Members of the public who wish to speak on a listed agenda item for action will be asked for their comments at the appropriate time.

I. Call to Order

II. Consideration of Minutes
   1. May 31, 2022 Meeting

III. Financial Report

IV. Industry Sector Report – Office

V. Executive Session

   Discussion of matters permitted by the following sections of V.T.C.A, Government Code, Chapter 551:

   A. Section 551.087, Deliberation Regarding Economic Development Negotiations
      1. Offers of Incentives to Business Prospects

VI. Items for Action:
Following a public hearing held in accordance with Section 505.159 of the Texas Local Government Code, consider a resolution authorizing a Performance Agreement with Town North Arlington Partners, LLC.

1. Resolution
   A resolution authorizing the Executive Director of the AEDC to execute a Performance Agreement with Town North Arlington Partners, LLC relative to a project authorized by Section 501.103 of the Texas Local Government Code at the Town North Shopping Center located at 901 North Cooper Street.
VII. Executive Director’s Report
   1. Discussion of Temporary Office Space Lease
   2. Discussion of Marketing and Logos
   3. Update from Economic Development Conferences
   4. Bell Helicopter Update

VIII. Future Agenda Items

IX. Adjourn
The Board of Directors of the Arlington Economic Development Corporation convened in Regular Session on May 31, 2022, at 4:30 p.m., in Arlington City Hall, Council Briefing Room, 3rd Floor, 101 W. Abram Street, Arlington, Texas, with the meeting being open to the public and notice of said meeting, giving the date, place and subject thereof, having been posted as prescribed by V.T.C.A., Government Code, Chapter 551, with the following members present, to-wit:

Board Members:
Mojy Haddad § Vice President
Jollyn Mwisongo § Secretary
John Whiteley § Treasurer
Gerald Alley § Board Member
Carmenza Moreno § Board Member
Jim Vaszauskas § Board Member

Absent:
Michael Jacobson § President

And

Broderick Green Executive Director
Josh Humphreys Senior Attorney
Molly Shortall Assistant City Attorney
Bruce Payne Director of Economic Development
Alex Agnor Public Funds Administrator
Lyndsay Mitchell Strategic Planning Manager
Renee MacQuaid Communications Coordinator
Erica Yingling Economic Development Corporation Coordinator

I. Call to Order

Vice President M. Haddad called the meeting to order at 4:32 p.m.

II. Consideration of Minutes

A. April 19, 2022 Meeting
Treasurer J. Whiteley made a motion to approve the minutes of the April 19, 2022 Board meeting. Seconded by Board Member J. Vaszauskas, the motion carried with 3 ayes and 0 nays.

APPROVED

Board Member G. Alley arrived at 4:37 p.m.

III. Financial Report

Alex Agnor, Public Funds Administrator, reviewed current financials for the board.

IV. Neighborhood Retail Center Revitalization Program Policy

Lyndsay Mitchell, Strategic Planning Manager, provided the board with the updated Neighborhood Retail Center Policy. Board approved the Neighborhood Retail Center Policy.

V. Executive Session

At 4:47 p.m., Vice President M. Haddad announced that the Board would convene in Executive Session.

Discussion of matters permitted by the following sections of V.T.C.A, Government Code, Chapter 551:

A. Section 551.087, Deliberation Regarding Economic Development Negotiations
   1. Offers of Incentives to Business Prospects

At 5:30 p.m., Vice President M. Haddad announced the Executive Session was adjourned, and the Board immediately reconvened in Open Session.

VI. Executive Director’s Report

Broderick Green, Executive Director, provided the board with updates and activities of the Economic Development Corporation.

VII. Future Agenda Items

Secretary J. Mwisongo requested a progress report on the Bell Project.

VIII. Adjourn

There being no further business, the meeting was adjourned at 5:45 p.m.
## COA Expenditures by Cost Center - Expenditures

**From Budget Date:** 10/1/2021  
**To Budget Date:** 9/30/2022  
**Period:** FY22 - Apr  
**Time Period:** Current Period YTD  

