



City of Mesquite, Texas

Minutes - Final City Council

Monday, October 7, 2024

5:15 PM

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

Present: Mayor Daniel Alemán, Jr., and Councilmembers B. W. Smith, Jeff Casper, Tandy Boroughs, Kenny Green and Elizabeth Rodriguez-Ross, City Manager Cliff Keheley and City Secretary Sonja Land.

Absent: Councilmember Brandon Murden.

PRE-MEETING - TRAINING ROOMS A&B - 5:15 P.M.

EXECUTIVE SESSION - TRAINING ROOMS A&B - 5:16 P.M.

Mayor Alemán announced that the City Council would meet in Executive Session pursuant to Section 551.087 of the Texas Government Code to consider commercial or financial information regarding business prospects or projects (Item No. 18 – Discuss an amendment to an economic development agreement for a project at IH-20 and Lawson Road); whereupon, the City Council proceeded to meet in Training Rooms A&B. After the closed meeting ended at 5:47 p.m., the City Council reconvened in Open Session.

AGENDA REVIEW

EXECUTIVE SESSION - COUNCIL CONFERENCE ROOM - 6:40 P.M.

Mayor Alemán announced that the City Council would meet in Executive Session pursuant to Section 551.087 of the Texas Government Code to consider commercial or financial information regarding business prospects or projects (Item No. 19 - Discuss an economic development project on Gus Thomasson Road near Oates Drive; Item No. 20 - Discuss an economic development redevelopment project at the corner of Town East Boulevard and IH-635); whereupon, the City Council proceeded to meet in Council Conference Room. After the closed meeting ended at 7:00 p.m., the City Council reconvened in Open Session.

REGULAR CITY COUNCIL MEETING - CITY COUNCIL CHAMBER - 7:07 P.M.

INVOCATION

Jeff Pereira, Pastor, True Life Church, Mesquite, Texas.

PLEDGE OF ALLEGIANCE

Public Safety Officers in honor of Public Safety Appreciation Week.

