-429-0415, via email at lrose@cityofsachse.com, or by appointment at 3815 Sachse Road, Building B, Sachse, Texas 75048.



Agenda Item Details

Meeting	Dec 04, 2023 - Tax Increment Finance Reinvestment Zone #2 (TIRZ #2) Board
Category	A. Regular Meeting
Subject	3. Consider recommending approval of and authorizing the City Manager to execute a TIF Zone Number Two Economic Development Incentive and Infrastructure Reimbursement Agreement among the City of Sachse, the TIRZ #2 Board, and the PMB Station Developer, LLC.; and any amendments or instruments related thereto.
Access	Public
Type	Action, Discussion
Recommended Action	Recommend approval of and authorize the City Manager to execute a TIF Zone Number Two Economic Development Incentive and Infrastructure Reimbursement Agreement among the City of Sachse, the TIRZ #2 Board, and the PMB Station Developer, LLC.; and any amendments or instruments related thereto.

Public Content

BACKGROUND

The Station is Sachse's signature mixed-use development located between Miles Road and Merritt Road and the President George Bush Turnpike. It includes 100+ acres of residential, retail, restaurants, and two parks: the new Commons Park and the City's largest open space, Heritage Park. Currently, Heritage Park is in the process of being reconstructed and is receiving a multi-million dollar enhancement as a part of the development.

The Station was created with a Public Improvement District (PID) and Tax Increment Reinvestment Zone (TIRZ #2) overlay as a way to capture the value that was anticipated to be created with the development. PIDs are an important economic development catalyst tools for cities to use to activate raw land and TIRZs are an important reinvestment tool for cities to send value back to a designated area. At its inception, the Station was originally valued at \$250 million, however, that value has since doubled to \$500 million in recent years. In doing so, the value of TIRZ #2 has also increased considerably.

The purpose of the TIF Reimbursement Agreement is to reimburse the developer for certain items that were constructed to enhance the Station using monies generated by the additional value created from the zone. The reimbursements are for specific improvements that are outlined within the exhibits of the agreement, that were previously negotiated between the City and the developer and are authorized improvements under Chapter 311 of the Tax Code.

This action was originally contemplated in the original Development Agreement between the City of Sachse and PMB Station Developer, LLC that was approved and executed in 2018. Now that certain items have been constructed, it is necessary to finalize the TIF Reimbursement Agreement.

This item was presented to the TIRZ #2 Board at its meeting on December 4, 2023. The TIRZ #2 Board is a recommending body, and the City Council is the approval body.

Kirk McDaniel with P3 Works, the City's Public Improvement District and Tax Increment Reinvestment Zone administrators, will be in attendance to answer any questions that the TIRZ #2 Board may have.

POLICY CONSIDERATIONS

The TIRZ #2 Board is the recommending body, while the City Council is the approval body. Please note, the terms Tax Increment Financing (TIF) and Tax Increment Reinvestment Zone (TIRZ) are the same and the terms are often used interchangeably.

RECOMMENDATION

Recommend approval of and authorize the City Manager to execute a TIF Zone Number Two Economic Development Incentive and Infrastructure Reimbursement Agreement among the City of Sachse, the TIRZ #2 Board, and the PMB Station Developer, LLC.; and any amendments or instruments related thereto.

[Presentation_Reimbursement Agreement Final TIRZ Board.pdf \(300 KB\)](#)

[Sachse PMB TIRZ Zone 2 Economic Development Incentive Agreement and Infrastructure Reimbursement Agreement_FINAL.pdf \(3,908 KB\)](#)

Reimbursement Agreement

TIRZ #2 Board

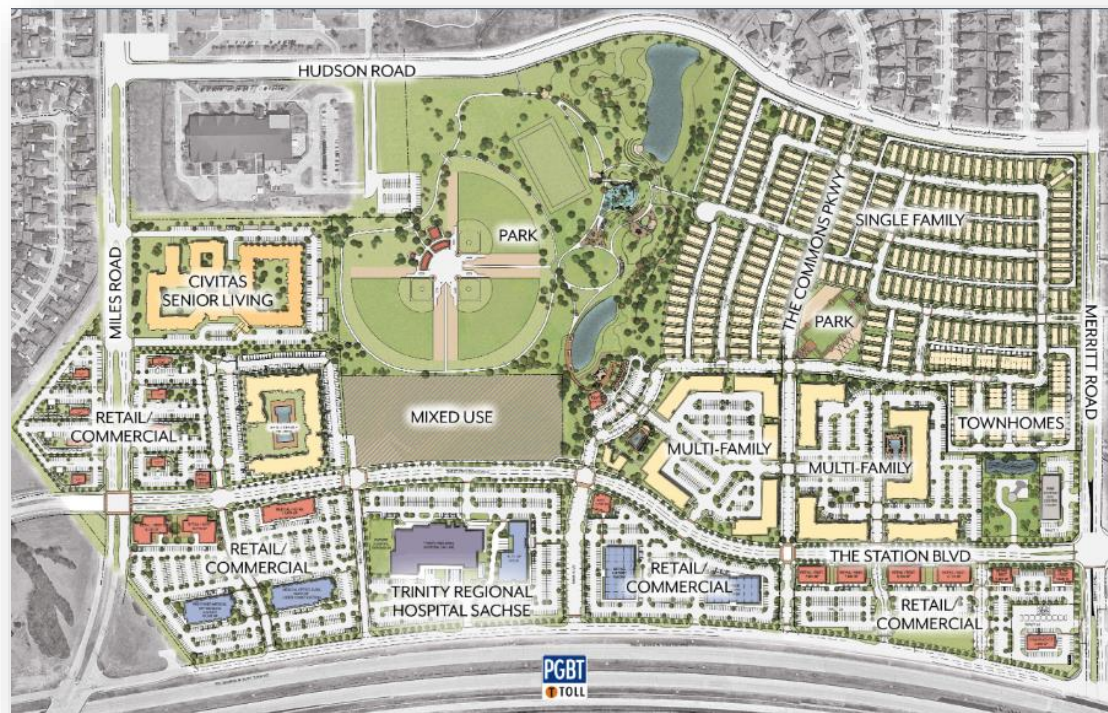
December 4, 2023



The City of
SACHSE

The Station Development

- 100+ acres of a \$500 million mixed-use development including residential, retail, restaurants, employment centers, and recreational areas
- PID/TIRZ overlay for economic development allowing to re-capture value generating from development of area



Reimbursement Agreement

- Contemplated as a part of the original Development Agreement that was executed by the City Council in 2018
- Use of TIRZ #2 funds generated by development in the area to reimburse the developer for costs that were not eligible to be covered by the PID
- List of items eligible for reimbursement authorized by the agreement and Chapter 311 of the Tax Code
- Now that certain items have been constructed, it is necessary to finalize the Reimbursement Agreement



Next Steps

- Staff recommends that the TIRZ #2 Board recommend approval of the agreement
- If approved, agreement goes to the City Council for consideration
- If approved, staff will work with City Attorney's office to finalize for execution by the City Manager



development within the Zone in accordance with the purposes for its creation and applicable laws; and

WHEREAS, the City Council for the City has pursuant to the Act authorized the use of the City tax increment from the tax increment fund for the Zone for projects which promote economic development within the Zone; and

WHEREAS, the use of the tax increment from the tax increment fund from the Zone for the Economic Development Grants (hereinafter defined) to promote economic development are project costs consistent with and described in the Act and the project and financing plan for the Zone; and

WHEREAS, City has determined that the use of the tax increment from the tax increment fund from the Zone for the Economic Development Grants promotes economic development within the Zone and is an eligible project cost consistent with the project and financing plan for the Zone (hereinafter defined as the “Project and Financing Plan”);

NOW THEREFORE, in consideration of the foregoing, and on the terms and conditions hereinafter set forth and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Article I Definitions

Wherever used in this Agreement, the following words and phrases shall have the meanings ascribed to them:

“Act” shall mean the Tax Increment Financing Act, Chapter 311, Texas Tax Code, as amended.