<table>
<thead>
<tr>
<th>Cost Center</th>
<th>Budget Appropriation</th>
<th>April Expenditures</th>
<th>Expenditures to Date</th>
<th>Encumbrances</th>
<th>Actuals + Encumbrances</th>
<th>Unexpended Balance</th>
<th>%Exp</th>
</tr>
</thead>
<tbody>
<tr>
<td>CC973005 Economic Development Corporation Projects</td>
<td>16,278,954.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>16,278,954.00</td>
<td>0%</td>
</tr>
<tr>
<td>CC973010 Economic Development Corporation Operations</td>
<td>1,836,810.00</td>
<td>86,594.47</td>
<td>263,563.50</td>
<td>1,365.47</td>
<td>264,928.97</td>
<td>1,571,881.03</td>
<td>14%</td>
</tr>
<tr>
<td>50000: Salaries and Wages</td>
<td>493,034.00</td>
<td>20,455.40</td>
<td>104,972.45</td>
<td>0.00</td>
<td>104,972.45</td>
<td>388,061.55</td>
<td>21%</td>
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<tr>
<td>55000: Benefits</td>
<td>130,529.00</td>
<td>6,833.22</td>
<td>34,236.58</td>
<td>0.00</td>
<td>34,236.58</td>
<td>96,292.42</td>
<td>26%</td>
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<tr>
<td>60000: Supplies</td>
<td>54,000.00</td>
<td>17,670.00</td>
<td>26,132.49</td>
<td>0.00</td>
<td>26,132.49</td>
<td>27,867.51</td>
<td>48%</td>
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<tr>
<td>61000: Purchase/Contract</td>
<td>329,247.00</td>
<td>2,139.25</td>
<td>2,139.25</td>
<td>0.00</td>
<td>2,139.25</td>
<td>327,107.75</td>
<td>1%</td>
</tr>
<tr>
<td>62000: Utilities</td>
<td>20,000.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>20,000.00</td>
<td>0%</td>
</tr>
<tr>
<td>63000: Maintenance and Repair</td>
<td>350,000.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>350,000.00</td>
<td>0%</td>
</tr>
<tr>
<td>65000: Misc. Expense (Advertising)</td>
<td>390,000.00</td>
<td>27,600.00</td>
<td>66,643.00</td>
<td>0.00</td>
<td>66,643.00</td>
<td>323,357.00</td>
<td>17%</td>
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<tr>
<td>66000: Travel and Training</td>
<td>70,000.00</td>
<td>11,886.60</td>
<td>24,372.86</td>
<td>1,365.47</td>
<td>25,738.33</td>
<td>44,261.67</td>
<td>37%</td>
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<tr>
<td>67000: Interdepartmental Expense</td>
<td>0.00</td>
<td>0.00</td>
<td>5,066.87</td>
<td>0.00</td>
<td>5,066.87</td>
<td>(5,066.87)</td>
<td>0%</td>
</tr>
</tbody>
</table>

### EDC Sales Tax Revenue

- **October 2021:** $1,773,234  
  Payment received in December 2021  
- **November 2021:** $1,818,637  
  Payment received in January 2022  
- **December 2021:** $2,315,010  
  Payment received in February 2022  
- **January 2022:** $1,804,566  
  Payment received in March 2022  
- **February 2022:** $1,559,276  
  Payment received in April 2022  
- **March 2022:** $2,239,767  
  Payment received in May 2022  
- **April 2022:** $2,057,248  
  Payment received in June 2022  

**FY 2022 EDC Revenues:** $13,567,737
### Economic Development Corporation

#### Pro Forma

<table>
<thead>
<tr>
<th></th>
<th>FY21 (ACTUALS)</th>
<th>FY22 (PROJECTIONS)</th>
<th>FY23 (PROJECTIONS)</th>
<th>FY24 (PROJECTIONS)</th>
<th>FY25 (PROJECTIONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance</strong></td>
<td>-</td>
<td>10,853,564</td>
<td>26,197,638</td>
<td>43,048,773</td>
<td>59,426,553</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales Tax Revenue</td>
<td>11,164,714</td>
<td>18,343,126</td>
<td>18,820,047</td>
<td>19,309,369</td>
<td>19,811,412</td>
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<tr>
<td>Interest</td>
<td>-</td>
<td>65,121</td>
<td>157,186</td>
<td>258,293</td>
<td>356,559</td>
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<tr>
<td><strong>Total Revenues</strong></td>
<td>11,164,714</td>
<td>18,408,247</td>
<td>18,977,233</td>
<td>19,567,661</td>
<td>20,167,971</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EDC Operations</td>
<td>311,151</td>
<td>1,836,810</td>
<td>1,891,914</td>
<td>1,948,672</td>
<td>2,007,132</td>
</tr>
<tr>
<td>Interfund Transfers - General Fund</td>
<td>-</td>
<td>227,363</td>
<td>234,184</td>
<td>241,209</td>
<td>248,446</td>
</tr>
<tr>
<td>EDC Project - Bell Textron Inc.</td>
<td>-</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>500,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>311,151</td>
<td>3,064,173</td>
<td>2,126,098</td>
<td>3,189,881</td>
<td>2,755,578</td>
</tr>
<tr>
<td><strong>Ending Balance</strong></td>
<td>10,853,564</td>
<td>26,197,638</td>
<td>43,048,773</td>
<td>59,426,553</td>
<td>76,838,947</td>
</tr>
</tbody>
</table>

