



City of Mesquite, Texas

Minutes - Final City Council

Monday, March 16, 2026

5:10 PM

City Hall | Council Chamber
757 N. Galloway Avenue | Mesquite, Texas

Present: Mayor Pro Tem Kenny Green, and Councilmembers Elizabeth Rodriguez-Ross, Jeff Casper, Andrew Hubacek, B.W. Smith and Brandon Murden, City Manager Cliff Keheley and City Secretary Sonja Land.

Absent: Mayor Daniel Alemán, Jr.

PRE-MEETING - TRAINING ROOMS A&B - 5:10 P.M.

AGENDA REVIEW

STAFF PRESENTATIONS

- 1 Receive briefing regarding a potential utility billing system review analysis by Water Company of America.

CITY COUNCIL/STAFF WORK SESSION - CITY COUNCIL CHAMBER - 6:11 P.M.

- 2 Receive Police Department Council Update.

Police Chief David Gill, presented the Mesquite Police Department (MPD) update for 2025. He reviewed the National Incident-Based Reporting System (NIBRS) crime statistics including aggravated assault, arson, burglary, homicide, motor vehicle theft, rape, robbery and theft.

Chief Gill presented an overview of the Police Department Operations Division including operational statistics, patrol K-9 deployments, commercial vehicle enforcement, and safety reports. He also presented information regarding the Criminal Investigations unit including the Major Crimes Unit and the Special Crimes Unit. The Major Crimes Unit handled a major bank robbery operation at the Navy Federal Credit Union. Major Crimes also reviewed 36 cold cases, submitted forensic evidence for new testing and developed new leads on three cases. The Special Crimes Unit investigations include a residential burglary investigation, chop shop investigation, VIN swap investigation, counterfeit luxury goods investigation, and Facebook Marketplace investigation.

Chief Gill stated that the Narcotics Unit filed 127 cases, investigated 24 citizen drug complaints, seized 177 firearms which included 16 stolen firearms, 21 vehicles, \$1,581,605.00 in currency and approximately 1,300 pounds of narcotics. Total "street value" in ounces of narcotics seized in 2025 is \$9,400,942.00. Narcotics Unit K-9 Remi came into service on February 17, 2025 and has since performed 71 deployments, and has assisted numerous federal agencies and neighboring cities. Remi's 2025 deployments resulted in locating 598 pounds of methamphetamine, 209 pounds of marijuana, 119 pounds of cocaine and 27.8

pounds of THC oil/vape.

Chief Gill discussed staff support and training. The State of Texas' standard Basic Peace Officer Course (BPOC) requires 720 hours of training. However, Mesquite police recruits are given 1,200 hours of training obtaining their intermediate certification. The Mesquite Police Department compiled over 36,000 training hours for sworn personnel in fiscal year 2025. New partnerships include SkillBridge with the Department of War. Mesquite is currently the only Texas Law Enforcement Agency participating in SkillBridge. In partnership with the MPD Recruiting Unit, the MPD will host approximately 200 students from the Mesquite Independent School District's (MISD) Career and Technical Education (CTE) Program on Wednesday, March 25, 2026. Students will receive an inside look at the department and learn about career pathways within the MPD.

The work session ended at 6:57 p.m.

REGULAR CITY COUNCIL MEETING - CITY COUNCIL CHAMBER - 7:02 P.M.

INVOCATION

Billy Island, Pastor, The Well Community Church, Mesquite, Texas.

PLEDGE OF ALLEGIANCE

Mesquite Hiram Bennett Chapter of the Daughters of the Republic of Texas.