“Additional HPI Costs” shall mean costs incurred in relation to the design and construction of the Heritage Park Improvements in excess of the Initial HPI Costs as defined in the PMB Development Agreement.

“Annual Payment Date” shall mean the date that is thirty (30) days after receipt of a Payment Request following not later than July 1, but not earlier than April 1 of each calendar year during the term of this Agreement, except the first Annual Payment Date shall be thirty (30) days after receipt of a Payment Request following the Effective Date.

“Appraisal District” shall mean the Dallas Central Appraisal District or its successor entity.

“Bankruptcy or Insolvency” shall mean the dissolution or termination of a Party’s existence as a going business, insolvency, appointment of receiver for any part of such Party’s property and such appointment is not terminated within ninety (90) days after such

appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such Party, and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Board” shall mean the board of directors of the Zone, acting by and through the City Manager.

“Captured Appraised Value” means the total appraised value of all real property taxable by the Taxing Units and located in the Zone for the year less the Tax Increment Base of the Taxing Units.

“City Manager” shall mean City’s city manager, or designee.

“City Tax Increment” shall mean total amount of property taxes assessed, collected, and deposited into the Tax Increment Fund by City for the year on the Captured Appraised Value of real property taxable by City and located in the Zone.

“Commencement of Construction” shall mean that (i) the plans have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for construction of the applicable Infrastructure; (ii) all necessary permits for the construction of the applicable Infrastructure, having been issued by all applicable governmental authorities; and (iii) grading of the Land has commenced.

“Company Affiliate” shall mean any entity that is directly or indirectly controlled by or is under common control with Company.

“Completion of Construction” shall mean that (i) the applicable Infrastructure is substantially completed; and (ii) City has either accepted the applicable Infrastructure, or provided written evidence of completion, which may include a temporary certificate of occupancy, certificate of occupancy, green tag, or other form of City evidence.

“Economic Development Grants” shall mean annual economic development grants for reimbursement of Eligible Costs for Private Infrastructure to be paid as set forth herein.

“Effective Date” shall mean the last date of execution hereof.

“Eligible Costs” shall mean the actual costs incurred and paid by Company or on behalf of Company for the design and construction of the Infrastructure, not including costs for legal fees, permit and inspection fees, bond costs, the costs of the Land, interest, finance, the cost of financing, management fees, right-of-way, or easements or other soft costs.

“Expiration Date” shall mean the earliest of (i) the date of payment of the Maximum Grant Amounts; (ii) the date of termination of the Zone.

“Force Majeure” shall mean any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, terrorism, civil commotion, insurrection, government or de facto governmental action, restrictions or interferences (unless caused by the intentional acts or omissions of the Party), fires, explosions, floods or other inclement weather, strikes, slowdowns or work stoppages, incidence of disease or other illness that reaches outbreak, epidemic, or pandemic proportions or similar causes affecting the area of the Zone that results in a reduction of labor force or work stoppage in order to comply with local, state, or national disaster, or national emergency orders, construction delays, shortages or unavailability of supplies, materials or labor, necessary condemnation proceedings, or any other circumstances which are reasonably beyond the control of the Party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstances are similar to any of those enumerated or not, the Party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or performance shall be extended for a period of time equal to the period such Party was delayed, provided the performance delayed is not the payment of a liquidated amount and the Party whose performance is delayed provides written notice to the other Party not later than fifteen (15) business days after the last day of the month of the occurrence of the event(s) or condition(s) causing the delay or the date the Party whose performance has been delayed becomes aware or should have reasonably known of the event, describing such event(s) and/or condition(s) and the date on which such event(s) and/or condition(s) occurred.

“Grants” shall collectively mean the Economic Development Grants and the Infrastructure Grants.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary, and extraordinary, foreseen, and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on Company with respect to the Land or Improvements or any property or any business owned or controlled by Company or Company Affiliate within City’s corporate limits.

“Infrastructure” shall collectively mean Public Infrastructure (Station Non-PID Projects) and Private Infrastructure (Station Economic Development Projects).

“Infrastructure Grants” shall mean annual grants for reimbursement of Eligible Costs for Public Infrastructure to be paid as set forth herein.

“Initial HPI Costs” shall mean the initial Four Million and No/100 Dollars (\$4,000,000.00) in costs incurred relating to design and construction of the Heritage Park Improvements as defined in the PMB Development Agreement.

“Land” shall mean the real property described in **Exhibit “A”** attached hereto.

“Maximum Grant Amounts” shall mean the maximum cost for reimbursement for Eligible Costs for the respective components of Private and Public Infrastructure identified as “Costs” set forth in **Exhibit “B”** and **Exhibit “C”**.

“Participation Agreement” shall mean an agreement between City and a Taxing Unit for the Taxing Unit to contribute Tax Increment to the Tax Increment Fund.

“Payment Request” shall mean a written request from Company to City for payment of the respective Grant which request shall be accompanied by copies of invoices, bills, receipts, and such other information as may be reasonably requested by the City to document Company expenditures or expenditures for Eligible Costs for the design and construction of the Private Infrastructure and Public Infrastructure, and which shall contain a bill of sale and assignment of any warranties for the applicable Public Infrastructure.

“PID” shall mean City of Sachse Public Improvement District No. 1.

“PMB Development Agreement” shall mean that certain agreement by and between PMB Station Land, L.P., as predecessor-in-interest to Company, and the City of Sachse, Texas effective October 3, 2018, amended by First Amendment to Development Agreement and Consent to Assignment effective September 5, 2019, Second Amendment to Development Agreement effective July 21, 2020, the Third Amendment to Development Agreement effective July 13, 2021, and the Fourth Amendment to Development Agreement approved November 14, 2022.

“Project” shall have the meaning assigned in the Recitals.

“Private Infrastructure” or “Station Economic Development Projects” shall mean private streets, roads, parking, streetlights, and private amenities to be maintained by the PID specifically identified in **Exhibit “B”**.

“Project and Financing Plan” shall mean the project and financing plan for the Zone as approved, and amended by the City and Board, from time to time.

“Public Infrastructure” or “Station Non-PID Projects” shall mean public infrastructure specifically identified in **Exhibit “C”**.

“Related Agreements” shall mean any other agreement by and between or among City, SEDC and Company, or a Company Affiliate.

“SEDC” shall mean the Sachse Economic Development Corporation.

“Station PID Projects” means those Authorized Improvements identified in the Sachse Public Improvement District No. 1 Amended and Restated Service and Assessment Plan approved by the City Council on November 14, 2022.

“Tax Increment” means the total amount of property taxes assessed and collected by the Taxing Units for the year on the Captured Appraised Value of real property taxable by the Taxing Units and located in the Zone. The amount of Tax Increment contributed by a Taxing Unit shall be limited to any maximum amount or other terms set forth in the respective Participation Agreement of such Taxing Unit or the ordinance creating Zone, in the case of City.

“Tax Increment Base” means the total appraised value of all real property taxable by a Taxing Unit for the year in which Zone was designated (2018).

“Tax Increment Fund” shall mean the fund into which the Tax Increment is deposited by City and any Taxing Unit for the Zone.

“Taxable Value” shall mean the appraised value as certified by the appraisal district, or its successor, for a given tax year.

“Taxing Unit” shall mean City and any taxing unit that taxes real property within the Zone and enters a Participation Agreement with City to contribute Tax Increment to the Tax Increment Fund.

“Zone” shall mean Reinvestment Zone Number Two, City of Sachse, Texas established by the Zone Ordinance.

