RESOLUTION NO. 18-2020

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING THE TERMS AND CONDITIONS OF A DEVELOPMENT AGREEMENT AND CHAPTER 380 GRANT AGREEMENT ("AGREEMENT") FOR A PROGRAM TO PROMOTE LOCAL ECONOMIC DEVELOPMENT AND STIMULATE BUSINESS AND COMMERCIAL ACTIVITY IN THE CITY; AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE THE AGREEMENT FOR SUCH PURPOSES WITH HEARTLAND RETAIL, LLC ("DEVELOPER") AND UST-HEARTLAND, L.P., PROVIDING A GRANT TO THE DEVELOPER AND AUTHORIZING THE CITY MANAGER TO ADMINISTER THE AGREEMENT ON BEHALF OF THE CITY FOR THE RETAIL DEVELOPMENT ON PROPERTY GENERALLY LOCATED SOUTH OF INTERSTATE HIGHWAY 20, EAST OF FM 741 AND NORTH OF HEARTLAND PARKWAY IN THE CORPORATE LIMITS OF THE CITY OF MESQUITE IN KAUFMAN COUNTY, TEXAS; AND PROVIDING A SEVERABILITY CLAUSE.

WHEREAS, the City Council has been presented with a proposed Development Agreement and Chapter 380 Grant Agreement (Heartland Retail) ("**Agreement**") between the City of Mesquite, Texas ("**City**"), Heartland Retail, LLC ("**Developer**") and UST-Heartland, L.P. for the proposed retail development on property generally located south of Interstate Highway 20, east of FM 741 and north of Heartland Parkway in the corporate limits of the City of Mesquite in Kaufman County, Texas, a copy of said Agreement being attached hereto as Exhibit "A" and incorporated herein by reference; and

WHEREAS, Chapter 380 of the Texas Local Government Code authorizes the City and other municipalities to establish and provide for the administration of programs that promote local economic development and stimulate business and commercial activity; and

WHEREAS, the City Council has determined that the development of the property described in the Agreement in accordance with and subject to the terms, provisions and conditions set forth in the Agreement is in the best interest of the City and its citizens; and

WHEREAS, after holding a public hearing and upon full review and consideration of the Agreement and all matters attendant and related thereto, the City Council is of the opinion that the Agreement will assist in implementing a program whereby local economic development will be promoted and business and commercial activity will be stimulated in the City and that the Agreement is in the best interest of the City and will benefit the City and its citizens.

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

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

SECTION 2. That the City Council finds that the terms of the proposed Agreement by and between the City, the Developer and UST-Heartland, L.P., a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference, will benefit and is in the best interest of the City and its citizens and will, inter alia, accomplish the public purpose of promoting local economic development and stimulating business and commercial activity in the City in accordance with Section 380.001 of the Texas Local Government Code.

SECTION 3. That the City Council hereby adopts an economic development program whereby, subject to the terms and conditions of the Agreement, the City will provide economic development incentives to the Developer and take other specified actions as more fully set forth in the Agreement in accordance with the terms and subject to the conditions outlined in the Agreement.

SECTION 4. That the terms and conditions of the Agreement, having been reviewed by the City Council and found to be acceptable and in the best interest of the City and its citizens, are hereby approved.

SECTION 5. That the City Manager is hereby authorized to finalize and execute the Agreement and all other documents necessary to consummate the transactions contemplated by the Agreement.

SECTION 6. That the City Manager is further hereby authorized to administer the Agreement on behalf of the City including, without limitation, the City Manager shall have the authority to: (i) provide any notices and estoppels required or permitted by the Agreement; (ii) approve amendments to the Agreement provided such amendments, together with all previous amendments approved by the City Manager, do not increase City expenditures under the Agreement in excess of $50,000; (iii) approve or deny any matter in the Agreement that requires the consent of the City provided, however, notwithstanding the foregoing, any assignment of the Agreement that requires the consent of the City pursuant to the terms of the Agreement shall require the approval of the City Council; (iv) approve or deny the waiver of performance of any covenant, duty, agreement, term or condition of the Agreement; (v) exercise any rights and remedies available to the City under the Agreement; and (vi) execute any notices, estoppels, amendments, approvals, consents, denials and waivers authorized by this Section 6 provided, however, notwithstanding anything contained herein to the contrary, the authority of the City Manager pursuant to this Section 6 shall not include the authority to take any action than cannot be delegated by the City Council or that is within the City Council's legislative functions.