SPECIAL ANNOUNCEMENTS

1. Mr. Murden stated that the City of Mesquite is offering two opportunities for teens aimed at fostering civic engagement and leadership development. Under the City's Youth Services Division, the Mesquite Youth Council and Summer Internship Program (SIP) are accepting applications now through Tuesday, March 31, 2026. Students who participate in these initiatives are provided the chance to engage with their community, get a behind-the-scenes look at how local businesses and government operate and meet like-minded youth across Mesquite. Students interested in learning more and applying to the SIP and Youth Council can visit www.cityofmesquite.com/YouthServices.
2. Mr. Smith invited citizens to attend the Historic Mesquite, Inc., Vintage Car Show on Saturday, March 21, 2026, from 1:00 p.m. to 4:00 p.m., at Opal Lawrence Historical Park, 711 East Kearney Street. Register your classic car for \$30.00 to be eligible for trophies and prizes, or you may attend for free.
3. Mr. Hubacek stated that the City is looking for new partners to serve on its boards and commissions. Engaged citizens can volunteer their time, knowledge and expertise to make a difference in the community. By serving on a board or commission, you can advise the City Council and staff on a wide range of service areas. Duties of boards and commissions may include serving in an advisory capacity, examining in-depth issues such as recommendations to zoning ordinances, advising and assisting the City in adopting land use assumptions, making decisions on various requests from citizens and more. To learn more about the requirements for service and to complete an application, visit www.cityofmesquite.com/Boards.
4. Mr. Hubacek stated that Pastor Billy Island, who provided tonight's invocation, recently established a new church, The Well Community Church, 827 South Galloway Avenue, and invited citizens to visit.

5. Ms. Rodriguez-Ross stated that citizens can enjoy live music on Thursday nights twice a month with the Courtyard Concert Series at the Mesquite Arts Center, 1527 North Galloway Avenue. This Thursday, March 19, 2026, PriMadonna will be performing. The Courtyard Concert Series runs through June 2026.
6. Mr. Casper announced that the 68th Annual Rodeo Parade will be held on Saturday, March 28, 2026, at 10:00 a.m. The parade begins on South Bryan-Beltline Road at Newsom Road continuing through Downtown Mesquite. This year's parade theme is "Stirrup Some Fun!" and Mesquite Poteet High School alumnus and NFL veteran Malik Jefferson will serve as the Grand Marshal. The cost for float entry is \$40.00, and registration ends Friday, March 27, 2026. Learn more and register at www.cityofmesquite.com/RodeoParade. On this same day, the Downtown Mesquite Market opens for the season at Front Street Station. There will be rodeo-themed activities featuring photo opportunities with western-themed props, Country music and entertainment and more. Find details at www.DowntownMesquiteTX.com.
7. Mr. Green stated that spring weather can change rapidly in North Texas, and you don't want to be caught unaware. Stay "in the know" by signing up for Mesquite Alerts. You'll get real-time notifications to keep you safe with reliable information about emergencies, weather and news that pertains to your neighborhood. Your contact information remains private and will only be used for community notifications. Visit www.cityofmesquite.com/MesquiteAlerts to learn more.
8. Mr. Green wished Mayor Alemán safe travels and expressed appreciation to all City staff.

CONSENT AGENDA

Approval of the Consent Agenda

Mr. Hubacek moved to approve the items on the Consent Agenda as follows. Motion was seconded by Mr. Murden and approved unanimously.

- 3** Minutes of the regular City Council meeting held March 2, 2026.

Approved on the Consent Agenda.

- 4** A resolution authorizing the City Manager to execute an agreement with the Texas Department of Transportation (TxDOT) for the temporary closure of State Highway 352 on March 28, 2026, for the City of Mesquite Rodeo Parade, commemorating the 68th Anniversary of the Mesquite Championship Rodeo.

Approved on the Consent Agenda.

Resolution No. 04-2026, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION FOR THE TEMPORARY CLOSURE OF STATE HIGHWAY 352 ON MARCH 28, 2026, FOR THE CITY OF MESQUITE RODEO PARADE, COMMEMORATING THE 68TH ANNIVERSARY OF THE MESQUITE CHAMPIONSHIP RODEO. (Resolution No. 04-2026 recorded in Resolution Book No. 74.)

- 5** Bid No. 2026-008 - Paving and Utility Improvements for Sherwood Forest, Original Town, and Paddy Heights.
(Authorize the City Manager to finalize and execute a contract with Estrada Concrete Company, LLC, in the amount of \$8,585,620.00.)

Approved on the Consent Agenda.

- 6 Bid No. 2026-028 - Pioneer Road Retaining Wall Reconstruction.
(Authorize the City Manager to finalize, execute and ratify a contract with low bidder Concord Commercial Services, Inc., in the amount of \$188,184.70.)

Approved on the Consent Agenda.