SPECIAL ANNOUNCEMENTS

1. Mr. Casper announced that the next Teen Turnout event will be held on Saturday, October 12, 2024, at 6:00 p.m., at Dunford Recreation Center, 1015 Green Canyon Drive. Teen Turnout is a free gathering that is part of a series of events designed for youth ages 12 to 17. Teens can enjoy music, games, open gym, video games, food, crafts and more with their friends. Registration is onsite.
2. Mr. Casper stated that the Parks and Recreation Department is now offering a Teen Membership for youth to relax and unwind at Dunford Recreation Center after a long school day. For \$20.00 per year for residents and \$30.00 for non-residents, young people will have access to the gym, weight room and a special teen activity room from after school until 9:00 p.m. on weekdays.
3. Mr. Green stated that the Mesquite Arts Theatre will present "Frankenstein" on stage at the Mesquite Arts Center, 1527 North Galloway Avenue, from Friday, October 11, 2024, through Sunday, November 3, 2024. In this familiar classic story, a Creature is brought to life by a troubled scientist named Victor Frankenstein. When Dr. Frankenstein abandons his Creature, it sets into motion a spiral of catastrophic events. The Mesquite Arts Theatre will delight and challenge patrons to reimagine the Frankenstein saga by presenting an adaption that tells the tale from the point of view of the Creature. Please note that this show is intended for mature audiences only.
4. Ms. Rodriguez-Ross reminded citizens that the City of Mesquite is celebrating Hispanic Heritage Month through Tuesday, October 15, 2024. Several special events and recognitions are planned. Opening today, the Mesquite Arts Center is hosting exhibitions by two Texas artists of Hispanic heritage – Juan Carlos Escobedo and Patricia Rodriguez. Mr. Escobedo's work is on display in the Main Gallery. He used sustainable materials to create art that explores themes of race and socio-economic status. Ms. Rodriguez's work will be shown in the Chamber Gallery and is inspired by the natural world and driven by color and movement. Both exhibitions will be on display through Saturday, December 21, 2024.
5. Mr. Boroughs encouraged citizens to attend PumpkinFest, on Saturday, October 19, 2024, from Noon to 5:00 p.m., at Paschall Park, 1001 New Market Road. Dress in your best costume and enjoy this annual family-friendly event. The community stage will feature music, dance performances and a magic show. Contests with prizes include the Costume Contest, Pumpkin Pie-Eating Contest and a Dog Costume Contest. Admission and parking are free. Some activities require a \$10.00 wristband, and concessions will be available for purchase.
6. Mr. Boroughs invited citizens to a District 4 Neighborhood Meeting on Thursday, October 17, 2024, at Evans Recreation Center, 1116 Hillcrest Street.
7. Mr. Smith announced that tickets are now on sale for the Mesquite Meander, an unforgettable outdoor, theatrical living history tour through the Mesquite Cemetery, 400 Holley Park Drive. This annual experience presented by Historic Mesquite, Inc., features local actors portraying residents from the community's past. Tickets are \$15.00 per person. The Meander offers tours starting every 10 minutes that run about an hour. Tour times on Friday, October 11, 2024, start at 6:00 p.m., with the last tour starting at 7:30 p.m. On Saturday, October 12, 2024, tours will get started at 5:30 p.m. and the last tour will start at 7:00 p.m. To purchase tickets and for more information, visit www.historicmesquite.org.
8. Mr. Smith invited citizens to attend a District 5 Neighborhood Meeting on Saturday, October 12, 2024, at 10:00 a.m., at Rutherford Recreation Center, 900 Rutherford Drive.
9. Mayor Alemán thanked everyone who participated in the 20th Annual Addressing Mesquite Day event this past Saturday, October 5, 2024, and expressed appreciation to all volunteers and sponsors. More than 500 volunteers worked on 100-plus projects and more than \$30,000.00 in sponsorships and in-kind donations from businesses were received. Addressing Mesquite Day gives help and hope to many in the community. We look forward to 20 more years and beyond of Addressing Mesquite Day.

10. Mayor Alemán recognized City Manager Cliff Keheley to say a few words. Mr. Keheley stated that on Tuesday, May 28, 2024, our community experienced a devastating storm with hurricane force winds. Immediately, the City's first responders were in action making sure everyone was safe. Fortunately, there were no deaths associated with this storm. The Public Works Department and Parks and Recreation Department crews began clearing the streets of storm debris that would impact traffic around the City. While some of our residents were without power for nearly a week, crews cleared the path for Oncor and other utility companies to make repairs. Afterward, City crews began cleaning up tree branches and downed trees throughout the City. There was more debris on the ground in one day than is collected in an entire year. City parks and the golf course had 100's of trees damaged and several City facilities were impacted by the storm. While the City has plans for debris management, none of them accounted for the widespread damage or volume the City experienced this past Spring. In just over two months after the storm, City crews undertook a historic effort to clean up our community. Division Managers met weekly to develop and refine plans for collection of items. The work was not easy and it was a hot Summer. City crews worked long hours each day, on weekends and on holidays. They spent time away from their families and several delayed vacations to keep up with the effort. These employees were crucial parts of the teams who responded to the debris cleanup. They did it faster than most cities and did not stop until the job was done. Mr. Keheley recognized the following representatives from the Parks and Recreation Department – Supervisor Charley Rickett, Cele Alvarez and Eli Comacho; from the Equipment Services Division - Jonathan Harrison and Rojelio Flores; from the Residential Solid Waste Division – Timothy Fuller, Darrin Devrow, Bradley Cauble, Aaron Petty, Kyle Emling, Chevy Bell and Rocky King; from the Commercial Solid Waste Division – Charles Goodson and Brandon Arnold; from the Streets Division – Daven Butler; and from the Utilities Division – Joey Arriaga. Mr. Keheley, Mayor Alemán and Councilmembers shook hands with these dedicated employees and thanked them for the outstanding job they performed. Mayor Alemán thanked all residents for working with the City to bring debris to the curb and for their patience during this process.