SECTION 7. That the sections, paragraphs, sentences, clauses and phrases of this Resolution are severable and, if any phrase, clause, sentence, paragraph or section of this Resolution should be declared invalid, illegal or unenforceable by the final judgment or decree of any court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any of the remaining phrases, clauses, sentences,

paragraphs and sections of this Resolution and such remaining provisions shall remain in full force and effect and shall be construed and enforced as if the invalid, illegal or unenforceable provision had never been included in this Resolution.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 20th day of April 2020.

Bruce Archer
Mayor

ATTEST:

Sonja Land
City Secretary

APPROVED AS TO LEGAL FORM:

David L. Paschall
City Attorney

EXHIBIT "A"
To Resolution No. 18-2020

DEVELOPMENT AGREEMENT AND CHAPTER 380 GRANT AGREEMENT BETWEEN THE CITY OF MESQUITE, TEXAS, HEARTLAND RETAIL, LLC, AND UST-HEARTLAND, L.P.

DEVELOPMENT AGREEMENT AND CHAPTER 380 GRANT AGREEMENT
(Heartland Retail)

This Development Agreement and Chapter 380 Grant Agreement (this "Agreement") is executed between Heartland Retail, LLC (the "Developer"), UST-Heartland, L.P., and the City of Mesquite (the "City"), each a "Party" and collectively the "Parties" to be effective April 20, 2020 (the "Effective Date").

ARTICLE I
RECITALS

WHEREAS, the Developer owns an approximately 25.464-acre tract of land more particularly described on **Exhibit A** that is planned for retail development (the "25.464-Acre Tract"); and

WHEREAS, UST-Heartland, L.P. (the "1.9-Acre Tract Owner") owns an approximately 1.935-acre tract of land described on **Exhibit B** that is planned for retail development (the "1.9-Acre Tract"); and

WHEREAS, the properties described on **Exhibit A** and **Exhibit B** are collectively referred to herein as the "Property"; and

WHEREAS, CADG Kaufman 146, LLC, a Texas limited liability company ("CADG"), Kaufman County Fresh Water Supply District No. 5, and the City entered into that certain Heartland Town Center Development Agreement dated effective April 2, 2018 and recorded May 29, 2018, in Volume 5691, Page 352 of the Real Property Records of Kaufman County, Texas, (said agreement, as amended, being hereinafter collectively referred to as the "2018 Development Agreement") relating to the development of that certain approximately 146-acre tract of real property depicted on **Exhibit A** and described by metes and bounds on **Exhibit B** of the 2018 Development Agreement; and

WHEREAS, the 25.464-Acre Tract is part of the 146-acre tract subject to the 2018 Development Agreement; and

WHEREAS, on August 27, 2018, CADG assigned its right, title and interest in the 2018 Development Agreement with respect to the 25.464-Acre Tract to the Developer (the "Partial Assignment") and the City consented to such Partial Assignment; and

WHEREAS, the Developer intends to develop a retail development on the entire Property, and the City would like to encourage the development of the Property, including the development of a grocery store, by (a) granting a portion of sales tax revenue collected from such grocery store on the condition that a minimum 50,000 square foot grocery store is developed within the Property (the "Grocery Store"), not to exceed $393,000; and (b) reimbursing roadway impact fees paid to the City in connection with the development of the Property, not to exceed $574,441, all as more fully set forth herein and subject to the terms, provisions, and conditions more fully set forth herein; and