- 7 Bid No. 2026-055 - Annual Purchase of 48-Gallon Toter Trash Carts.
(Staff recommends award to WasteQuip, LLC, through Omnia Partners Contract No. 226024-02, in an amount not to exceed \$499,069.00. The term of the contract is for a one-year period, with one additional one-year renewal option. The City Manager is authorized to exercise the renewal option, subject to the annual appropriation of sufficient funds.)

Approved on the Consent Agenda.

END OF CONSENT AGENDA

CONSIDERATION OF ORDINANCES AND RESOLUTIONS

- 8 Consider an ordinance of the City of Mesquite, Texas, authorizing the issuance from time to time of City of Mesquite, Texas, Permanent Improvement Bonds, Permanent Improvement Refunding Bonds, and Permanent Improvement and Refunding Bonds, in the aggregate principal amount not to exceed \$53,825,000.00; providing for the award of the sale thereof in accordance with specified parameters; levying a tax in payment thereof; authorizing the execution and delivery of a paying agent/registrar agreement, an escrow agreement and a purchase agreement; approving the official statement; and enacting provisions incident and relating to the subject and purposes of this ordinance.

Ted Chinn, Director of Finance, introduced Jason Hughes, Senior Managing Director, Hilltop Securities, Inc., who reviewed the parameter bond sale and Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2026. He also reviewed the Notice of Intention to issue Certificates of Obligation.

Mr. Murden moved to approve Ordinance No. 5232, AN ORDINANCE AUTHORIZING THE ISSUANCE FROM TIME TO TIME OF CITY OF MESQUITE, TEXAS, PERMANENT IMPROVEMENT BONDS, PERMANENT IMPROVEMENT REFUNDING BONDS AND PERMANENT IMPROVEMENT AND REFUNDING BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$53,825,000; PROVIDING FOR THE AWARD OF THE SALE THEREOF IN ACCORDANCE WITH SPECIFIED PARAMETERS; LEVYING A TAX IN PAYMENT THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT, AN ESCROW AGREEMENT AND A PURCHASE AGREEMENT; APPROVING THE OFFICIAL STATEMENT; AND ENACTING PROVISIONS INCIDENT AND RELATING TO THE SUBJECT AND PURPOSES OF THIS ORDINANCE. Motion was seconded by Ms. Rodriguez-Ross and approved unanimously. (Ordinance No. 5232 recorded in Ordinance Book No. 136.)

- 9 Consider an ordinance of the City of Mesquite, Texas, authorizing the issuance of City of Mesquite, Texas, Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2026 in the aggregate principal amount not to exceed \$43,425,000.00; approving an official statement; awarding the sale thereof; making provisions for the security thereof; authorizing the execution and delivery of a paying agent agreement, deposit agreement and bond purchase agreement; providing an effective date; approving and enacting other provisions relating thereto.
- Mr. Murden moved to approve Ordinance No. 5233, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE ISSUANCE OF CITY OF MESQUITE, TEXAS, WATERWORKS AND SEWER SYSTEM REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 2026 IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$43,425,000; APPROVING AN OFFICIAL STATEMENT; AWARDED THE SALE THEREOF; MAKING PROVISIONS FOR THE SECURITY THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT AGREEMENT, DEPOSIT AGREEMENT AND BOND PURCHASE AGREEMENT, PROVIDING AN EFFECTIVE DATE; APPROVING AND ENACTING OTHER PROVISIONS RELATING THERETO. Motion was seconded by Ms. Rodriguez-Ross and approved unanimously. (Ordinance No. 5233 recorded in Ordinance Book No. 136.)
- 10 Consider a resolution authorizing publication of notice of intention to issue Certificates of Obligation, approving the preparation of a preliminary official statement and a notice of sale, and providing for the effective date thereof.
- Ms. Rodriguez-Ross moved to approve Resolution No. 05-2026, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; APPROVING THE PREPARATION OF A PRELIMINARY OFFICIAL STATEMENT AND A NOTICE OF SALE; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF. Motion was seconded by Mr. Murden and approved unanimously. (Resolution No. 05-2026 recorded in Resolution Book No. 74.)
- 11 Consider a resolution approving the Mesquite Quality of Life Corporation's (MQOLC) mid-year amended budget for Fiscal Year 2025-26.
- Kim Buttram, Director of Economic Development, presented the Mesquite Quality of Life Corporation's mid-year amended budget.
- Mr. Hubacek moved to approve Resolution No. 06-2026, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING THE MESQUITE QUALITY OF LIFE CORPORATION'S MID-YEAR AMENDED BUDGET FOR THE FISCAL YEAR 2025-26; AND DECLARING AN EFFECTIVE DATE THEREOF. Motion was seconded by Ms. Rodriguez-Ross and approved unanimously. (Resolution No. 06-2026 recorded in Resolution Book No. 74.)