CONSENT AGENDA

Approval of the Consent Agenda

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

- 1 Minutes of the regular City Council meeting held September 16, 2024.

Approved on the Consent Agenda.

- 2 An ordinance regarding the City's Texas Municipal Retirement System (TMRS) benefits authorizing: (1) Annually accruing updated service credits and transfer updated service credits and (2) An annuity increase, also referred to as cost of living adjustment (COLA), for retirees and their beneficiaries.

Approved on the Consent Agenda.

Ordinance No. 5137, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, REGARDING THE CITY'S TEXAS MUNICIPAL RETIREMENT SYSTEM BENEFITS AUTHORIZING: (1) ANNUALLY ACCRUING UPDATED SERVICE CREDITS AND TRANSFER UPDATED SERVICE CREDITS; AND (2) AN ANNUITY INCREASE, ALSO REFERRED TO AS COST OF LIVING ADJUSTMENT (COLA) FOR RETIREES AND THEIR BENEFICIARIES; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE. (Ordinance

No. 5137 recorded in Ordinance Book No. 133.)

- 3** An ordinance adopting the 2024-25 Pay Plans for General Government Personnel with an effective date of October 1, 2024, and for Commissioned Police and Fire Personnel with an effective date of January 1, 2025.

Approved on the Consent Agenda.

Ordinance No. 5138, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, ADOPTING THE 2024-25 PAY PLANS FOR GENERAL GOVERNMENT PERSONNEL WITH AN EFFECTIVE DATE OF OCTOBER 1, 2024, AND FOR COMMISSIONED POLICE AND FIRE PERSONNEL WITH AN EFFECTIVE DATE OF JANUARY 1, 2025; PROVIDING A REPEALER CLAUSE; AND PROVIDING A SEVERABILITY CLAUSE. (Ordinance No. 5138 recorded in Ordinance Book No. 133.)

- 4** An ordinance establishing the classifications and total number of authorized positions in each classification of the Mesquite Police Department as of October 1, 2024.

Approved on the Consent Agenda.

Ordinance No. 5139, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, ESTABLISHING THE CLASSIFICATIONS AND TOTAL NUMBER OF AUTHORIZED POSITIONS IN EACH CLASSIFICATION OF THE MESQUITE POLICE DEPARTMENT AS OF OCTOBER 1, 2024; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE. (Ordinance No. 5139 recorded in Ordinance Book No. 133.)

- 5** An ordinance establishing the classifications and total number of authorized positions in each classification of the Mesquite Fire Department as of October 1, 2024.

Approved on the Consent Agenda.

Ordinance No. 5140, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, ESTABLISHING THE CLASSIFICATIONS AND TOTAL NUMBER OF AUTHORIZED POSITIONS IN EACH CLASSIFICATION OF THE MESQUITE FIRE DEPARTMENT AS OF OCTOBER 1, 2024; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE. (Ordinance No. 5140 recorded in Ordinance Book No. 133.)

- 6** An ordinance amending Appendix D - Comprehensive Fee Schedule of the City Code by revising Article XV (Water and Sewer) for the purpose of updating the City's water and sewer rates, effective November 1, 2024.

Approved on the Consent Agenda.

Ordinance No. 5141, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AMENDING THE MESQUITE CITY CODE BY REVISING APPENDIX D - COMPREHENSIVE FEE SCHEDULE, ARTICLE XV (WATER AND SEWER), FOR THE PURPOSE OF UPDATING THE CITY'S WATER AND SEWER RATES; PROVIDING A CONFLICTS RESOLUTION CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE. (Ordinance No. 5141 recorded in Ordinance Book No. 133.)