WHEREAS, the Developer and the 1.9-Acre Tract Owner desire to develop the Property as a cohesive project in accordance with the planned development district zoning of the Property approved by City Ordinance No. 4776 on April 20, 2020, including any future amendments to such zoning requested by the Developer and approved by the City (the "PD"), and the Architectural Standards attached hereto as **Exhibit C** (the "Architectural Standards"); and

WHEREAS, the Developer and the 1.9-Acre Tract Owner further desire to prohibit the uses described in **Exhibit D** within the Property (the "Prohibited Uses"); and

WHEREAS, the development of the Property in compliance with the PD and the Architectural Standards will maximize the economic development impact of the development of the Property, and will substantially increase the taxable value of the Property thereby adding value to the City's tax rolls and maximizing the increase in ad valorem real property taxes to be assessed and collected by the City and are a material consideration for the agreement of the City to enter into this Agreement; and

WHEREAS, the Property is located within Reinvestment Zone Number Eleven, City of Mesquite, Texas (Heartland Town Center) (the "Zone"), a tax increment reinvestment zone created by the governing body of the City (the "City Council") in accordance with the Tax Increment Financing Act, Chapter 311, Texas Tax Code, as amended (the "Act"), by Ordinance No. 4532 adopted on December 18, 2017; and

WHEREAS, certain public improvements as generally described in **Exhibit E** attached hereto and made a part hereof for all purposes are necessary for the development of the Property (the "Public Improvements"); and

WHEREAS, the Developer has agreed to construct the Public Improvements at the cost and expense of the Developer; and

WHEREAS, the City, Developer and the Board of Directors of the Zone are entering into that certain agreement dated effective of even date herewith regarding the terms and conditions of the reimbursement to the Developer of a portion of the costs of the Public Improvements (the "TIRZ Reimbursement Agreement"); and

WHEREAS, in consideration of the Developer agreeing to construct the Public Improvements and the City agreeing to enter into this Agreement and the TIRZ Reimbursement Agreement, the 1.9-Acre Tract Owner agrees to the terms and provisions of this Agreement including, without limitation, the agreement to develop the 1.9-Acre Tract in accordance with the PD and the Architectural Standards, and further agrees to restrict the 1.9-Acre Tract so that the Prohibited Uses are prohibited on the Property; and

WHEREAS, the City and the Developer desire to enter into this Agreement to satisfy all loan, grant and economic development incentive obligations associated with the 25.464-Acre Tract, as set forth in the 2018 Development Agreement; and

WHEREAS, it is the intent of the City and the Developer that this Agreement supersede the 2018 Development Agreement on all matters related to any loans, grants and economic development incentives by the City to the Developer relating to the development of the 25.464-Acre Tract including, without limitation, any loans or grants under Chapter 380, Texas Local Government Code, as amended; and

WHEREAS, the grants provided to the Developer under this Agreement are for the public purposes of: (i) developing and diversifying the economy of the state; (ii) eliminating unemployment and underemployment in the state; (iii) developing and expanding commerce in the state; (iv) stimulating business and commerce within the City; and (v) promoting development within the City; and

WHEREAS, the City has an interest in creating jobs and expanding the tax base which accomplish a public purpose; and

WHEREAS, the City has ensured that the public will receive benefits for the grant and reimbursements provided by imposing on the Developer conditions and performance standards that are prerequisites to the Developer receiving any grant or reimbursement, and by requiring compliance with certain development standards set forth in this Agreement; and

WHEREAS, the City has established an Economic Development Incentive Program pursuant to Section 380.001 of the Texas Local Government Code (the "Program") and authorizes this Agreement as part of the Program; and

WHEREAS, the Developer desires to participate in the Program by entering into this Agreement; and

WHEREAS, the City Council finds and determines that this Agreement will effectuate the purposes set forth in the Program and that the Developer's performance of this Agreement will promote local economic development in the City, stimulate business and commercial activity in the City and benefit the City and its citizens.