*italics indicates projection*

#### REVENUE Assumptions:
- FY22 Sales Tax Revenue based on FY22 General Fund Sales Tax Budget; adopted 9/14/2021
- FY23-25 Sales Tax Revenue projections assume 2.6% growth
- Interest projections based on the prior year ending balance multiplied by 0.06%

#### EXPENDITURE Assumptions:
- FY22 EDC Operations & Interfund Transfers based on FY22 Adopted Budget
- FY23-25 EDC Operations & Interfund Transfer projections assume 3% growth
- Bell Textron payment years based on project commencement/completion deadlines per the agreement; timing subject to change
QUESTIONS?
RECOMMENDATION
Approve a resolution authorizing the Executive Director of the Arlington Economic Development Corporation to execute a Performance Agreement with Town North Arlington Partners, LLC relative to the renovation of the Town North Shopping Center located at 975 North Cooper Street.

PRIOR BOARD OR COUNCIL ACTION
The Board was previously briefed on the proposed Agreement on May 31, 2022.

ANALYSIS
Town North Shopping Center (the Center) was opened in 1961 as a commercial hub for the recently developed Town North neighborhood and Arlington Memorial Hospital, which opened in 1958. The Center sits on 9.7 acres and has 112,000 square feet of tenant space. In recent years under a previous owner, the Center has not been maintained and is in need of reinvestment and renovation. Town North Partners, LLC (the Developer) purchased the Center in 2020.

Under the proposed agreement, the Developer would make a minimum capital investment of $6,140,000 to redevelop Town North Shopping Center and has requested a performance grant from the Arlington Economic Development Corporation (AEDC) in the amount of $2,361,600 to be applied only to eligible scope items.

The scope of the proposed renovation would include infrastructure, façade, tenant space, parking lot, entryway, landscaping, and plaza/public space improvements. The Developer has requested funding only for the parking lot, entryway, landscaping, and plaza/public space improvements. These specific improvements have been found to be eligible for a performance grant by the AEDC board under Texas Local Government Code Sec. 501.103 as they are necessary to promote or develop new or expanded business enterprises at the Center.

Under the performance requirements of the agreement, the Developer would be required to make a minimum capital investment of $6,140,000, achieve a minimum of ten new jobs at the Center, and execute a minimum of three new or expanded leases. The agreement also includes a 30% MWBE goal for all contractors and subcontractors who perform renovation activities.

The AEDC would provide the performance grant as one-time reimbursement payment after minimum capital investment is met, substantial completion of the project is achieved, and documentation of actual project costs is provided.

FINANCIAL IMPACT
The total financial impact of this agreement is $2,361,600.
Funding is available in the AEDC account no. 973005.
ADDITIONAL INFORMATION
Attached: Resolution and Performance Agreement
Under separate cover: None
Available in the City Secretary’s office: None
Form 1295: No
MWBE: No

STAFF CONTACTS
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Broderick.Green@arlingtontx.gov

Bruce Payne, CECd, AICP
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Office of Economic Development
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Bruce.Payne@arlingtontx.gov

Lyndsay Mitchell, CPM, AICP
Strategic Initiatives Manager
Office of Strategic Initiatives
817-459-6653
Lyndsay.Mitchell@arlingtontx.gov
A resolution authorizing the President of the Board of Directors to execute a Performance Agreement with Town North Arlington Partners, LLC relative to the renovation of the Town North Shopping Center located at 901 North Cooper Street

WHEREAS, the Arlington Economic Development Corporation is a Type B economic development corporation, created pursuant to Chapter 505 of the Texas Local Government Code, as amended; and

WHEREAS, Section 501.103 of the Texas Local Government Code, in pertinent part, defines the term “project” to mean “streets and roads, rail spurs, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements... required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises...”; and

WHEREAS, Town North Arlington Partners, LLC intends to redevelop and renovate the Town North Shopping Center’s infrastructure, façade, tenant space, parking lot, entryway, landscaping, and plaza/public space improvements (“Facility”); and

WHEREAS, Town North Arlington Partners, LLC intends to achieve a minimum of ten new jobs at the Facility, and execute a minimum of three new or expanded leases; and

WHEREAS, the Board of Directors for the Arlington Economic Development Corporation have determined that the financial assistance provided to Town North Arlington Partners, LLC pursuant to the Performance Agreement is consistent with and meets the definition of “project” as that term is defined in Chapter 501 of the Texas Local Government Code, and in particular Section 501.103; and the definition of “cost” as that term is defined by Section 501.152 of the Texas Local Government Code; and

WHEREAS, pursuant to Section 505.159 of the Texas Local Government Code a public hearing on the proposed project was held on June 21, 2022; NOW THEREFORE

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ARLINGTON ECONOMIC DEVELOPMENT CORPORATION:
I.