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- 7 An ordinance approving and authorizing the issuance and sale of the City of Mesquite, Texas, Special Assessment Revenue Bonds, Series 2024 (Solterra Public Improvement District (PID) Improvement Area C-3 Project), approving and authorizing an Indenture of Trust, a Bond Purchase Agreement, Limited Offering Memorandum, a Continuing Disclosure Agreement, and other agreements and documents in connection therewith, making findings with respect to the issuance of such bonds, and providing an effective date.
- Approved on the Consent Agenda.**
- Ordinance No. 5142, AN ORDINANCE APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF MESQUITE, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2024 (SOLTERRA PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA C-3 PROJECT); APPROVING AND AUTHORIZING AN INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT, LIMITED OFFERING MEMORANDUM, A CONTINUING DISCLOSURE AGREEMENT, AND OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION THEREWITH; MAKING FINDINGS WITH RESPECT TO THE ISSUANCE OF SUCH BONDS; AND PROVIDING AN EFFECTIVE DATE. (Ordinance No. 5142 recorded in Ordinance Book No. 133.)**
- 8 A resolution expressing intent to reimburse expenditures from proceeds of future obligations.
- Approved on the Consent Agenda.**
- Resolution No. 42-2024, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, EXPRESSING INTENT TO REIMBURSE EXPENDITURES FROM PROCEEDS OF FUTURE OBLIGATIONS. (Resolution No. 42-2024 recorded in Resolution Book No. 69.)**
- 9 A resolution approving a First Amendment to the Solterra Public Improvement District (PID) Reimbursement Agreement (Improvement Area C-3).
- Approved on the Consent Agenda.**
- Resolution No. 43-2024, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING A FIRST AMENDMENT TO THE SOLTERRA PUBLIC IMPROVEMENT DISTRICT REIMBURSEMENT AGREEMENT (IMPROVEMENT AREA C-3). (Resolution No. 43-2024 recorded in Resolution Book No. 69.)**
- 10 Bid No. 2024-148 - Purchase of the L3 TranSims CDL Driving Simulator.
(Staff recommends award to Safeware, Inc., through Omnia Contract No. 4400008468, in an amount not to exceed \$126,882.00.)
- Approved on the Consent Agenda.**
- 11 Authorize the City Manager to finalize and execute a Grant Agreement with the Texas Department of Transportation (TxDOT), Aviation Division, for participation in the Routine Airport Maintenance Program (RAMP) in the amount of \$100,000.00.
- Approved on the Consent Agenda.**
- 12 Authorize the City Manager to finalize and execute a Reimbursement Grant Agreement with the Texas Department of Transportation (TxDOT), Aviation

Division, for the replacement of the Mesquite Metro Airport's Automated Weather Observation System, with a not to exceed amount of \$166,666.66.

Approved on the Consent Agenda.

- 13** Authorize the City Manager to finalize and execute a Consent to Assignment of Ground Lease with Comanche Group, Inc., and L3KSL4, LLC.

Approved on the Consent Agenda.

- 14** Authorize the City Manager to finalize and execute a Grant Agreement and all necessary documents with the Texas Department of Transportation (TxDOT), Aviation Division, for the design of a taxi lane and apron area in the amount of \$295,000.00.

Approved on the Consent Agenda.

PUBLIC HEARINGS

- 15** Conduct a public hearing and consider an ordinance for Zoning Application No. Z0824-0367, submitted by the City of Mesquite, for a zoning change to amend Planned Development - Industrial Ordinance No. 4785 to allow additional manufacturing and industrial uses in addition to other uses allowed in the Industrial Zoning District with modifications located at 20 East Trinity Pointe (284-acre industrial park generally located south of IH-20, southwest of FM 2932, and northwest of Griffin Lane), located at 12875, 12905, 12935, 12955, and 12995 FM 2932.

(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 for Zoning Application No. Z0824-0367.

Garrett Langford, Manager of Planning and Zoning, stated that City staff proposes to amend Planned Development (PD) - Industrial Ordinance No. 4785 to make the 20 East Trinity Pointe Industrial Park more attractive and better equipped to compete with other industrial parks in the DFW market and attract businesses with higher-paying jobs. The proposed PD amendment will expand the list of permitted uses within the industrial park. Currently, the PD allows uses permitted by right within the Industrial Zoning District, including wholesale and distribution uses, but requires a Conditional Use Permit (CUP) for manufacturing uses except for light assembly uses. The PD defines light assembly as the assembly of finished products or parts, predominantly from previously prepared materials but excluding basic industrial processing.