APPOINTMENTS TO BOARDS, COMMISSIONS AND COMMITTEES

- 12 Consider appointment of an alternate member to the Regional Transportation Council for a term to expire June 30, 2026.

Mr. Murden moved to appoint Sunnyvale Mayor Saji George as the alternate member to the Regional Transportation Council for a term to expire June 30, 2026. Motion was seconded by Mr. Smith and approved unanimously.

PUBLIC HEARINGS

- 13 A. Conduct a public hearing regarding the Parks and Recreation Department Youth Programs Standards of Care.

B. Consider an ordinance adopting Standards of Care associated with the City's recreation programs titled "2026 Youth Programs Standards of Care" and repealing Ordinance No. 5158.

A public hearing was held regarding the Parks and Recreation Department Youth Programs Standards of Care.

Elizabeth Harrell, Director of Parks and Recreation, stated that the Parks and Recreation Department operates youth programs at various recreation centers during after-school hours and on school breaks. These programs are designed to provide constructive recreational experiences and ensure school-aged children in the community have access to quality programs with supervision when school is not in session.

Ms. Harrell stated that the Youth Programs Standards of Care (SOC) is reviewed annually and adopted by ordinance, following a public hearing. This year, the SOC includes the following revisions:

1. Recreation Leader I Position

- a. Licensing: Removed the requirement for a valid Texas driver's license as a minimum qualification.
- b. Age Requirement: Lowered the minimum age requirement for this position to 16 years of age.

2. Recreation Aide Position

- a. Consolidation: This position has been eliminated and combined into the Recreation Leader I position.

Vivian Johnson, 4538 Live Oak Drive, expressed support for the proposed ordinance.

No others appeared regarding the proposed ordinance.

Mr. Casper moved to approve Ordinance No. 5234, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, ADOPTING STANDARDS OF CARE ASSOCIATED WITH THE CITY'S RECREATION PROGRAMS TITLED "2026 YOUTH PROGRAMS STANDARDS OF CARE"; REPEALING ORDINANCE NO. 5158; PROVIDING A GENERAL REPEALING CLAUSE; PROVIDING A CONFLICTS RESOLUTION CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

Motion was seconded by Ms. Rodriguez-Ross and approved unanimously. (Ordinance No. 5234 recorded in Ordinance Book No. 136.)

14

Conduct a public hearing and consider an ordinance approving a variance reducing the separation requirement from 300 feet to 100 feet between Towneast Food Mart and Mesquite Academy, a Mesquite Independent School serving 6th through 12th grades, located at 2704 Motley Drive, to allow the sale of beer and wine for off-premises consumption at a proposed service station and convenience store, located at 3225 North Town East Boulevard.

(No responses in favor or in opposition to the application have been received from property owners within the statutory notification area.)

A public hearing was held to consider an ordinance approving a variance request for 3225 North Town East Boulevard.

Adam Bailey, Director of Planning and Development Services, stated that the City of Mesquite requires businesses selling beer or wine to be located a minimum of 300 feet from a public or private school. This distance is measured in a straight line from the school's property line to the property line of the place of business. The applicant is requesting a variance from the 300-foot separation requirement to allow Towneast Food Mart to sell beer and wine at a proposed service station and convenience store that received zoning approval in January 2026. Based on the survey submitted by the applicant, the subject property is approximately 100 feet from the Mesquite Academy property line. However, the entrance to the proposed building at 3225 North Town East Boulevard is approximately 407 feet from the side entrance of Mesquite Academy and approximately 502 feet from the school's main entrance.