That all of the recitals contained in the preamble of this resolution are found to be true and are adopted as findings of fact by this body and as part of its official record.

II.

That the Board of Directors of the Arlington Economic Development Corporation hereby authorizes the President of the Board of Directors to execute a Performance Agreement with Town North Arlington Partners, LLC relative to the renovation of the Town North Shopping Center located at 901 North Cooper Street.

III.

A substantial copy of the Performance Agreement is attached hereto and incorporated herein for all intents and purposes.

PRESENTED AND PASSED on this the ______ day of ____________________, 2022, by a vote of _____ ayes and _____ nays at a regular meeting of the Board of Directors of the Arlington Economic Development Corporation.

_________________, President

ATTEST:

_________________, Secretary

APPROVED AS TO FORM:
TERIS SOLIS, Counsel for the Arlington Economic Development Corporation

BY_____________________________
Performance Agreement
THIS Performance Agreement (hereafter referred to as "Agreement") is executed on ______________, 2022 (the "Effective Date"), by and between TOWN NORTH PARTNERS LLC, an entity duly authorized to do business in the State of Texas, acting by and through its authorized officer (hereafter referred to as "OWNER"), and the ARLINGTON ECONOMIC DEVELOPMENT CORPORATION, a Texas non-profit corporation acting by and through its authorized officer (hereafter referred to as "AEDC").

W I T N E S S E T H:

WHEREAS, the AEDC is a Type B economic development corporation, created pursuant to Chapter 505 of the Texas Local Government Code, as amended; and

WHEREAS, Section 501.103 of the Texas Local Government Code, in pertinent part, defines the term "project" to mean "expenditures that are found by the board to be required or suitable for Infrastructure (defined below) necessary to promote or develop new or expanded business enterprises;" and

WHEREAS, these Infrastructure projects are limited to "streets and roads, rail spurs, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements or related improvements" and "telecommunications and Internet improvements;" and

WHEREAS, the AEDC's Board of Directors have determined that that the financial assistance provided to OWNER pursuant to this Agreement is consistent with and meets the definition of "project" as that term is defined in Chapter 501 of the Texas Local Government Code, and in particular Section 501.103; and the definition of "cost" as that term is defined by Section 501.152 of the Texas Local Government Code; and

NOW THEREFORE, for and in consideration of the mutual premises and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the AEDC and OWNER do hereby agree, covenant, and contract as set forth below:

I. Definitions

A. "Base Year Value" is defined as the tax year 2022 taxable value of the Premises as finally determined by Tarrant Appraisal District (TAD Account Numbers 06193706, 02391953, 02391937, and 02391899).

B. "Infrastructure" is defined as expenditures for the improvement of the public parking lots, entryway enhancements, and the public plaza or park spaces that are outlined in Exhibit "A" and that OWNER elects to make after receiving design approval thereof pursuant to Section III.E below.
C. "Job" is defined as an employment position that results in actual paid employment of an employee, whether an employee of OWNER or any Tenant, not independent contractor, at the Premises of at least 1,820 hours per position in a year. It is agreed that the minimum annual hours requirement of 1,820 hours per Job may be satisfied through a combination of (a) full time employees with annual hours of 1,820 or more per employee and/or (b) part-time employees with collective annual hours of 1,820. By way of example, two (2) part-time employees (whose annual hours are 1,820 collectively) count as one (1) Job; and three (3) part-time employees (whose annual hours are 3,640 collectively) count as two (2) Jobs.

D. "Premises" are defined as the real property, land and improvements located at the southeast corner of N. Cooper Street and W. Randol Mill Road in Arlington, Texas 76011, as depicted in Exhibit "B" attached hereto and incorporated herein for all purposes.

E. "Project" is defined as the expenditure by OWNER of not less than Six Million One Hundred and Forty Thousand Dollars ($6,140,000.00) for improvements outlined in Exhibit "C" that OWNER elects to make for the redevelopment of the Premises to promote or develop new or expanded business enterprises at the Premises. The scope of the Project includes (a) the Infrastructure and (b) improvements outlined in Exhibit "C" that OWNER elects to make, that are paid for by OWNER, and that are performed by either OWNER or a Tenant. For purposes of clarity, the OWNER's payment of a tenant improvement allowance to a Tenant that performs the improvements counts as improvements and capital expenditures for purposes of meeting the conditions set forth in Sections III.B and III.C below.