NOW THEREFORE, for and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00), the mutual covenants of the Parties set forth in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are acknowledged and agreed by the Parties, the Parties agree as follows:

ARTICLE II
CHAPTER 380 GRANT; ROADWAY IMPACT FEES; DEVELOPMENT MATTERS

2.1 Incorporation of Recitals. The foregoing recitals are incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration and promises that bind the Parties.

2.2 Definitions. As used in this Agreement, the following terms shall have the following meanings, to-wit:

(a) "Additional Municipal Sales/Use Taxes" shall mean all sales and use taxes now and hereafter authorized, adopted, imposed and/or collected by or on behalf of the City pursuant to §321.101(b) of the Texas Tax Code, as amended and/or replaced, and shall specifically include all Type B Sales/Use Taxes, Property Tax Relief Taxes and all sales and use taxes now and hereafter prohibited by law from being used for payment of economic development incentives.

(b) "Certificate of Compliance" shall mean a certificate in such form as is reasonably acceptable to the City executed by a duly authorized representative of the Developer certifying to the City: (i) that all conditions to the payment of the 380 Grant payment or Impact Fee Reimbursement payment to be satisfied as of the date of the Payment Request have been satisfied and are then continuing; (ii) that with respect to any Certificate of Compliance submitted with a Payment Request for a 380 Grant payment, the "Performance Standard" (as hereinafter defined) has been satisfied; and (iii) that no default then exists by the Developer or the 1.9-Acre Tract Owner under the terms of this Agreement and that no event exists which, but for notice, the lapse of time, or both, would constitute a default by the Developer or the 1.9-Acre Tract Owner under the terms of this Agreement.

(c) "Certificate of Occupancy" shall mean a final certificate of occupancy issued by the City after a building constructed on the Property has been completed in compliance with the City's building, health, safety, fire and other codes authorizing a Person to occupy such building for commercial or retail purposes.

(d) "City Sales/Use Taxes" shall mean the municipal sales and use taxes collected by or on behalf of the City for general fund purposes authorized pursuant to §321.101(a) of the Texas Tax Code, as amended and/or replaced, and currently at the rate of one percent (1.0%) pursuant to §321.103(a) of the Texas Tax Code and specifically does not include the State of Texas Sales/Use Taxes and any Additional Municipal Sales/Use Taxes.

(e) "City's Sales/Use Tax Account" shall have the meaning set forth in Article II, Section 2.3(c)(3) of this Agreement.

(f) "Net City Sales/Use Taxes" shall mean the City Sales/Use Taxes collected by or on behalf of the City from the Grocery Store less the two percent (2%) collection fee retained by the State Comptroller and less any credits for returned items.

(g) "Payment Request" shall mean written request(s) executed by a duly authorized representative of the Developer delivered to the attention of the City's Director of Finance requesting the payment of a 380 Grant payment and/or a Roadway Impact Fee reimbursement.

(h) "Person" means an individual, corporation, general or limited partnership, limited liability company, trust, estate, unincorporated business, organization, association or any other entity of any kind.

(i) "Property Tax Relief Taxes" shall mean the municipal sales and use taxes authorized, adopted, imposed and/or collected by or on behalf of the City pursuant to §321.101(b) of the Texas Tax Code, as amended and/or replaced, currently at the rate of one-half of one percent to be used to reduce the property tax rate of the City.

(j) "Roadway Impact Fees" shall mean fees for roadway facilities imposed on new development by the City pursuant to City Ordinance No. 4366 and Mesquite City Code, Appendix D, Article XII, Section 12-120, both as amended or replaced, to generate revenue to fund or recoup all or part of the costs of capital improvements or facility expansion necessitated by and attributable to the development of the Property provided, however, in no event shall Roadway Impact Fees include the dedication of rights-of-way or easements for such facilities.

(k) "State Comptroller" shall mean the Office of the Texas Comptroller of Public Accounts, or any successor agency.