“Zone Ordinance” shall mean City of Sachse Ordinance No. 3898 by which the Zone was designated, as amended.

Article II Term

The term of this Agreement shall begin on the Effective Date and shall continue until the Expiration Date, unless sooner terminated as provided herein.

Article III Project Construction

Construction Schedule. The Parties acknowledge that Completion of Construction for certain Public Infrastructure and certain Private Infrastructure has been achieved and that Commencement of Construction for certain Public Infrastructure has not yet occurred.

Article IV Economic Development Grants; Infrastructure Grants

4.1 Economic Development Grant Payment.

(a) Subject to Company's continued satisfaction of all terms and conditions of this Agreement and the obligation of Company to repay the Grants pursuant to Article VI, City agrees to provide annual Economic Development Grants to Company in an aggregate amount not to exceed the respective Maximum Grant Amount to be paid on the Annual Payment Date for Eligible Costs for completed components of Private Infrastructure which have achieved Completion of Construction prior to the Annual Payment Date Company may submit the Payment Requests for the Economic Development Grants no earlier than April 1 following the calendar year for which the request is made but not later than July 1. Failure of the Company to timely submit a Payment Request for an annual Economic Development Grant shall result in forfeiture of the payment of such annual Economic Development Grant, subject to Section 4.1(b).

(b) The amount of each annual Economic Development Grant shall be the lesser of: (i) the respective Maximum Grant Amount; (ii) amount of the Eligible Costs for the Private Infrastructure then eligible for payment that have not been paid to Company; and (iii) the amount of available City Tax Increment Funds after consideration of the Tax Increment Fund Priorities set forth in Section 4.3, below. If there are insufficient funds in the Tax Increment Fund for an annual Economic Development Grant, the unreimbursed Eligible Costs for the Private Infrastructure are carried forward to succeeding Annual Payment Dates until reimbursement has been made in full not to exceed the Maximum Grant Amount, or termination of the Zone or this Agreement, whichever occurs first.

(c) The Parties agree that the Economic Development Grants shall be paid solely from the Tax Increment from the Zone and only to the extent that funds are available in the Tax Increment Fund from the City Tax Increment during the term of this Agreement.

(d) Nothing in this Agreement shall be construed to obligate City to provide the Economic Development Grants from any other source of funds or to otherwise require City to pay Company for Eligible Costs for Private Infrastructure if there are insufficient funds in the Tax Increment Fund or if the Zone terminates prior to Company being reimbursed in full for the Eligible Costs for the Private Infrastructure. Upon the termination of this Agreement or the Expiration Date, any Eligible Costs for Private Infrastructure that remain un-reimbursed or that remain unpaid due to (i) lack of availability of City Tax Increment, or (ii) the failure of Company to satisfy any precondition of reimbursement under this Agreement, shall no longer be considered obligations of the Zone, and any obligation of City to pay the Economic Development Grants shall automatically expire and terminate on such date.

4.2 Infrastructure Grants.

(a) Subject to Company's continued satisfaction of all terms and conditions of this Agreement and the obligation of Company to repay the Grants pursuant to Article VI, City agrees to provide annual Infrastructure Grants to Company in an amount not to exceed the respective Maximum Grant Amount to be paid on an annual basis on the Annual Payment Date for Eligible Costs for completed components of Public Infrastructure which have been accepted by City prior to each Annual Payment Date". Company may submit the Payment Requests for the annual

Infrastructure Grant no earlier than April 1 following the calendar year for which the request is made but not later than July 1. Failure of the Company to timely submit a Payment Request for an annual Infrastructure Grant shall result in forfeiture of the payment of such annual Infrastructure Grant, subject to Section 4.2 (b).

(b) The amount of each annual Infrastructure Grant shall be the lesser of: (i) the respective Maximum Grant Amount; (ii) amount of the Eligible Costs for the Public Infrastructure then eligible for payment that have not been paid to Company; and (iii) the amount of available City Tax Increment Funds after consideration of the Tax Increment Fund Priorities set forth in Section 4.3, below. If there are insufficient funds in the Tax Increment Fund for an annual Infrastructure Grant, the unreimbursed Eligible Costs for the Public Infrastructure are carried forward to succeeding Annual Payment Dates until reimbursement has been made in full or termination of the Zone or this Agreement, whichever occurs first.

(c) The Parties agree that the Infrastructure Grants shall be paid solely from the City Tax Increment from the Zone and only to the extent that funds are available in the Tax Increment Fund from the City Tax Increment during the term of this Agreement.

(d) Nothing in this Agreement shall be construed to obligate City to provide the Infrastructure Grants from any other source of funds or to otherwise require City to pay Company for Eligible Costs for Public Infrastructure if there are insufficient funds in the Tax Increment Fund or if the Zone terminates prior to Company being reimbursed in full for the Eligible Costs for the Public Infrastructure Costs. Upon the termination of this Agreement or the Expiration Date, any Eligible Costs for Public Infrastructure that remain un-reimbursed or that remain unpaid due to (i) lack of availability of City Tax Increment, or (ii) the failure of Company to satisfy any precondition of reimbursement under this Agreement, shall no longer be considered obligations of the Zone, and any obligation of City to pay the Infrastructure Grants shall automatically expire and terminate on such date.

4.3 Tax Increment Fund Priorities.

(a) Except as otherwise provided herein, the funds deposited in the Tax Increment Fund from the Tax Increment shall only be used for the following and shall be applied in the following order of priority:

(i) Amounts pledged or required for payment of outstanding bonds or debt issued for Zone projects, if any;

(ii) The allocation of the reasonable administrative costs of the Zone;

(iii) The allocation of the maintenance of a minimum balance of \$50,000.00 in the Tax Increment Fund;

(iv) The amounts required to reduce or pay a portion of any assessments levied on the property within the PID, to achieve an equivalent overlapping tax rate of \$3.15,

including any PID Assessments pursuant to the PID Service and Assessment Plan, as amended or updated for Zone Projects, if any;

(v) The amounts required to be paid under that certain TIF Zone No. 2 Economic Development Agreement with Evolve Biologics (USA) dated December 18, 2021. It being understood that only the TIF Funds generated from the property owned by Evolve Biologics are pledged to be used to satisfy such Economic development Agreement;

(vi) The amounts required to be paid for reimbursement for the Station Non-PID Projects (as defined in the Project and Financing Plan, which estimated costs are \$2,028,326, and may be further updated to include additional Public Infrastructure as Station Non-PID Projects in accordance with the Project and Financing plan;

(vii) The amounts required to be paid for the Infrastructure Grants and the Economic Development Grants;

(viii) The payments to reimburse the Company for fifty percent (50%) of the costs of the Heritage Park Improvements (as defined in the PMB Development Agreement), up to \$1,677,000.00 plus simple interest per the terms of the PMB Development Agreement;

(ix) The payments to reimburse the City for fifty percent (50%) of the City's Heritage Park Improvements (as defined in the PMB the PMB Development Agreement) up to \$1,677,00.00; and

(x) Amounts required for any future agreements the City may enter into that do not change the order listed above.

(b) The use of Tax Increment contributed by Taxing Units other than City shall be subject to any rules, regulations, restrictions, and limitations set forth in the respective Participation Agreements between the City and such Taxing Units.

4.4 Maximum Grant Payments. In no case shall the cumulative payment of the annual Economic Development Grants and the annual Infrastructure Grants exceed the respective Maximum Grant Amount for reimbursement for the Eligible Costs for the respective component of the Private Infrastructure or Public Infrastructure; and Company shall have no right to seek reimbursement from City or the Board for reimbursement of Eligible Costs for Private Infrastructure and/or Public Infrastructure in excess of the respective Maximum Grant Amount, even if funds are available in the Tax Increment Fund from the City Tax Increment. In no case shall the Economic Development Grants and the Infrastructure Grants be used to pay or reimburse costs for projects which have or will be reimbursed by the PID.