F. "Tenant" means any business with a leasehold interest in the Premises or any portion thereof, licensed to do business in the State and City (to the extent a license is required), and who has a valid certificate of occupancy from the City of Arlington for their leasehold interest.

II. Term

This Agreement shall be effective on the date of execution and shall expire on December 31, 2028 (the "Term"), unless otherwise sooner terminated in accordance with the terms of this Agreement.

III. Improvement Conditions and Requirements

A. OWNER shall commence the Project within eighteen (18) months after the Executive Director of the AEDC has approved the design of the Infrastructure pursuant to Section III.E below. Commencement of the Project shall be evidenced by the issuance of a notice to proceed by OWNER to OWNER's general contractor.

B. OWNER shall complete the Infrastructure within eighteen (18) months after the Executive Director of the AEDC has approved the design of the Infrastructure
pursuant to Section III.E below, and shall complete the remainder of the Project by no later than December 31, 2027, which dates shall be extended if completion of the Infrastructure or the Project, as applicable, is delayed due to Force Majeure (as defined in Section XVII below). Completion of the Project shall be determined by the submission of evidence of substantial completion of eligible improvements outlined in Exhibit "C" that OWNER elects to make totaling not less than Six Million One Hundred and Forty Thousand Dollars ($6,140,000.00). Such submission shall be made to the Executive Director of the Arlington Economic Development Corporation for approval.

C. OWNER shall make a minimum capital investment on the Premises of at least Six Million One Hundred and Forty Thousand Dollars ($6,140,000.00) no later than December 31, 2027. Capital investment includes expenditures for eligible Project improvements in Exhibit "C" that OWNER elects to make. OWNER’s payment of a tenant improvement allowance to a Tenant for eligible improvements outlined in Exhibit "C" shall count towards the minimum capital investment as if OWNER had performed the work itself.

D. Intentionally deleted.

E. Prior to submitting applications or plans for permits for Infrastructure improvements, OWNER shall obtain design approval from the Executive Director of the AEDC, which approval the Executive Director of the AEDC shall not unreasonably withhold.

F. The Project must conform to all applicable building codes, zoning ordinances, and all other state, federal, or local laws, ordinances and regulations.

G. OWNER must substantiate with the Executive Director of the AEDC, a minimum of three (3) new executed leases at the Premises during the thirty-six (36) month period of January 1, 2022 through December 31, 2024.

H. OWNER must substantiate the creation of at least ten (10) new Jobs at the Premises during the thirty-six (36) month period of January 1, 2022 through December 31, 2024. The ten (10) new Jobs must remain in existence at the time the grant is paid under Section IV.A; however, it need not be the same ten (10) Jobs, meaning that if one of the new Jobs is eliminated, the eliminated Job may be replaced by a newly created Job from the same Tenant or another Tenant.

I. Throughout the Term, all activity on the Premises shall conform in all material respects to the applicable building codes, zoning ordinances, and all other state, federal, or local laws, ordinances, and regulations. OWNER shall apply for and obtain all necessary governmental permits and approvals for construction and operation of the Project.

J. Throughout the Term, OWNER shall not fail to render for taxation any property owned by OWNER and located within the City of Arlington.
K. Throughout the Term, OWNER shall not allow the ad valorem taxes owed on any property owned by OWNER and located within the City of Arlington to become delinquent beyond the last day they can be paid without assessment of penalty, as such date is generally extended to allow for any appeal.

L. During design and construction of the Project OWNER agrees to use diligent efforts and to cause its contractors and subcontractors to use diligent efforts to purchase all goods and services from Arlington businesses whenever such goods and services are comparable in availability, terms, quality, and price. OWNER also agrees to develop a policy that establishes a goal of thirty percent (30%) use by OWNER of qualified contractors, subcontractors, and suppliers where at least fifty-one percent (51%) of the ownership of such contractors, subcontractors, or suppliers is vested in racial or ethnic minorities or women for design and construction of the Project, which such policy shall contain reasonable exclusions. Beginning in the first full calendar quarter after this Agreement is executed and continuing until the Project has been completed, OWNER shall provide the AEDC with a quarterly report detailing its progress towards the thirty percent (30%) goal. So long as OWNER develops a policy that establishes the thirty percent (30%) goal (and OWNER uses good faith efforts to achieve such goal), the condition contained in this Section III.L shall be deemed satisfied even though OWNER fails to achieve the thirty percent (30%) goal.