(l) "State of Texas Sales/Use Taxes" shall mean the State of Texas sales and use taxes, currently at the rate of six and one-quarter percent (6.25%), authorized, adopted, imposed and/or collected pursuant to §151.051 of the Texas Tax Code, as amended and/or replaced, and all other sales and use taxes now and hereafter authorized, adopted, imposed and/or collected by or on behalf of the State of Texas.

(m) "Type B Sales/Use Taxes" shall mean the municipal sales and use taxes authorized, adopted, imposed and/or collected by or on behalf of the City pursuant to §321.101(b) of the Texas Tax Code, as amended and/or replaced, currently at the rate of one-half of one percent, for use by the Mesquite Quality of Life Corporation, a Type B economic development corporation, operating pursuant to Chapter 505 of the Texas Local Government Code, as amended and/or replaced, and shall also include any other sales and use taxes now or hereafter authorized, adopted, imposed and/or collected by or on behalf of the City for use by any other Type B economic development corporation hereafter created by or on behalf of the City.

(n) "Unconfirmed Sales/Use Tax Payment" shall have the meaning set forth in Article II, Section 2.3(d) of this Agreement.

(o) "Undocumented Workers" shall mean (i) individuals who, at the time of employment with the Developer, are not lawfully admitted for permanent residence to the United States or are not authorized under law to be employed in that manner in the United States; and (ii) such other persons as are included within the definition of "Undocumented Worker" pursuant to V.T.C.A., Government Code §2264.001(4), as hereafter amended or replaced, or any other applicable law or regulation.

2.3 380 Grant.

(a) The Developer, at its option, may include a Grocery Store within the development of the Property. Subject to the annual appropriation of funds and the terms, provisions, and conditions set forth in this Agreement, the City agrees to pay the Developer the lesser of: (i) fifty percent (50%) of the Net City Sales/Use Taxes collected by the City from the Grocery Store for a period of ten years from the date a Certificate of Occupancy is issued for the Grocery Store; or (ii) $393,000, through a Chapter 380 grant (the "380 Grant") provided, however, the 380 Grant shall only be payable if a Certificate of Occupancy has been issued by the City for the Grocery Store consisting of at least 50,000 square feet within the Property within seven (7) years after the Effective Date of this Agreement (the "Performance Standard"). If the Performance

Standard and/or any other condition to payment of the 380 Grant set forth herein is not timely satisfied, no 380 Grant shall be paid to the Developer. This Agreement shall not require that the Property be fully developed prior to the Developer receiving the 380 Grant.

(b) Subject to the annual appropriation of funds and the terms, provisions, and conditions set forth in this Agreement, the 380 Grant shall be payable in installment payments as more fully set forth in this Article II, Section 2.3 (b). The 380 Grant installment payments will be made by the City to the Developer once each calendar quarter on March 31st, June 30th, September 30th and December 31st of each year starting in the first full calendar year following the timely satisfaction of the Performance Standard and continuing thereafter (each a "Due Date") until the earlier of: (i) ten (10) years after the date a Certificate of Occupancy is issued for the Grocery Store; or (ii) payment in full of the 380 Grant, whichever occurs first. The first quarterly payment shall be in the amount equal to the lesser of: (i) the amount of the 380 Grant; and (ii) fifty percent (50%) of the Net City Sales/Use Taxes collected by the City from the Grocery Store for the calendar quarter preceding the date of the Payment Request. Each subsequent quarterly payment shall be in the amount equal to the lesser of: (i) fifty percent (50%) of the Net City Sales/Use Taxes collected by the City from the Grocery Store for the calendar quarter preceding the date of the Payment Request; and (ii) the remaining amount of the 380 Grant, provided, however, in no event shall the collective quarterly payments of the 380 Grant exceed $393,000.