4.5 Current Revenue. Grants to be paid herein shall be paid solely from lawful available funds in the Tax Increment Fund. Under no circumstances shall obligations of City and/or the

Board hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision.

4.6 Tax Protest.

(a) In the event Company or Company Affiliate, or any owner or lessee of any real property and/or improvements within the Land (“Protest Property”) timely and properly protests or contests (including any motion to correct the appraisal roll) the Taxable Value and/or the taxation of the Protest Property, or any portion thereof, with the Appraisal District (“Tax Protest”), the obligation of City and the Board to provide the Grants from the City Tax Increment with respect to such Protest Property or portion thereof, for such tax year shall be abated with regard to the amount of ad valorem taxes that are in dispute (based on the amount or portion of taxable value of the Protest Property in dispute) until a final determination has been made of such Tax Protest. In the event of a Tax Protest, City shall send written notice to Company of the amount of ad valorem taxes that are in dispute (based on the amount or portion of taxable value of the Protest Property in dispute or the entire amount if the contested amount is unknown to City). However, if a Tax Protest results in a final determination that changes the appraised value and/or the Taxable Value of the Protest Property or the amount of ad valorem taxes assessed and due for the Protest Property, or portion thereof, after an installment of the Grants has been paid which includes City Tax Increment for such Protest Property for such tax year, the City Tax Increment from the applicable to such Protest Property will be adjusted accordingly and the payment of the applicable Grants with respect to such tax year shall be adjusted (increased or decreased as the case may be) accordingly on the date of payment of the next Annual Payment Date or within thirty (30) business days after such determination in the event no further payments of the Grants are due under the Agreement. If there are no further payments of the Grants due under this Agreement and the results of the Tax Protest results in an overpayment to Company of City Tax Increment, Company shall not later than thirty (30) days after delivery of written demand by City reimburse City the amount of such overpayment.

(b) Refunds. If City determines that the amount of a Grant paid by City to Company was less than the correct amount to which Company was entitled (together with such records, reports, and other information necessary to support such determination), not later than thirty (30) days after determination of such underpayment, City shall pay the amount of the underpayment to Company.

Article V Conditions to Grant

The obligation of City and the Board to pay the Grants or any installment(s) thereof to Company shall be conditioned upon the continuing compliance and satisfaction of the terms and conditions of this Agreement by Company and each of the following conditions, provided that failure to meet a condition shall not prevent the payment of the applicable Grant prior to the specified deadline for satisfaction of the condition:

5.1 Payment Request. As a condition precedent to the payment of the applicable Grant Company shall have timely delivered to City the applicable Payment Request.

5.2 Good Standing. Company shall not have an uncured breach or default under this Agreement or any Related Agreement.

5.3 Project Construction. Company has complied with Article III above.

Article VI Termination; Repayment

6.1 Termination. This Agreement shall terminate upon the Expiration Date, or may be earlier terminated as follows:

- (a) By written agreement of the Parties;
- (b) On the date set forth in written notice from a Party in the event the other Party breaches any of the terms or conditions of this Agreement, or a Related Agreement, and such breach is not cured within thirty (30) days after written notice thereof or as otherwise provided in the Related Agreement; provided, however, if such breach is not capable of being cured within such 30-day period, the period to cure such breach shall be extended for an additional thirty (30) days or other period mutually agreed by the Parties;
- (c) On the date set forth in written notice from a Party, if the other Party suffers an event of Bankruptcy or Insolvency;
- (d) On the date set forth in written notice from City, if any Impositions owed to City, SEDC, or the State of Texas by Company shall become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such Impositions);
- (e) On the date set forth in written notice from either Party, if any subsequent decision of a court of competent jurisdiction or any subsequent federal or state legislation declares or renders this Agreement invalid, illegal, or unenforceable; or
- (f) On the date of payment of the Maximum Grant Amount.

6.2 Repayment. In the event this Agreement is terminated by City pursuant to Sections 6.1(b), (c), (d) or (e), Company shall immediately refund to City an amount equal to the Grants paid by City to Company as of the date of termination, plus interest at the rate of interest periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or, if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any

other New York money center bank selected by City) as its prime or base commercial lending rate, from the Effective Date until paid. The repayment obligation of Company set forth in this section shall survive termination and the Expiration Date.

6.3 Right of Offset. City may, at its option, offset any amounts due and payable under this Agreement against any debt (including Impositions) lawfully due and owing to City and/or SEDC from Company or Company Affiliate, regardless of whether the amount due arises pursuant to the terms of this Agreement, a Related Agreement, or otherwise, and regardless of whether the debt has been reduced to judgment by a court.

Article VII Miscellaneous

7.1 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the respective Parties. This Agreement may not be assigned without the prior written consent of City. Company may collaterally assign or pledge Company's rights under this Agreement to a Company's lender as security for a loan for the design and construction of the Infrastructure provided that City is not an obligated person under such assignment.

7.2 Limitation on Liability. It is understood and agreed between the Parties that Company and City, in satisfying the conditions of this Agreement, have acted independently, and assume no responsibilities or liabilities to third parties in connection with these actions.

7.3 No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture between the Parties.

7.4 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. The City Manager, or designee, is authorized to execute any amendments to this Agreement and any instruments related hereto.

7.5 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received (i) three (3) days after deposit into the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below, or (ii) on the day received if sent by courier or otherwise hand delivered.

If intended for City and/or Board, to

Attn: Gina Nash,
City Manager
City of Sachse, Texas
3815 Sachse Road
Sachse, Texas 75048

With a copy to:

Peter G. Smith
Nichols, Jackson, Dillard, Hager & Smith, L.L.P.
1800 Ross Tower
500 North Akard
Dallas, Texas 75201

If intended for Company, to

Attn: Taylor Baird
PMB Station Developer, LLC
4001 Maple Ave, Suite 270
Dallas, Texas 75219

With a copy to:

Attn: Ross Martin
Winstead PC
2728 N. Harwood Street, Suite 500
Dallas, Texas 75201

7.6 Entire Agreement. This Agreement is the entire agreement between the Parties with respect to the subject matter covered in this Agreement.

7.7 Governing Law. This Agreement shall be governed by the laws of the State of Texas, and venue for any action concerning this Agreement shall be in the State District Court of Dallas County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

7.8 Amendment. This Agreement may only be amended by a written agreement executed by all Parties. The City Manager is authorized on behalf of City and the Board to execute any amendments hereto and any instruments or other agreements related hereto to effectuate the intent of this Agreement.

7.9 Legal Construction. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions. It is the intention of the Parties that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement, which is legal, valid, and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

7.10 Recitals. The recitals to this Agreement are incorporated herein.

7.11 Counterparts. This Agreement may be executed in identical counterparts. Each of the counterparts shall be deemed an original instrument, but all the counterparts shall constitute the same instrument.

7.12 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

7.13 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, relating to a period of time following the termination of this Agreement shall survive termination.

7.14 Further Assurances. Each Party agrees that it will take all actions and execute all documents necessary to fully carry out the purposes and intent of this Agreement.

7.15 Employment of Undocumented Workers. During the term of this Agreement, Company agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C. Section 1324a (f), Company shall repay the amount of the Grants and any other funds received by Company from City as of the date of such violation within one hundred twenty (120) days after the date Company is notified by City of such violation, plus interest at the rate of four percent (4%) compounded annually from the date of violation until paid. Company is not liable for a violation of this section in relation to any workers employed by a subsidiary, affiliate, or franchisee of Company or by a person with whom Company contracts.

(Signature Page to Follow)

SIGNED AND AGREED on this _____ day of _____, 2023.