Mr. Bailey stated that In December 2018, the City Council passed an ordinance establishing a variance process that could allow businesses that sell beer and wine to be less than 300 feet from churches and schools. The ordinance gives Council the authority to approve such variances on a case-by-case basis when a request is found to be "...not in the best interest of the public, constitutes waste or inefficient use of land or other resources, creates an undue hardship on an applicant for a license or permit, does not serve its intended purpose, or is not effective or necessary, or for any other reason the City Council determines, after consideration of the health, safety and welfare of the public and the equities of the situation, that the variance is in the best interest of the community."

Mr. Bailey stated that the applicant is requesting that consideration of this ordinance be postponed to the April 6, 2026, City Council meeting.

No one appeared regarding the proposed ordinance.

Mr. Casper moved to keep the public hearing open and postpone consideration of the ordinance to the April 6, 2026, City Council meeting. Motion was seconded by Mr. Murden. On call for a vote on the motion, the following votes were cast:

Ayes: Casper, Murden, Green, Rodriguez-Ross

Nays: Hubacek, Smith

Absent: Alemán

Motion carried.

15

Conduct a public hearing and consider an ordinance for Zoning Application No. Z0126-0434, submitted by Rande LeCours, SLS Consultants, for a change of zoning to amend Planned Development (PD) - Industrial, Ordinance No. 4962, to modify the development standards and concept plan in the PD for the East Tract located at 180, 200, 270, and 300 Long Creek Road.

(No responses in favor or in opposition to the application have been received from property owners within the statutory notification area. The Planning and Zoning Commission recommends approval with certain stipulations.)

A public hearing was held regarding Zoning Application No. Z0126-0434.

Adam Bailey, Director of Planning and Development Services, stated that the properties located at 180 through 300 Long Creek Road comprise approximately 28.08 acres within the larger 80.25-acre Long Creek Industrial planned development, situated south of Long Creek Road and east of State Highway 352. Originally approved in 2020 under Planned Development (PD) Ordinance No. 4753 for five industrial buildings, the development was amended in 2022 by Ordinance No. 4962 to incorporate additional land from the Town of Sunnyvale and revise the concept plan to ultimately include three buildings - one in Sunnyvale and two in Mesquite. Although site plans for the Mesquite buildings were approved in 2023, none of the approved buildings were constructed.

Mr. Bailey stated that the applicant now proposes developing the East Tract with a 202,800-square-foot data center, a use already permitted within the PD, but requests a PD amendment to adopt a new concept plan and modify certain development standards. Requested changes include replacing Industrial Building 2 with a 48 megawatt data center, allowing a 20-foot-tall precast masonry screening wall to enclose mechanical equipment, including diesel generators, and reducing required parking due to the facility's low staffing levels. The proposal is expected to have minimal impacts due to limited employees, low traffic generation, enhanced landscaping, and existing buffering from surrounding roadways, floodplain areas, and screening features, with no other development standards proposed to change.

Applicant Rande LeCours, representing SLS Consultants, presented an overview of the proposed development. She requested modifications to the site plan including reducing parking along the south and southwest, and increasing the screening wall height from 8 feet to 20 feet. To address noise concerns, the applicant will complete an acoustical study and comply with City noise ordinances. Fifteen employees will be on staff during operating hours.

The following persons expressed opposition to the proposed application:

(1) Daniel Dutton, 1101 Tosch Lane; (2) Peter Pourroy, 1621 Weldon Drive; (3) Magen Stoermer, 637 Windsong; (4) Rachael Doersam, 637 Windsong; and (5) Linda Shelley, 1601 Choctaw Drive.

Steven Dimmit, Consultant with the applicant, stated that a data center is a permitted use on this property. The applicant is proposing will improve the sound protections to the surrounding neighborhood by increasing the height of the screening wall. To address the concerns in regards to the neighboring nursing home, the applicant is agreeing to a 25-foot landscape buffer along Long Creek Road.

Mr. Smith moved to deny Zoning Application No. Z0126-0434. Motion was seconded by Mr. Hubacek. On call for a vote on the motion, the following votes were cast:

Ayes: Smith, Hubacek, Rodriguez-Ross, Murden

Nays: Green, Casper

Absent: Alemán

Motion carried.