(c) The Parties agree that the City's obligation to pay any 380 Grant payment under the terms of this Agreement shall also be conditioned upon the satisfaction of the following conditions, to-wit:

1. Payment Request. The Developer shall submit a Payment Request to the City for each 380 Grant payment payable pursuant to this Agreement at least forty-five (45) days prior to the applicable Due Date. If the Developer submits a Payment Request less than forty-five (45) days prior to the applicable Due Date, the Due Date shall be extended to forty-five (45) days after the receipt of the Payment Request. If the Developer submits a Payment Request on or after the applicable Due Date, the Due Date shall be extended to forty-five (45) days after the receipt of the Payment Request, provided, however, notwithstanding anything contained herein to the contrary, if the Developer submits a Payment Request more than one year after the applicable Due Date, the City shall not be obligated to pay the Payment Request. Each such Payment Request shall be accompanied by a Certificate of Compliance dated effective as of the date of the Payment Request.

2. Supporting Documentation Submitted with Payment Request. The Developer shall have submitted in support of its Payment Request a listing identifying the following information in connection with such Payment Request:

   (A) the sales/use tax number under which the sales/use tax for the Grocery Store was remitted;
   (B) the period that the sales/use tax payment was made by the Grocery Store;
   (C) the amount of taxable sales made by the Grocery Store to its customers during the period covered by the Payment Request that resulted in the payment by the Grocery Store to the City of City Sales/Use Tax, with

sufficient supporting documentation in the reasonable judgment of the City to confirm the amount of taxable sales made by the Grocery Store owner attributable solely to sales at the Grocery Store located within the Property; and

(D) the amount of City Sales/Use Taxes paid by the Grocery Store owner to the City during the period covered by the Payment Request that are attributable solely to sales made by the Grocery Store owner to its customers at the Grocery Store located within the Property;

3. Deposit to City's Sales/Use Tax Account. The Developer shall have provided to the City documentation satisfactory to the City that local sales/use taxes attributable solely to sale transactions made in connection with the operation of the Grocery Store located at the Property have been deposited to the City's sales/use tax account, Texas Comptroller of Public Account's Local Authority Code 2057039 (the "City's Sales/Use Tax Account");

4. Verification of Deposit to City's Sales/Use Tax Account. The City has verified the amount of local sales/use taxes deposited to the City's Sales/Use Tax Account that are attributable solely to sale transactions made in connection with the Grocery Store located at the Property;

5. Confirmation of Receipt of Sales/Use Tax Payments. The City has confirmed that it has received the City's portion of all sales/use tax payment(s) for which the Payment Request is being requested; and

6. No Conviction for Undocumented Workers. As of the date of the Payment Request, and at all times during the term of this Agreement prior to the date of the Payment Request, the Developer shall not have been convicted by a court of competent jurisdiction of knowingly employing Undocumented Workers to work for the Developer or at any branch, division or department of the Developer.

(d) Reduction of Payment Request. Notwithstanding anything contained in this Agreement to the contrary, in the event the City is not able to confirm receipt of any sales/use tax payment(s) of the Grocery Store by comparing the amounts included on the Developer's Payment Request to the State Comptroller's detailed confidentiality report listing each tax receipt by month (individually an "Unconfirmed Sales/Use Tax Payment" and collectively the "Unconfirmed Sales/Use Tax Payments"), then the City shall have the right to deny the portion of the Payment Request relating to all Unconfirmed Sales/Use Tax Payments and in such event, the Payment Request shall automatically be reduced by the amount attributed to the Unconfirmed Sales/Use Tax Payments and the 380 Grant payment made to the Developer in connection with such Payment Request shall not include the payment of any portion of any sales/use tax claimed to have been paid to the City in connection with such Unconfirmed Sales/Use Tax Payments.