CITY OF SACHSE, TEXAS

By: _____
Gina Nash, City Manager

APPROVED AS TO FORM:

By: _____
Peter G. Smith, City Attorney

SIGNED AND AGREED on this _____ day of _____, 2023.

**BOARD OF DIRECTORS
REINVESTMENT ZONE NUMBER TWO**

By: _____
Gina Nash, City Manager

SIGNED AND AGREED on this _____ day of _____, 2023.

**PMB STATION DEVELOPER, LLC,
a Texas limited liability company.**

**By: PMB STATION LAND, LP,
a Texas limited partnership,
its Manager**

**By: PMB STATION LAND GP, LLC,
a Texas limited liability company,
its General Partner**

By: _____
K. Taylor Baird, Manager

**“EXHIBIT A”
Legal Description**

METES AND BOUNDS DESCRIPTION OF THE PROPERTY

170.686 ACRES

LEGAL DESCRIPTION - Tract 1: 131.965 ACRES

BEING a tract of land situated in the Richard Copeland Survey, Abstract No. 228, the McKinney and Williams Survey, Abstract No. 1000, and the Zach Motley survey, abstract No. 1009 also being a portion of a 78.13-acre tract of land and a 33.63 acre tract described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, all of a tract of land described by deed to Maurice McClain recorded in Volume 172, Page 96 of the Deed Records of Dallas County, Texas, all of a tract of land to the City of Sachse as recorded in Instrument Number 201700347810 of the Official Public Records of Dallas County, Texas, a portion of a tract of land described by deed to Maurice L. McClain recorded in Volume 8006, Page 1624 of the Deed Records of Dallas County, Texas, a portion of a tract of land described by deed to Donald K. McClain as recorded in Volume 73241, Page 1588 of the Deed Records of Dallas County, Texas, and a portion of a tract of land described by deed to the City of Sachse as recorded in Volume 94150, Page 6284 and Volume 98121, Page 6186 of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found for the northeast corner of said 78.13-acre tract to Children's Medical Center Foundation, also lying on the west line of Merritt Road, a variable width right-of-way;

THENCE South 00 degrees 14 minutes 29 seconds West, a distance of 265.43 feet to a 1/2-inch iron rod with cap stamped "HALFF" found for corner;

THENCE South 00 degrees 17 minutes 44 seconds East, a distance of 749.92 feet to a point for corner;

THENCE South 89 degrees 49 minutes 07 seconds West, a distance of 19.40 feet to a point for corner;

THENCE South 00 degrees 58 minutes 54 seconds East, a distance of 166.49 feet to a point for corner;

THENCE South 87 degrees 23 minutes 36 seconds West, a distance of 8.33 feet to a point for corner;

THENCE South 00 degrees 30 minutes 05 seconds East, a distance of 325.91 feet to a point for corner;

THENCE South 01 degrees 26 minutes 08 seconds East, a distance of 310.38 feet to a point for corner;

THENCE South 84 degrees 19 minutes 28 seconds West, a distance of 5.28 feet to a point for corner;

THENCE South 00 degrees 38 minutes 08 seconds East, a distance of 233.16 feet to a point for corner;

THENCE South 46 degrees 54 minutes 32 seconds West, a distance of 52.21 feet to a point for corner at the beginning of a curve to the left;

THENCE with said curve to the left having a radius of 7815.00 feet, a central angle of 08 degrees 03 minutes 10 seconds, an arc length of 1098.38 feet, a chord bearing of North 80 degrees 56 minutes 08 seconds West, a distance of 1097.48 feet point for corner;

THENCE North 85 degrees 45 minutes 34 seconds West, a distance of 59.41 feet to a point for corner at the beginning of a curve to the left;

THENCE with said curve to the left having a radius of 7813.20 feet, a central angle of 06 degrees 03 minutes 12 seconds, an arc length of 825.47 feet, a chord bearing of North 88 degrees 24 minutes 26 seconds West, a distance of 825.09 feet point for corner;

**“EXHIBIT A”
Legal Description**

THENCE North 01 degrees 00 minutes 01 seconds West, a distance of 991.09 feet to a point for corner;

THENCE South 88 degrees 53 minutes 13 seconds West, a distance of 919.49 feet to a point for corner;

THENCE South 04 degrees 12 minutes 40 seconds East, a distance of 59.32 feet to a point for corner at the beginning of a curve to the left;

THENCE with said curve to the left having a radius of 555.00 feet, a central angle of 17 degrees 05 minutes 04 seconds, an arc length of 165.49 feet, a chord bearing of South 51 degrees 33 minutes 33 seconds West, a distance of 164.88 feet point for corner;

THENCE South 43 degrees 01 minutes 02 seconds West, a distance of 87.64 feet to a point for corner at the beginning of a curve to the right;

THENCE with said curve to the right having a radius of 755.00 feet, a central angle of 45 degrees 57 minutes 01 seconds, an arc length of 605.50 feet, a chord bearing of South 65 degrees 59 minutes 32 seconds West, a distance of 589.40 feet point for corner;

THENCE South 88 degrees 58 minutes 01 seconds West, a distance of 100.58 feet to a point for corner;

THENCE North 46 degrees 16 minutes 56 seconds West, a distance of 32.97 feet to a point for corner;

THENCE North 01 degrees 04 minutes 22 seconds West, a distance of 309.36 feet to a point for corner;

THENCE North 03 degrees 17 minutes 48 seconds East, a distance of 144.44 feet to a point for corner;

THENCE North 01 degrees 04 minutes 34 seconds West, a distance of 83.55 feet to a point for corner;

THENCE North 88 degrees 43 minutes 23 seconds East, a distance of 836.14 feet to a point for corner;

THENCE North 05 degrees 17 minutes 52 seconds West, a distance of 524.29 feet to a point for corner;

THENCE North 89 degrees 41 minutes 29 seconds East, a distance of 315.73 feet to a point for corner;

THENCE North 02 degrees 40 minutes 19 seconds West, a distance of 556.10 feet to a point for corner;

THENCE North 88 degrees 29 minutes 17 seconds East, a distance of 307.90 feet to a point for corner at the beginning of a curve to the left;

THENCE with said curve to the left having a radius of 530.00 feet, a central angle of 17 degrees 56 minutes 09 seconds, an arc length of 165.91 feet, a chord bearing of North 79 degrees 31 minutes 12 seconds East, a distance of 165.23 feet point for corner;

THENCE North 70 degrees 32 minutes 53 seconds East, a distance of 347.25 feet to a point for corner at the beginning of a curve to the right;

THENCE with said curve to the right having a radius of 538.50 feet, a central angle of 46 degrees 15 minutes 42 seconds, an arc length of 434.79 feet, a chord bearing of South 86 degrees 19 minutes 45 seconds East, a distance of 423.08 feet point for corner;

THENCE North 21 degrees 19 minutes 27 seconds East, a distance of 34.92 feet to a point for corner at the beginning of a curve to the right;

THENCE with said curve to the right having a radius of 573.50 feet, a central angle of 15 degrees 36 minutes 23 seconds, an arc length of 156.21 feet, a chord bearing of South 55 degrees 44 minutes 24 seconds East, a distance of 155.73 feet point for corner at the beginning of a reverse curve to the left;

**“EXHIBIT A”
Legal Description**

THENCE with said reverse curve to the left having a radius of 575.00 feet, a central angle of 18 degrees 05 minutes 20 seconds, an arc length of 181.53 feet, a chord bearing of South 56 degrees 58 minutes 52 seconds East, a distance of 180.78 feet point for corner for the beginning of a compound curve to the left;

THENCE with said compound curve continuing to the left having a radius of 2500.00 feet, a central angle of 20 degrees 36 minutes 16 seconds, an arc length of 899.04 feet, a chord bearing of South 76 degrees 19 minutes 40 seconds East, a distance of 894.20 feet point for corner;

THENCE South 69 degrees 16 minutes 05 seconds East, a distance of 110.00 feet to a point for corner;

THENCE South 89 degrees 45 minutes 48 seconds East, a distance of 67.22 feet to a point for corner;

THENCE North 89 degrees 28 minutes 37 seconds East, a distance of 173.94 feet to the **POINT OF BEGINNING**, containing 5,748,388 square Feet, or 131.965 acres of land.