16

Conduct a public hearing and consider a resolution (1) providing no objection for Mesquite Leased Housing Associates II, LP's application (through developer Dominion) to the Texas Department of Housing and Community Affairs (TDHCA) for Non-Competitive 4% Housing Tax Credits for the construction of an approximately 275-unit affordable multi-family rental housing development to be located at or about 21701 Lyndon B. Johnson Freeway (the Development), in accordance with Chapter 2306 of the Texas Government Code, (2) allowing the construction of the development in accordance with 10 Texas Administrative Code §11.3(d), and authorizing the City Secretary to certify the resolution to the TDHCA.

A public hearing was held to consider a resolution of no objection for Mesquite Leased Housing Associates II, LP's application (through developer Dominion) to the Texas Department of Housing and Community Affairs (TDHCA).

Ted Chinn, Director of Finance, stated that before the Texas Department of Housing and Community Affairs (TDHCA) may approve an application for housing tax credits for developments financed with private activity bonds (PABs), the governing body of a municipality in which the proposed development is located must conduct a public hearing to receive information and public comment on the proposed development, and then pass a resolution stating the governing body does not object to the proposed application. On February 2, 2026, Dominion made a presentation to the Mesquite Housing Finance Corporation (HFC) seeking participation and financing for a proposed 275-unit affordable multifamily rental housing development to be located at 21701 Lyndon B. Johnson Freeway in Mesquite. The HFC Board approved a bond inducement resolution authorizing an application for up to \$73 million in private activity bonds with the Texas Bond Review Board (TBRB).

Mr. Chinn stated that this public hearing is an opportunity for the City Council to receive information on the development and seek input from the public prior to the HFC issuing bonds. The City Council may still object to the approval of the HFC bond sale later in the PAB issuance process. The HFC has not yet entered into a Memorandum of Understanding with Dominion, so that step in the process may also be an opportunity to not move forward depending on negotiation of the HFC's share of developer partnership fees.

Applicant Rory Hogan, representing Dominion, stated that the applicant will still need to negotiate the terms of a Memorandum of Understanding with the Mesquite HFC and work with City staff on the plans for the proposed multi-family rental housing development. This resolution will allow for the applicant to move forward with the planning stage of this project.

No one appeared regarding the proposed resolution.

Ms. Rodriguez-Ross moved to approve Resolution No. 07-2026, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, (1) PROVIDING NO OBJECTION FOR MESQUITE LEASED HOUSING ASSOCIATES II, LP APPLICATION TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS ("TDHCA") FOR NON-COMPETITIVE 4% HOUSING TAX CREDITS FOR THE CONSTRUCTION OF AN APPROXIMATELY 275-UNIT AFFORDABLE MULTI-FAMILY RENTAL HOUSING DEVELOPMENT TO BE LOCATED AT OR ABOUT 21701 LYNDON B. JOHNSON FWY (THE "DEVELOPMENT"), IN ACCORDANCE WITH CHAPTER 2306 OF THE TEXAS GOVERNMENT CODE, AND (2) ALLOWING THE CONSTRUCTION OF THE DEVELOPMENT IN ACCORDANCE WITH 10 TEXAS ADMINISTRATIVE CODE § 11.3(d); AND AUTHORIZING THE CITY SECRETARY TO CERTIFY THE RESOLUTION TO TDHCA. Motion was seconded by Mr. Murden. On call for a vote on the motion, the following votes were cast:

Ayes: Rodriguez-Ross, Murden, Green, Casper

Nays: Hubacek, Smith

Absent: Alemán

Motion carried. (Resolution No. 07-2026 recorded in Resolution Book No. 74.)

17

Conduct a public hearing and consider a resolution consenting to the assignment by 42 Alcott, LP, a Texas limited partnership, acting by and through its general partner, 42 C 2021, LLC, a Texas limited liability company ("Assignor"), to Alto Alcott Station, LP, a Delaware limited partnership ("Assignee"), of Assignor's interest in that certain TIRZ #14 Reimbursement Agreement and City Chapter 380 Incentive Performance Agreement dated effective December 6, 2021, and a First Amendment to TIRZ No. 14 Reimbursement Agreement and Economic Development Program Chapter 380 Agreement ("First Amendment"), dated effective January 21, 2025, for the development of 3300 and 3301 East Glen Boulevard, Mesquite, Texas, and authorizing the City Manager to finalize and execute the Assignment and Assumption agreement and administer it on behalf of the City.