(e) Supplemental Payment Request. In the event the City denies any portion of a Payment Request pursuant to Article II, Section 2.3(d) above, the Developer may, within thirty (30) days after such denial, submit a supplemental Payment Request for the portion of the Payment

Request that was denied along with documentation evidencing that one or more Unconfirmed Sales/Use Tax Payments were indeed received by the City. If the documentation provided by the Developer to the City pursuant to this Article II, Section 2.3(e) is satisfactory to the City and the City is able to confirm receipt of such previously Unconfirmed Sales/Use Tax Payment(s) and the maximum amount of the 380 Grant has not been paid, the City will pay the Developer an amount equal to fifty percent (50%) of the Net City Sales/Use Taxes paid to the City in connection with such Unconfirmed Sales/Use Tax Payment(s) within forty-five (45) days after the City confirms receipt of the Unconfirmed Sales/Use Tax Payment(s).

(f) Multiple Store Locations. If the owner of the Grocery Store owns or operates multiple grocery stores in the City, only sales/use taxes collected and paid relating to sales at the Grocery Store located within the Property shall be eligible for the 380 Grant.

(g) Legislative or Judicial Changes. In the event of any legislative or judicial interpretation that limits or restricts the City's ability to pay the 380 Grant or otherwise extracts or imposes any penalty or other restriction upon the payment of the same, the 380 Grant will cease as of the effective date of such limitation or restriction and be of no further force or effect in which event the City shall be under no further obligation to pay any 380 Grant payments to the Developer as of the effective date of such limitation or restriction.

(h) Erroneously Paid Sales Tax. In the event the State Comptroller determines, for any reason, that any sales and use taxes were erroneously paid to the City from the sales provided for herein and the City shall be required to rebate or repay any portion of such taxes, the amount of such rebate or repayment shall be deducted from the next 380 Grant payment payable by the City to the Developer pursuant to this Agreement.

(i) Revenue Sharing Agreement. As a condition to receiving the 380 Grant, the Developer agrees to require the Grocery Store owner to grant written permission to the State Comptroller allowing the State Comptroller to provide the sales and use tax information for the Grocery Store to the City for the term of this Agreement pursuant to Section 321.3022 of the Texas Tax Code (the "Disclosure Statute"). The City and the Developer designate this Agreement as a revenue sharing agreement, thereby entitling the City to request sales and use tax information from the State Comptroller, pursuant to Section 321.3022 of the Texas Tax Code. Following the issuance of a Certificate of Occupancy for the Grocery Store, the City shall notify the State Comptroller of this Agreement and the need for an annual Area Report for the Grocery Store and shall continue to do so annually until the 380 Grant is paid in full. The City shall request from the State Comptroller's office an Area Report confirming the amount of sales and use tax collected from the Grocery Store. The City shall determine the Agreement-eligible sales and use tax collections based upon information contained in the Area Report. Notwithstanding anything contained herein to the contrary, the Parties acknowledge that the City shall have no obligation to pay any 380 Grant payment due under the terms of this Agreement if the State Comptroller fails, after written request by the City, to provide the City with the information necessary to: (i) verify the amount of sales taxes paid by the Grocery Store owner to the City relating solely to taxable sales made by the Grocery Store owner from the Grocery Store located within the Property; and (ii) calculate the amount of such 380 Grant payment. The Developer acknowledges that sales tax information, records and reports are confidential under the laws of the State of Texas and accordingly, the Developer agrees that it shall have no right to review or audit any sales tax information, records or reports in

the possession of the City including, without limitation, any confidential information reports obtained by the City pursuant to this Agreement. In the event the Disclosure Statute is hereafter amended or a new law is enacted requiring additional consents and/or information to obtain any information necessary for the City to calculate the amount of any 380 Grant payment payable under the terms of this Agreement, no future 380 Grant payments payable pursuant to this Agreement shall be due or payable unless and until the Developer provides the City with such additional consents and/or information.