LEGAL DESCRIPTION - Tract 2: 3.622 ACRES

BEING a tract of land situated in the Robert McCullough Survey, Abstract No. 928, also being a portion of a called 4.07-acre tract of land described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod with cap stamped "W.A.I." found for the northwest corner of a right-of-way dedication to the City of Sachse as recorded in Instrument Number 201100215349 of the Official Public Records of Dallas County, Texas, also lying on the southwest line of said 4.07-acre tract and the northeast line of a tract of land described by deed to The Trull Foundation as recorded in Volume 2001009, Page 575 of the Deed Records of Dallas County, Texas;

THENCE North 38 degrees 21 minutes 45 seconds West, along the common line of said 4.07-acre tract and said Trull Foundation tract, a distance of 326.23 feet to a 5/8 inch iron rod with cap stamped "TNP" set for most westerly corner of said 4.07-acre tract, also lying on the southeast line of Old Miles Road a variable width right-of-way;

THENCE North 36 degrees 49 minutes 36 seconds East, along the southeast line of said Old Miles Road and the northwest line of said 4.07-acre tract, a distance of 564.86 feet to a 1/2 inch iron rod with cap stamped "HALFF" found for the beginning of a curve to the left;

THENCE continuing along the southeast line of said Old Miles Road and the northwest line of said 4.07-acre tract with said curve to the left having a radius of 585.85 feet, a central angle of 03 degrees 53 minutes 34 seconds, an arc length of 39.80 feet, a chord bearing of North 34 degrees 51 minutes 58 seconds East, a distance of 39.80 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the north corner of said 4.07-acre tract, also lying on the west line of Miles Road a variable width right-of-way;

THENCE South 01 degrees 01 minutes 20 seconds East, along the west line of Miles Road, a distance of 708.15 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the northeast corner of a right-of-way dedication to the City of Sachse as recorded in Instrument Number 201100215349 of the Official Public Records of Dallas County, Texas;

THENCE leaving the west line of said Miles Road along the northerly line of said right-of-way dedication the following courses and distances:

South 43 degrees 28 minutes 06 seconds West, a distance of 39.07 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

**“EXHIBIT A”
Legal Description**

South 88 degrees 28 minutes 07 seconds West, a distance of 120.98 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the beginning of a curve to the left;

with said curve to the left having a radius of 845.00 feet, a central angle of 01 degrees 36 minutes 24 seconds, an arc length of 23.69 feet, a chord bearing of South 87 degrees 39 minutes 54 seconds West, a distance of 23.69 feet to the **POINT OF BEGINNING** containing 157,785 Square Feet, or 3.622 Acres of land.

LEGAL DESCRIPTION - Tract 3: 0.153 ACRES

BEING a tract of land situated in the Robert McCullough Survey, Abstract No. 928, also being a portion of a called 4.07-acre tract of land described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with cap stamped "HALFF" found for the southeast corner of said 4.07-acre tract, same being the northeast corner of a tract of land described by deed to The Trull Foundation as recorded in Volume 2001009, Page 575 of the Deed Records of Dallas County, Texas, also lying on the west line of Miles Road a variable width right-of-way;

THENCE North 38 degrees 21 minutes 45 seconds West, along the common line of said 4.07-acre tract and said Trull Foundation tract, a distance of 165.28 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the southwest corner of a right-of-way dedication to the City of Sachse as recorded in Instrument Number 201100215349 of the Official Public Records of Dallas County, Texas;

THENCE North 88 degrees 28 minutes 07 seconds East, along the south line of said right-of-way dedication, a distance of 77.52 feet to a 5/8 inch iron rod with cap stamped "TNP" set for a corner clip of same;

THENCE South 46 degrees 31 minutes 54 seconds East, continuing along said right-of-way dedication, a distance of 37.26 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner lying on the west line of the aforementioned Miles Road;

THENCE South 01 degrees 01 minutes 20 seconds East, along the west line of said Miles Road, a distance of 2.71 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the beginning of a curve to the right;

THENCE continuing along the east line of said Miles Road with said curve to the right having a radius of 1450.00 feet, a central angle of 04 degrees 05 minutes 05 seconds, an arc length of 103.38 feet, a chord bearing of South 01 degrees 06 minutes 22 seconds West, a distance of 103.35 feet to the **POINT OF BEGINNING**, containing 6,655 Square Feet, or 0.153 Acre.

LEGAL DESCRIPTION - Tract 4: 8.747 ACRES

BEING a tract of land situated in the Richard Copeland Survey, abstract No. 228, also being all of an 8.68-acre tract of land described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with cap stamped "WAI" found for the northwest corner of said 8.68-acre tract also lying on the south line of President George Bush Turnpike, a called 350.00 feet wide right-of-way;

THENCE North 79 degrees 45 minutes 22 seconds East, along the south line of said President George Bush Turnpike, a distance of 218.91 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the beginning of a non-tangent curve to the right;

**“EXHIBIT A”
Legal Description**

THENCE continuing along the south line of said President George Bush Turnpike with said curve to the right having a radius of 7465.00 feet, a central angle of 02 degrees 19 minutes 19 seconds, an arc length of 302.51 feet, a chord bearing of North 80 degrees 55 minutes 01 seconds East, a distance of 302.49 feet to a 5/8 inch iron rod found for the northeast corner of said 8.68 acre tract, also lying on the westerly line of a tract of land described by deed to Batsu Enterprises recorded in Volume 91249, Page 4515 of the Deed Records of Dallas County, Texas;

THENCE along the common line of said 8.68-acre tract and said Batsu Enterprises tract the following courses and distances:

South 05 degrees 29 minutes 08 seconds East, a distance of 202.09 feet to a 1/2 inch iron rod found for corner;

North 89 degrees 33 minutes 14 seconds East, a distance of 196.48 feet to 5/8 inch iron rod with cap stamped “JBI” found for corner;

South 04 degrees 09 minutes 28 seconds East, a distance of 416.53 feet to a 5/8 inch iron rod with cap stamped “JBI” found for the southeast corner of said 8.68 acre tract and the southwest corner of said Batsu Enterprises tract, also lying on the north line of Pleasant Valley road, a variable width right-of-way;

THENCE South 89 degrees 50 minutes 57 seconds West, along the north line of said Pleasant Valley Road, a distance of 712.69 feet to a 5/8-inch iron rod with cap stamped “JBI” found for the southwest corner of said 8.68-acre tract;

THENCE North 05 degrees 17 minutes 07 seconds West, along the west line of said 8.68-acre tract, a distance of 277.26 feet to a 1/2-inch iron rod found for an angle point in same for corner;

THENCE North 04 degrees 55 minutes 13 seconds West, continuing along the west line of said 8.68-acre tract, a distance of 255.12 feet to the **POINT OF BEGINNING**, containing 381,007 Square Feet, or 8.747 Acres of land.