A public hearing was held to consider a resolution consenting to the assignment by 42 Alcott, LP, a Texas limited partnership, acting by and through its general partner, 42 C 2021, LLC, a Texas limited liability company ("Assignor"), to Alto Alcott Station, LP, a Delaware limited partnership ("Assignee"), of Assignor's interest in that certain TIRZ #14 Reimbursement Agreement and City Chapter 380 Incentive Performance Agreement dated effective December 6, 2021, and a First Amendment to TIRZ No. 14 Reimbursement Agreement and Economic Development Program Chapter 380 Agreement ("First Amendment"), dated effective January 21, 2025.

Kim Buttram, Director of Economic Development, stated that 42 Alcott, LP, notified the City of the intent to sell the land, known as Tract E Alcott Station, to Alto Investments, with a request of the City to approve the assignment of the existing agreements, including obligations, terms, and conditions, to Alto Alcott Station, LP.

Ms. Buttram stated that in summary:

- Alto, as developer, would assume the obligations:

- Build a minimum 350,000-square-foot industrial facility; commence construction by July 31, 2027, and complete construction by July 31, 2030
- Remove pavement and utilities from East Glen Boulevard by July 31, 2027
- Construct easement improvements including public trails

- Alto would receive the terms obligated by the City:
 - Convey East Glen Boulevard 1.8-acres of land to the developer
 - Reimburse 100 percent of the Roadway Impact fees
 - Provide for up to \$5.25M qualified TIRZ project expenditure reimbursement of the following projects (as needed):
 - Excess costs for removal of East Glen Boulevard if more than the Roadway Impact Fee reimbursement
 - Storm drainage and retention estimated \$3.4M
 - South easement improvements (trail/landscaping) estimated \$728,000.00
 - Other easement improvements (east and north boundaries outside property line plus grading and site work estimated \$839,000.00
 - Water and sewer in public right-of-way / roadway improvements / franchise utility relocation estimated \$1M

Ms. Buttram stated that without any changes to the business terms and obligations outlined in the original agreement and first amendment, the proposed assignment would transfer the agreements to be between the City of Mesquite and Alto Alcott Station, LP, upon approval and execution.

Applicant Tony de Bruyn, representing Alto, presented an overview of the development of Alto Alcott Station.

No one appeared regarding the proposed resolution.

Mr. Murden moved to approve Resolution No. 08-2026, with the Assignment and Assumption Agreement provided in Friday's mail packet, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, CONSENTING TO THE ASSIGNMENT AND ASSUMPTION AGREEMENT BY 42 ALCOTT, LP, A TEXAS LIMITED LIABILITY PARTNERSHIP, ACTING BY AND THROUGH ITS GENERAL PARTNER, 42 C 2021, LLC, A TEXAS LIMITED LIABILITY COMPANY ("ASSIGNOR"), TO ALTO ALCOTT STATION, LP, A DELAWARE LIMITED PARTNERSHIP ("ASSIGNEE"), OF ASSIGNOR'S INTEREST IN THAT CERTAIN TIRZ #14 REIMBURSEMENT AGREEMENT AND CITY CHAPTER 380 INCENTIVE PERFORMANCE AGREEMENT DATED EFFECTIVE DECEMBER 6, 2021, AND A FIRST AMENDMENT TO TIRZ NO. 14 REIMBURSEMENT AGREEMENT AND ECONOMIC DEVELOPMENT PROGRAM CHAPTER 380 AGREEMENT ("FIRST AMENDMENT") DATED EFFECTIVE JANUARY 21, 2025, FOR THE DEVELOPMENT OF 3300 AND 3301 EAST GLEN BOULEVARD, MESQUITE, TEXAS, AND AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE THE ASSIGNMENT AND ASSUMPTION AGREEMENT AND ADMINISTER IT ON BEHALF OF THE CITY. Motion was seconded by Mr. Hubacek and approved unanimously. (Resolution No. 08-2026 recorded in Resolution Book No. 74.)

ADJOURNMENT

Ms. Rodriguez-Ross moved to adjourn the meeting. Motion was seconded by Mr. Smith and approved unanimously. The meeting adjourned at 8:51 p.m.

Attest:

Approved:

Sonja Land, City Secretary

Kenny Green, Mayor Pro Tem