Mr. Langford stated that the proposed PD amendment will allow manufacturing uses to be permitted by right without a CUP, if permitted by right in the Industrial District. The Industrial District allows a wide range of manufacturing businesses without a CUP. These businesses range from food production to manufacturing furniture, clothing, apparel, electronics, vehicles, equipment, various household items, etc. Production or manufacturing chemicals, petroleum products, concrete, primary metal, ordnance, and other similar products will continue to require a CUP. The proposed PD amendment will allow the same type of uses at 20 East Trinity Pointe that are permitted in the City's other industrial parks, such

as Alcott Logistic Station, Mesquite Airport Logistics Center, Landmark at the Meadows, Skyline Logistic Hub, and Urban Park 30.

No one appeared regarding the proposed application.

Mr. Green moved to approve Zoning Application No. Z0824-0367, as recommended by the Planning and Zoning Commission with certain stipulations, and to approve Ordinance No. 5143, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AMENDING THE MESQUITE ZONING ORDINANCE BY AMENDING PLANNED DEVELOPMENT – INDUSTRIAL ORDINANCE NO. 4785 TO MODIFY THE DEVELOPMENT STANDARDS FOR THE PROPERTY LOCATED AT TRINITY POINTE INDUSTRIAL PARK (284 ACRES GENERALLY LOCATED SOUTH OF IH-20, SOUTHWEST OF FM 2932, AND NORTHWEST OF GRIFFIN LANE) – 12875, 12905, 12935, 12955, AND 12995 FM 2932; REPEALING ALL ORDINANCES IN CONFLICT WITH THE PROVISIONS OF THIS ORDINANCE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING PUBLICATION OF THE CAPTION HEREOF; AND PROVIDING AN EFFECTIVE DATE. Motion was seconded by Mr. Boroughs. On call for a vote on the motion, the following votes were cast:

Ayes: Green, Boroughs, Casper, Alemán, Smith

Nays: Rodriguez-Ross

Absent: Murden

Motion carried. (Ordinance No. 5143 recorded in Ordinance Book No. 133.)

16

Conduct a public hearing and consider an ordinance for Zoning Application No. Z0624-0364, submitted by Jackson Walker LLP on behalf of FRHP Lincolnshire LLC., for a comprehensive plan amendment to change the future land use designation from the Gus Thomasson Special Planning Area to Commercial and for a zoning change from Commercial and North Gus Thomasson Corridor (NGTC) to Planned Development - Commercial with modified development standards to allow an outdoor display lot selling recreational vehicles and trailers in addition to other uses permitted in the Commercial Zoning District located at 4201 Gus Thomasson Road, 2713 IH 30, 2749 IH 30, and 2779 IH 30.

(Two responses in favor and one 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 for Zoning Application No. Z0624-0364.

Garrett Langford, Manager of Planning and Zoning, stated that the applicant proposes rezoning the subject property to Planned Development - Commercial to allow a recreational vehicle (RV) dealership with new and used inventory, outdoor display, outdoor storage, and RV repair services. The term RVs includes new and used motorhomes, fifth wheels, travel and toy hauler trailers, van and truck campers, and Class A, B, and C RVs.

Mr. Langford stated that the proposed development will include a 39,000-square-foot building and over 700 parking spaces for RV display and storage. The building will include approximately 10,000 square feet of retail space for RV accessories and camping supplies. The applicant intends to use the

remainder of the building for offices and RV repair services. The primary area for display will be located on IH-30, while RVs waiting for repair will be located on the north end of the site along Gus Thomasson Road. Up to 15 percent of RV inventory will be used.

Applicant Jonathan Vinson, representing Camping World, presented an overview of the proposed project. Camping World was founded in 1966 and is the largest seller of RVs, accessories and service in the United States. Camping World has an existing store located at 2764 IH-30 but is in need of more space. The new location will be a flagship store drawing from a regional customer base.