LEGAL DESCRIPTION - Tract 5: 11.266 ACRES

BEING a tract of land situated in the Richard Copeland Survey, abstract No. 228, also being all of a 11.27-acre tract of land described by deed to Children's Medical Center Foundation recorded in Instrument Number 201200202382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a T.X.D.O.T. aluminum cap stamped “2655” found for the northeast corner of said 11.27-acre tract also lying at the intersection of the west line of Pleasant Valley Road, a variable width right-of-way with the south line of President George Bush Turnpike, a called 350.00 feet wide right-of-way;

THENCE along the common line of said 11.27-acre tract and said Pleasant Valley Road the following courses and distances:

South 00 degrees 23 minutes 36 seconds East, a distance of 255.19 feet to a 5/8-inch iron rod with cap stamped “TNP” set for the beginning of a curve to the right; with said curve to the right having a radius of 311.06 feet, a central angle of 76 degrees 44 minutes 04 seconds, an arc length of 416.59 feet, a chord bearing of South 37 degrees 58 minutes 24 seconds West, a distance of 386.15 feet to a 1/2-inch iron rod with cap stamped “HALFF” found for corner;

South 76 degrees 28 minutes 32 seconds West, a distance of 320.80 feet to 1/2-inch iron rod with cap stamped “HALFF” found for the beginning of a curve to the right; with said curve to the right having a radius of 707.53 feet, a central angle of 13 degrees 35 minutes 53 seconds, an arc length of 167.92 feet, a chord bearing of South 83 degrees 01 minutes 55 seconds West, a distance of 167.53 feet 1/2-inch iron rod with cap stamped “HALFF” found for corner;

**“EXHIBIT A”
Legal Description**

North 89 degrees 46 minutes 07 seconds West, a distance of 96.34 feet to 1/2-inch iron rod with cap stamped “JBI” found for the southwest corner of said 11.27-acre tract, also lying on the east line of a tract of land described by deed to the City of Sachse recorded in Volume 94150, Page 6284 of the Deed Records of Dallas County, Texas;

THENCE North 00 degrees 55 minutes 31 seconds West, along the common line of said 11.27-acre tract and said City of Sachse tract, a distance of 678.28 feet to 1/2-inch iron rod with cap stamped “WAI” found for the northwest corner of said 11.27-acre tract, also lying on the south line of the aforementioned President George Bush Turnpike also for the beginning of a non-tangent curve to the right;

THENCE along the south line of said President George Bush Turnpike with said curve to the right having a radius of 7465.00 feet, a central angle of 06 degrees 18 minutes 35 seconds, an arc length of 822.09 feet, a chord bearing of South 88 degrees 21 minutes 02 seconds East, a distance of 821.67 feet to the **POINT OF BEGINNING**, containing 490,729 Square Feet, or 11.266 Acres of land.

LEGAL DESCRIPTION - Tract 6: 14.933 ACRES

BEING a tract of land situated in the Richard Copeland Survey, Abstract No. 228, City of Sachse, Dallas County, Texas and being all of a called 14.933 acres, described in a Special Warranty Deed to Sachse Medical Center, LLC, recorded in Instrument No. 201400065513 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod with red plastic cap stamped “KHA” set for the southeast corner of said 14.933 acre tract, said corner being in the west line of that tract of land described in a Special Warranty Deed to Batsu Enterprises, recorded in Volume 91249, Page 4515 of the Deed Records of Dallas County, Texas, and in the north right-of-way line of President George Bush Turnpike, a 350 foot wide right-of-way, said corner also being at the beginning of a non-tangent curve to the left;

THENCE, along the south line of said 14.933 acre tract and the north right-of-way line of said President George Bush Turnpike, the following courses and distances:

Southwesterly, along said non-tangent curve to the left through a central angle of 02°26'08", having a radius of 7815.00 feet, a chord bearing of South 80°58'58" West, a chord distance of 332.18 feet and an arc length of 332.20 feet to a concrete monument with brass disk found for corner at the end of said curve;

South 79°45'54" West, a distance of 343.41 feet to the most southerly southwest corner of said 14.933 acre tract, said corner being in the northeast line of a called 51.724 acre tract of land described in a Warranty Deed to The Trull Foundation, recorded in Volume 94077, Page 2599 of the Deed Records of Dallas County, Texas, from which, a 5/8 inch iron rod with plastic cap stamped “WAI” found for witness bears North 73°54' East, 0.6 feet;

THENCE North 38°00'53" West, departing the north right-of-way line of said President George Bush Turnpike, and along the southwest line of said 14.933 acre tract and the northeast line of said 51.724 acre tract and the northeast line of Tract Two, called 0.5384 acre, as described in a General Warranty Deed to The Trull Foundation, recorded in Volume 96158, Page 6025 of the Deed Records of Dallas County, Texas, a distance of 435.20 feet to a 5/8 inch iron rod with red plastic cap stamped “KHA” set for the most westerly southwest corner of said 14.933 acre tract, said corner being in the east right-of-way line of Miles Road, a 100 foot wide right-of-way at this point, and also being at the beginning of a non-tangent curve to the left;

THENCE, along the west line of said 14.933 acre tract and the east right-of-way line of said Miles Road, the following courses and distances:

**“EXHIBIT A”
Legal Description**

Northeasterly, along said non-tangent curve to the left through a central angle of 08°21'44", having a radius of 1550.00 feet, a chord bearing of North 03°08'21" East, a chord distance of 226.02 feet and an arc length of 226.22 feet to a 5/8 inch iron rod with red plastic cap stamped "KHA" set for corner at the end of said curve;

North 01°02'31" West, a distance of 142.90 feet to the northwest corner of said 14.933 acre tract, common to the southwest corner of a called 8.709 acres, as described in a Special Warranty Deed, recorded in Instrument No. 201800267365 of the Official Public Records of Dallas County, Texas, from which, a 5/8 inch iron rod with plastic cap stamped "TNP" found for witness bears North 41°40' East, 0.3 feet;

THENCE departing the east right-of-way line of said Miles Road, along the common line of said 14.933 acre tract and said 8.709 acre tract, the following courses and distances:

South 46°17'27" East, a distance of 32.97 feet to a 5/8 inch iron rod with red plastic stamped "TNP" found for corner;

North 88°57'30" East, a distance of 100.58 feet to the beginning of a tangent curve to the left, from which, a 5/8 inch iron rod with plastic cap stamped "TNP" found for witness bears North 45°49' East, 0.2 feet;

Northeasterly, along said tangent curve to the left through a central angle of 45°57'00", having a radius of 755.00 feet, a chord bearing of North 65°59'01" East, a chord distance of 589.40 feet and an arc length of 605.49 feet to the end of said curve, from which, a 5/8 inch iron rod with plastic cap stamped "TNP" found for witness bears North 69°15' East, 0.3 feet;

North 43°00'31" East, a distance of 87.64 feet to a 5/8 inch iron rod with red plastic cap stamped "KHA" set for corner at the beginning of a tangent curve to the right, from which, a 5/8 inch iron rod with plastic cap stamped "TNP" found for witness bears North 68°18' East, 0.3 feet;

Northeasterly, along said tangen curve to the right through a central angle of 16°00'32", having a radius of 555.00 feet, a chord bearing of North 51°00'47" East, a chord distance of 154.57 feet and an arc length of 155.07 feet to a 5/8 inch iron rod with red plastic stamped "KHA" set for the northeast corner of said 14.933 acre tract at the end of said curve, said point being in the west line of aforesaid Batsu Enterprises tract, from which a 1/2 inch iron rod found for the most northerly northwest corner of said Batsu Enterprises tract and the most westerly southwest corner of a called 26.04 acre tract of land described in a Special Warranty Deed to the City of Sachse, recorded in Volume 94150, Page 6284 of the Deed Records of Dallas County, Texas, bears North 05°00'48" West a distance of 63.83 feet;

THENCE, along the east line of said 14.933 acre tract and the west line of said Batsu Enterprises tract, the following courses and distances:

South 05°00'48" East, a distance of 550.69 feet to a point for corner, from which, a 1/2 inch iron rod found for witness bears South 58°28' East, 0.5 feet;

South 04°26'52" East, a distance of 431.33 feet to the POINT OF BEGINNING and containing 14.933 acres (650,474 square feet) of land, more or less.