M. OWNER shall dedicate property and/or any easements necessary for the proposed right-of-way improvements on West Randol Mill Road in the City's adopted Thoroughfare Development Plan provided such dedication does not adversely affect business operations at the Premises as reasonably determined by OWNER.

Upon OWNER's request, the Executive Director of the AEDC shall confirm in writing that the foregoing Conditions and Requirements have been satisfied (or, alternatively, the Executive Director of the AEDC will identify those Conditions and Requirements that have not been satisfied as of the date of OWNER's request).

IV. Incentive Program

In exchange for OWNER's development of the Project, AEDC agrees to provide the following incentive program:

A. Reimbursement Grants.

1. If all Improvement Conditions and Requirements set forth in Article III are satisfied, to the extent applicable at that point in time, AEDC agrees to provide a reimbursement grant totaling a maximum of Two Million and Three Hundred and Sixty-One Thousand and Six Hundred and 00/100 Dollars ($2,361,600.00). The Reimbursement Grant will be paid by AEDC to OWNER based upon the following scheduled:
Within ninety (90) days after OWNER provides AEDC proof of substantial completion including evidence that OWNER has made the entire investment outlined in Section III, which completion shall be reasonably determined by the Executive Director.

Evidence should include documentation of Infrastructure expenditures and any grant payment shall not be greater than the actual amount of dollars invested by OWNER on Infrastructure improvements as outlined in Subsection I(B).

V. Records, Audits, and Inspections

A. Additional Records and Information - Throughout the Term of this Agreement, OWNER shall furnish AEDC any additional records and information reasonably requested to support the Improvement Conditions and Requirements set forth in Article III of this Agreement.

B. Right to Audit Books and Records - AEDC shall have the right to audit the books and records of OWNER related to the grants. AEDC shall notify OWNER in advance in writing of their intent to audit to allow OWNER adequate time to make such books and records available.

C. Inspection - At all times throughout the Term of this Agreement, the Executive Director of the AEDC shall have reasonable access to the Premises for the purpose of inspecting the Premises to ensure that the Project is constructed, installed, maintained, and operated in accordance with the terms of this Agreement. All inspections shall be conducted in a manner as to not unreasonably interfere with the operation of the Premises. The inspections shall be conducted within a reasonable time after notice by the Executive Director of the AEDC.

VI. Use of Premises

The Premises always shall be used in a manner that is consistent with City of Arlington's Unified Development Code and all other applicable federal, state, and local laws.

VII. Breach

A. Breach - Subject to Section VII.B, below, a breach of this Agreement by OWNER may result in termination or modification of this Agreement and recapture by AEDC of any or all grant payments. OWNER's failure to satisfy any of the Conditions and Requirements as specified in Article III or OWNER's failure to provide records and information necessary to support the Improvement Conditions and Requirements, as specified in Article III, shall constitute a breach of this Agreement.
B. **Notice of Breach** - If AEDC makes a reasonable determination that OWNER has breached this Agreement, then AEDC shall give OWNER written notice of such. OWNER has 60 days following receipt of said written notice to cure such breach or this Agreement may be terminated by AEDC, and recapture of grant payments made may occur. Notice of breach and opportunity to cure shall be in writing and shall be delivered by personal delivery or certified mail to OWNER at its address provided in Article X of this Agreement.

C. **Recapture** - It shall be the duty of AEDC to determine whether to require recapture and to demand payment of such. Repayment of grant payments shall become due 60 days following receipt of such demand. The rights of AEDC to require recapture and demand repayment of grants made and the obligation of OWNER to pay such shall survive termination of this Agreement. The City Attorney has the authority, on behalf of the AEDC, to initiate any litigation necessary to pursue payment of recaptured grants pursuant to this Agreement.

VIII. **Undocumented Workers**

OWNER covenants and certifies that OWNER does not and will not knowingly employ an undocumented worker at the Project as that term is defined by section 2264.001(4) of the Texas Government Code. In accordance with section 2264.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. Section 132a(f), OWNER shall repay to the AEDC all grant payments provided under Article IV of this Agreement, plus 10% per annum from the date such grant payments were made. Repayment shall be paid within 120 days after the date following such conviction that OWNER receives notice of violation from the AEDC as provided by 2264.101(c) of the Texas Government Code.

IX. **Effect of Sale or Lease of Property**

This Agreement shall not be assignable to any new owner or lessee of all or a portion of the Premises unless such assignment is approved in writing by the AEDC with approval of the AEDC Board of Directors and Arlington City Council, which approval shall not be unreasonably withheld, conditioned or delayed.