Bradley Ellis, 3208 Rockne Lane, expressed support for the proposed application.

No others appeared regarding the proposed application.

Mr. Green moved to approve Zoning Application No. Z0624-0364, as recommended by the Planning and Zoning Commission with certain stipulations, and adding the following stipulation:

- No fencing on the property can include any barbed wire, razor wire or any like material.

and to approve Ordinance No. 5144, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AMENDING THE MESQUITE COMPREHENSIVE PLAN BY CHANGING THE FUTURE LAND USE DESIGNATION FROM THE GUS THOMASSON SPECIAL PLANNING AREA TO COMMERCIAL AND AMENDING THE MESQUITE ZONING ORDINANCE BY CHANGING THE ZONING FROM COMMERCIAL AND NORTH GUS THOMASSON CORRIDOR (NGTC) TO PLANNED DEVELOPMENT - COMMERCIAL WITH MODIFIED DEVELOPMENT STANDARDS TO ALLOW AN OUTDOOR DISPLAY LOT SELLING RECREATIONAL VEHICLES AND TRAILERS IN ADDITION TO OTHER USES PERMITTED IN THE COMMERCIAL ZONING DISTRICT ON PROPERTY LOCATED AT 4201 GUS THOMASSON ROAD, 2713 IH-30, 2749 IH-30, AND 2779 IH-30; REPEALING ALL ORDINANCES IN CONFLICT WITH THE PROVISIONS OF THIS ORDINANCE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING PUBLICATION OF THE CAPTION HEREOF; AND PROVIDING AN EFFECTIVE DATE. Motion was seconded by Mr. Boroughs and approved unanimously. (Ordinance No. 5144 recorded in Ordinance Book No. 133.)

17

Conduct a public hearing and consider a resolution approving a Second Amendment to TIRZ No. 12 Reimbursement Agreement, Repurchase Option Agreement and City Chapter 380 Incentive and Performance Agreement (Second Amendment) with IH 20 IP, LLC (Developer) and the Board of Directors of Reinvestment Zone No. 12, City of Mesquite, Texas (IH-20 Business Park) (TIRZ) regarding the developer's construction of an approximately 210.026-acre Class A Industrial Park in the TIRZ located at 925 McKenzie Road, 3400 McKenzie Road, 2700 McKenzie Road, 4800 Lasater Road and 4900 Lasater Road, Mesquite, Texas, and the acquisition from the City and by the Developer of approximately 100.264 acres of land in the TIRZ and located at 925 McKenzie Road and 3400 McKenzie Road, Mesquite, Texas, and the granting to the Developer of certain TIRZ reimbursements and economic development incentives and authorizing the City Manager to finalize and execute the Second Amendment and take such actions and execute such documents as are necessary or advisable to consummate the transactions

contemplated by the Second Amendment and administer the Second Amendment on behalf of the City.

A public hearing was held to consider a resolution approving a Second Amendment to TIRZ No. 12 Reimbursement Agreement, Repurchase Option Agreement and City Chapter 380 Incentive and Performance Agreement (Second Amendment) with IH 20 IP, LLC (Developer) and the Board of Directors of Reinvestment Zone No. 12, City of Mesquite, Texas (IH-20 Business Park) (TIRZ).

Kim Buttram, Director of Economic Development, stated that Tax Increment Reinvestment Zone (TIRZ) No. 12 was created on June 4, 2018, by Resolution No. 31-2018, to provide a funding mechanism for the improvements needed to develop the land for commercial use. The project and financing plan was updated per the current project costs and scope, and adopted by TIRZ No. 12 Board of Directors on May 15, 2023. The 30-year TIRZ plan estimates \$51 million revenue allocated for allowable project costs and \$51 million revenue to the City of Mesquite General Fund.