EXHIBIT B “”
Private Infrastructure

Sachse Station Station Economic Development Grant Projects			
PHASE 1 SINGLE FAMILY SITE IMPROVEMENTS			
ITEM DESCRIPTION	COST	CATEGORY	LOCATION
Street Lights			
CL15S Commercial Lamppost w/3" OD Smooth Pole 14'4" Black	\$ 9,266	ED Grant	Phase 1 SF
Commercial LED Fixture	\$ 11,128	ED Grant	Phase 1 SF
Button Type Photo Control	\$ 585	ED Grant	Phase 1 SF
Street Lights - Upgraded Fixture	\$ 5,312	ED Grant	Phase 1 SF
5 Pin Twist Lock Photocell Receptacle Adders	\$ 206	ED Grant	Phase 1 SF
Street Light - Upgraded Fixture	\$ 2,656	ED Grant	Phase 1 SF
5 Pin Twist Lock Photocell Receptacle Adder	\$ 103	ED Grant	Phase 1 SF
Street Light Photocells	\$ 2,375	ED Grant	Phase 1 SF
Mailboxes			
CBU Type II - 12 Tenant, 1 Outgoing, 1 Parcel	\$ 7,800	ED Grant	Phase 1 SF
CBU Type III - 16 Tenant, 1 Outgoing, 2 Parcel	\$ 18,073	ED Grant	Phase 1 SF
Installation	\$ 2,400	ED Grant	Phase 1 SF
Sales Tax (Excluding Installation)	\$ -	ED Grant	Phase 1 SF
Subtotal	\$ 59,904		
THE STATION BLVD. PHASE 1 IMPROVEMENTS			
ITEM DESCRIPTION	COST	CATEGORY	LOCATION
Street Lights - Upgraded Fixtures	\$ 21,246	ED Grant	Station Blvd
5 Pin Twist Lock Photocell Receptacle Adder	\$ 823	ED Grant	Station Blvd
ROW Acquisition (Diff between Fmr PV and New SB) (\$7 - \$5 value difference)	\$ 59,934	ED Grant	Station Blvd
Median Light Re-Location (City Owned Facility)	\$ 6,750	ED Grant	Station Blvd
Subtotal	\$ 88,753		
THE STATION BLVD. FUTURE IMPROVEMENTS			
ITEM DESCRIPTION	COST	CATEGORY	LOCATION
Street Lights	\$ 65,750	ED Grant	Station Blvd
ROW Acquisition #2 (West) (\$7 - \$5 value difference)	\$ 307,658	ED Grant	Station Blvd
Subtotal	\$ 373,408		
Total Costs			
\$ 522,065			

EXHIBIT "C"
Public Infrastructure

Sachse Station Station Non-PID Projects			
THE COMMONS PARKWAY CIVIL IMPROVEMENTS			
ITEM DESCRIPTION	COST	CATEGORY	LOCATION
Street Lights - Upgraded Fixtures	\$ 37,181	Non-PID Project	Commons Pkwy
5 Pin Twist Lock Photocell Receptacle Adder	\$ 1,440	Non-PID Project	Commons Pkwy
Subtotal	\$ 38,621		
PHASE 1 PUBLIC PARKING & IN-TRACT IMPROVEMENTS			
ITEM DESCRIPTION	COST	CATEGORY	LOCATION
A. BLOCK K1 TRACT SITE WORK			
5" Concrete Pavement (3,500 PSI)	\$ 93,873	Non-PID Project	Block K1
6" Concrete Pavement (3,500 PSI)	\$ 131,881	Non-PID Project	Block K1
7" Concrete Pavement (3,500 PSI)	\$ 8,784	Non-PID Project	Block K1
6" Lime Subgrade Preparation (9%)	\$ 20,163	Non-PID Project	Block K1
Hydrated Lime (41 lbs/sy)	\$ 21,420	Non-PID Project	Block K1
Readymix Upcharge	\$ 39,599	Non-PID Project	Block K1
Handwork Upcharge	\$ 56,570	Non-PID Project	Block K1
Pavement Markings & Striping	\$ 4,250	Non-PID Project	Block K1
Mobilization	\$ 17,000	Non-PID Project	Block K1
Bonds	\$ 4,200	Non-PID Project	Block K1
Retail Signage	\$ 80,000	Non-PID Project	Block K1
Subtotal	\$ 477,740		
FUTURE PUBLIC PARKING & IN-TRACT IMPROVEMENTS			
ITEM DESCRIPTION	COST	CATEGORY	LOCATION
A. BLOCK K2(A), K2(B), AND K2(C) TRACTS			
Parking Improvements	\$ 831,201	Non-PID Project	Block K2
Signage	\$ 120,000	Non-PID Project	Block K2
Subtotal	\$ 951,201		
FUTURE MIXED USE #1 CIVIL SITE IMPROVEMENTS			
ITEM DESCRIPTION	COST	CATEGORY	LOCATION
8" REINF. CONCRETE STREET PAVEMENT	\$ 119,548	Non-PID Project	TBD
7" REINF. CONC. STREET PVMNT.	\$ 166,238	Non-PID Project	TBD
8" SUBGRADE PREPARATION	\$ 24,687	Non-PID Project	TBD
HYDRATED LIME (54#/SY)	\$ 25,760	Non-PID Project	TBD
LONGITUDINAL BUTT JOINT	\$ 1,065	Non-PID Project	TBD
BARRIER FREE PEDESTRIAN RAMPS	\$ 12,485	Non-PID Project	TBD
5' SIDEWALK (4" THICK, 3000 PSI)	\$ 58,523	Non-PID Project	TBD
STREET SIGN	\$ 2,000	Non-PID Project	TBD
STOP SIGN	\$ 500	Non-PID Project	TBD
TRAFFIC CONTROL	\$ 520	Non-PID Project	TBD
CURLEX AFTER PAVING	\$ 9,645	Non-PID Project	TBD
TESTING	\$ 7,328	Non-PID Project	TBD
BONDS	\$ 3,654	Non-PID Project	TBD
INSPECTION FEE	\$ 19,438	Non-PID Project	TBD
Subtotal	\$ 451,391		
FUTURE MIXED USE #2 CIVIL SITE IMPROVEMENTS			
ITEM DESCRIPTION	COST	CATEGORY	LOCATION
6" REINF. CONCRETE STREET PAVEMENT (12")	\$ 17,895	Non-PID Project	TBD
7" REINF. CONCRETE STREET PAVEMENT (31' BB)	\$ 29,964	Non-PID Project	TBD
8" SUBGRADE PREPARATION	\$ 8,412	Non-PID Project	TBD
HYDRATED LIME (54#/SY)	\$ 10,612	Non-PID Project	TBD
LONGITUDINAL BUTT JOINT	\$ 3,450	Non-PID Project	TBD
BARRIER FREE PEDESTRIAN RAMPS	\$ 8,323	Non-PID Project	TBD
5' SIDEWALK (4" THICK, 3000 PSI) BY DEVELOPER	\$ 15,424	Non-PID Project	TBD
STREET SIGN	\$ 1,000	Non-PID Project	TBD
STOP SIGN	\$ 1,250	Non-PID Project	TBD
TRAFFIC CONTROL	\$ 520	Non-PID Project	TBD
CURLEX AFTER PAVING	\$ 3,780	Non-PID Project	TBD
TESTING	\$ 3,148	Non-PID Project	TBD
BONDS	\$ 885	Non-PID Project	TBD
INSPECTION FEE	\$ 4,710	Non-PID Project	TBD
Subtotal	\$ 109,373		
Total Costs	\$ 2,028,326		