Notwithstanding the foregoing or any provision contained in this Agreement to the contrary, City agrees that OWNER may assign this Agreement and all or part of its rights and obligations hereunder to (i) any entity affiliated with OWNER by reason of controlling, being controlled by, or being under common control with OWNER, and/or (ii) a third party lender advancing funds for the acquisition of the Premises or for the construction of the Premises (each, a "Permitted Transfer"). City hereby expressly consents to any Permitted Transfer, and agrees that no further consent of City to any Permitted Transfer will be required. OWNER agrees to provide City with written notice of any Permitted Transfer.
X.
Notice

All notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, by certified mail postage prepaid or by hand delivery:

OWNER: Town North Partners LLC
Attention: Daniel Fuller
4809 Cole Avenue, Suite 330
Dallas, Texas 75205

cc: Kane Russell Coleman Logan PC
901 Main Street, Suite 5200
Dallas, Texas 75202

AEDC: Arlington Economic Development Corporation
Attention: Executive Director
Post Office Box 90231
Arlington, Texas 76004-3231

cc: Arlington Economic Development Corporation
Attention: City Attorney's Office
Post Office Box 90231
Arlington, Texas 76004-3231

XI.
City Council Authorization

This Agreement was authorized by resolution of the AEDC Board of Directors and Arlington City Council authorizing the Executive Director of the AEDC to execute this Agreement on behalf of the AEDC.

XII.
Severability

In the event any section, subsection, paragraph, sentence, phrase, or word is held invalid, illegal, or unconstitutional, the balance of this Agreement shall stand, shall be enforceable, and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase, or word.

XIII.
Estoppel Certificate

Any party hereto may request an estoppel certificate from another party hereto, so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested will be addressed to a subsequent purchaser or assignee of OWNER, shall include, but not necessarily be limited to statements that this Agreement is
in full force and effect without default (or if default exists the nature of same), the remaining term of this Agreement, the levels and remaining term of the grant payments in effect, and such other matters reasonably requested by the party(ies) to receive the certificates.

XIV.
Owner's Standing

OWNER, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, AEDC Board of Directors or City Council actions authorizing same, and OWNER shall be entitled to intervene in said litigation.

XV.
Applicable Law

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State's District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

XVI.
Indemnification

It is understood and agreed between the parties that the OWNER, in performing its obligations hereunder, is acting independently, and AEDC assumes no responsibility or liability to third parties in connection therewith, and OWNER agrees to indemnify and hold harmless AEDC from any such responsibility or liability. It is further understood and agreed among the parties that AEDC, in performing its obligations hereunder, is acting independently, and the OWNER assumes no responsibility or liability to third parties in connection therewith.

XVII.
Force Majeure

It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, fire or other casualty, court injunction, necessary condemnation proceedings, acts of the other party, its affiliates/related entities and/or their contractors, or any actions or inactions of third parties or 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 circumstance is 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 design or construction requirement shall be extended for a period of time equal to the period such party was delayed.
XVIII.  
No Other Agreement

This Agreement embodies all of the agreements of the parties relating to its subject matter as specifically set out herein, supersedes all prior understandings and agreements regarding such subject matter, and may be amended, modified, or supplemented only by an instrument or instruments in writing executed by the parties.

XIX.  
Headings

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

XX.  
Successors and Assigns

The parties to this Agreement each bind themselves and their successors, executors, administrators, and assigns to the other party of this Agreement and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this Agreement. No successor, executor, administrator, or assign is valid in the place of the parties to this Agreement without the written consent of AEDC.

XXI.  
Petition for Election

This Agreement is an economic development project as defined by Section 501.103 of the Texas Local Government Code. Pursuant to Section 505.160, a petition from more than ten (10) percent of the registered voters in the City of Arlington may be filed requiring an election to authorize this agreement within sixty (60) days of the publication of notice, which was published on June 17, 2022. If a valid petition is filed, an election shall be held before the project is undertaken or any expenditures are made. If a valid petition is filed, Owner may withdraw his request for incentives prior to any such election at his own discretion and this Agreement will have no binding effect on either party.