Ms. Buttram stated that IH 20 IP, LLC, an entity of 42 Real Estate and SLJ Company, proposed in an agreement approved by the City Council on May 15, 2023, to construct a Class A Industrial Park along IH-20 at Lawson Road in Dallas County, Mesquite, Texas. The proposed development combines five tracts of land for a total of approximately 200-acres, requiring extensive infrastructure to become viable for development. Project costs (infrastructure) for the improvements to the site may consist of the excavating and grading, retaining walls, relocation and rebuild of McKenzie Road, new sanitary sewer line, water line expansion and potential relocation, creek enhancements, mitigation, and the development of an electric substation. The original Chapter 380 Agreement approved on May 15, 2023, outlines the terms and conditions on the part of the developer, the City of Mesquite, and of TIRZ No. 12, City of Mesquite.

Ms. Buttram stated that a First Amendment to the agreement, approved by the TIRZ No. 12 Board of Directors and City Council on October 16, 2023, allows TIRZ reimbursements throughout all separate agreements associated with TIRZ No. 12 to be reimbursed on a pro-rata basis as described within each approved and executed agreement.

Ms. Buttram stated that the proposed Second Amendment items include changes to the requirement for conveyance of City-owned land, removal of commencement dates with focus directed to completion timelines of McKenzie Road and the initial building phase, the addition to required construction square footage to allow minimum capital investment as an alternative, and increases to the claw backs for non-performance. The TIRZ project plan and allowable reimbursement not to exceed \$25 million remains unchanged.

No one appeared regarding the proposed resolution.

Mr. Green moved to approve Resolution No. 44-2024 with the stipulation that the Summary of Proposed Deal Points provided to the City Council by the City Manager on October 7, 2024 at 3:04 p.m. be attached as Exhibit A to the Resolution, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING THE SUBSTANTIVE TERMS OF AN AMENDED AND RESTATED OR A SECOND AMENDMENT TO TIRZ NO. 12 REIMBURSEMENT AGREEMENT, REPURCHASE OPTION AGREEMENT, AND CITY CHAPTER 380 INCENTIVE AND PERFORMANCE AGREEMENT WITH IH 20 IP, LLC ("DEVELOPER"), AND THE

BOARD OF DIRECTORS OF REINVESTMENT ZONE NO. 12, CITY OF MESQUITE, TEXAS (IH-20 BUSINESS PARK) ("TIRZ"), REGARDING THE DEVELOPER'S CONSTRUCTION OF AN APPROXIMATELY 210.026-ACRE CLASS A INDUSTRIAL PARK IN THE TIRZ LOCATED AT 925 MCKENZIE ROAD, 3400 MCKENZIE ROAD, 2700 MCKENZIE ROAD, 4800 LASATER ROAD, AND 4900 LASATER ROAD, MESQUITE, TEXAS, AND THE ACQUISITION FROM THE CITY AND BY THE DEVELOPER OF APPROXIMATELY 100.264 ACRES OF LAND IN THE TIRZ AND LOCATED AT 925 MCKENZIE ROAD AND 3400 MCKENZIE ROAD, MESQUITE, TEXAS, AND THE GRANTING TO THE DEVELOPER OF CERTAIN TIRZ REIMBURSEMENTS AND ECONOMIC DEVELOPMENT INCENTIVES; AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE, FINALIZE AND EXECUTE THE AGREEMENT AS AMENDED AND TAKE SUCH ACTIONS AND EXECUTE SUCH DOCUMENTS AS ARE NECESSARY OR ADVISABLE TO CONSUMMATE THE TRANSACTIONS CONTEMPLATED BY THE AGREEMENT AS AMENDED, AND ADMINISTER THE AGREEMENT AS AMENDED ON BEHALF OF THE CITY. Motion was seconded by Mr. Boroughs and approved unanimously. (Resolution No. 44-2024 recorded in Resolution Book No. 69.)

ADJOURNMENT

Mr. Boroughs moved to adjourn the meeting. Motion was seconded by Mr. Smith and approved unanimously. The meeting adjourned at 8:07 p.m.

Attest:

Approved:

Sonja Land, City Secretary

Daniel Alemán, Jr., Mayor