[Signature Page to Follow]
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

TOWN NORTH PARTNERS LLC
a Texas limited liability company

By: Town North Arlington Holdings LP, a Texas limited partnership, its managing member

By: Shop Town North Arlington Partners GP LLC, a Texas limited liability company, its general partner

By: ____________________________
    Daniel Fuller, Manager
    Date __________________________

WITNESS:

________________________________

ARLINGTON ECONOMIC DEVELOPMENT CORPORATION

By: _______________________________________
    Broderick Green
    Executive Director

Date __________________________

ATTEST:

_____________________________________

_____ , AEDC Secretary

APPROVED AS TO FORM:

TERIS SOLIS, Counsel for the Arlington Economic Development Corporation

BY ____________________________
BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared ________________, known to me (or proved to me on the oath of _______________ or through ________________ (description of identity card or other document)) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed same for and as the act and deed of TOWN NORTH PARTNERS LLC., an entity duly authorized to do business in the State of Texas, and as the _________________ thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ______ day of ___________________, 2022.

___________________________________
Notary Public in and for
The State of Texas

____________________________
My Commission Expires

____________________________
Notary's Printed Name
BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared BRODERICK GREEN, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the ARLINGTON ECONOMIC DEVELOPMENT CORPORATION, a non-profit corporation of Tarrant County, Texas, and as the President thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _______ day of __________________, 2022.

______________________________
Notary Public in and for
The State of Texas

______________________________
My Commission Expires Notary's Printed Name
Exhibit "A"
ELIGIBLE INFRASTRUCTURE IMPROVEMENTS*

- **Parking Lot Improvements:**
  - Resurface parking lot and striping
  - Addition of parking lot landscape islands with canopy trees
  - Reconfigured, more efficient, pedestrian friendly parking
  - Replace parking lot lighting with new thin profile LED fixtures
  - Add ADA/TAS accessibility in parking and sidewalks areas
  - Applicable Soft Costs (i.e. architecture, engineering, construction management, etc.)

- **Entryway Improvements:**
  - Enhanced signage (multi-tenant, shopping center ID, and wayfinding signage)
  - Enhanced landscaping design and installation
  - Enhanced paving detail along the “Cora Street Corridor”
  - Applicable Soft Costs (i.e. architecture, engineering, construction management, etc.)

- **Plaza/Park Space:**
  - Creation of family friendly open lawn area
  - Enhanced planting and irrigation in this area
  - Potential new retail building
  - New rideshare location
  - Addition of electrical car charging stations
  - Applicable Soft Costs (i.e. architecture, engineering, construction management, etc.)

*The list of improvements is not an exhaustive list, but is intended to provide an outline of potential improvements that OWNER may make as part of the "Infrastructure." OWNER is not required make all of the improvements listed in this Exhibit "A."
Exhibit "B"
PREMISES
Exhibit "C"
ELIGIBLE PROJECT IMPROVEMENTS*

Infrastructure: See Exhibit "A"

Exhibit “C”
ENTIRE SCOPE OF PROJECT

Tenant Improvements: Either direct investment by Owner in the individual tenant space, or allowance by Owner to Tenants for reimbursement of a portion of Tenant’s finish-out of their spaces.

Infrastructure Improvements:
• Parking Lot Improvements:
  • Resurface parking lot and striping
  • Addition of parking lot landscape islands with canopy trees
  • Reconfigured, more efficient, pedestrian friendly parking
  • Replace parking lot lighting with new thin profile LED fixtures
  • Add ADA/TAS accessibility in parking and sidewalks areas
  • Applicable Soft Costs (i.e. architecture, engineering, construction management, etc.)

• Entryway Improvements:
  • Enhanced signage (multi-tenant, shopping center ID, and wayfinding signage)
  • Enhanced landscaping design and installation
  • Enhanced paving detail along the “Cora Street Corridor”
  • Applicable Soft Costs (i.e. architecture, engineering, construction management, etc.)

• Plaza/Park Space:
  • Creation of family friendly open lawn area
  • Enhanced planting and irrigation in this area
  • Potential new retail building
  • New rideshare location
  • Addition of electrical car charging stations
  • Applicable Soft Costs (i.e. architecture, engineering, construction management, etc.)

Facade & Building Improvements:
• Paint existing brick facades and add new decorative building lighting
• Replace tenant storefronts canopy in key impact areas
• Creation of new oversized patios and pedestrian walkways
• Addition of site furnishing (i.e., benches, seasonal planters, and trash receptacle) in sidewalkscape
• Redesign of building/tenant canopy areas (in key impact areas)
• Environmental remediation
• New common grease trap installments (if acceptable)
• Upgrade existing electrical services
• Upgrade existing utility building services
• New enhance Tenant Signage program
• Applicable Soft Costs (i.e. architecture, engineering, construction management, etc.)

*The list of improvements is not an exhaustive list, but is intended to provide an outline of potential improvements that OWNER may make as part of the "Project." OWNER is not required make all of the improvements listed in this Exhibit "C."