2.4 Roadway Impact Fees. The City agrees to reimburse the Developer the amount equal to all Roadway Impact Fees paid to the City in connection with the development of the Property, not to exceed $574,441. The amount equal to Roadway Impact Fees paid in connection with a building permit for a new building constructed on the Property shall be reimbursed to the Developer following the issuance of a Certificate of Occupancy for that building. The Developer shall submit a Payment Request to the City for each Roadway Impact Fee reimbursement payable pursuant to this Agreement following the issuance of a Certificate of Occupancy for a specific building, and the City shall have thirty (30) days from the date of the receipt of the Payment Request to reimburse the Developer for the Roadway Impact Fees paid for that building. Each payment request shall be accompanied by a Certificate of Compliance dated effective as of the date of the Payment Request. It shall be a condition of the payment of each Payment Request that the Developer shall not have been convicted by a court of competent jurisdiction of knowingly employing Undocumented Workers to work for the Developer or at any branch, division or department of the Developer. Notwithstanding anything contained herein to the contrary, if the Developer submits a Payment Request more than one year after the Certificate of Occupancy has been issued by the City, the City shall not be obligated to pay the Payment Request. This Agreement shall not require that the Property be fully developed prior to the Developer receiving a portion of any Roadway Impact Fee reimbursements.

2.5 2018 Development Agreement. The City and the Developer agree that: (i) this Agreement satisfies all loan, grant and economic development incentive obligations contemplated in the 2018 Development Agreement with respect to the 25.464-Acre Tract; and (ii) this Agreement supersedes the 2018 Development Agreement on all matters related to any loans, grants and economic development incentives by the City to the Developer relating to the development of the 25.464-Acre Tract including, without limitation, any loans or grants under Chapter 380, Texas Local Government Code, as amended.

2.6 Funds Available for Payment of 380 Grant and Roadway Impact Fee Reimbursement. The 380 Grant and Roadway Impact Fee reimbursements payable by the City to the Developer as more fully set forth in this Agreement are not secured by a pledge of ad valorem taxes, financed by the issuance of any bonds or other obligations payable from ad valorem taxes of the City nor are they payable from Roadway Impact Fees paid to the City. The 380 Grant and Roadway Impact Fee reimbursements payable hereunder shall be paid only from funds of the City authorized by Article III, Section 52-a, of the Texas Constitution and Texas Local Government Code Chapter 380. The Parties agree no other source of funds of the City is subject to the payment of the 380 Grant and the Roadway Impact Fee reimbursements. The 380 Grant and Roadway Impact Fee reimbursements are subject to the City's appropriation of funds for such purpose to be paid in the budget year for which each 380 Grant payment and Roadway Impact Fee reimbursement is to be paid. This Article II, Section 2.6 shall expressly survive the expiration or

termination of this Agreement. In the event of any conflict between the terms and provisions of this Article II, Section 2.6 and any other term or provision of this Agreement, the terms and provisions of this Article II, Section 2.6 shall control.

2.7 Architectural Standards. The Developer and the 1.9-Acre Tract Owner agree that the Property shall be developed in accordance with the Architectural Standards. Compliance with this section by the Developer, the 1.9-Acre Tract Owner, future owners of all or any portion of the Property, and their respective successors, assigns, and tenants is a condition to the Developer receiving any 380 Grant payments and Roadway Impact Fee reimbursements under this Agreement; however, the Developer shall not be required to repay any amounts already received from the City under this Agreement pursuant to the recapture provision in Article III, Section 3.22 in the event of non-compliance with this provision by any Person other than the Developer or the 1.9-Acre Tract Owner. If the Property is not in compliance with this section at the time the City receives a Payment Request, the City shall not be required to fund such Payment Request until the Property is brought into full compliance with this section.

2.8 Development Compliance. Development of the Property shall comply with the PD. The Developer's compliance and 1.9-Acre Tract Owner's compliance with this provision is a condition to receiving any 380 Grant payments and Roadway Impact Fee reimbursements under this Agreement. The Parties agree that, with respect to the Property, the PD shall supersede and control over all of the land use and development provisions in the 2018 Development Agreement.

2.9 Prohibited Uses. The Developer and the 1.9-Acre Tract Owner agree that: (i) the Prohibited Uses are prohibited on the Property; and (ii) the Prohibited Uses touch and concern the Property, are covenants running with the land and are binding on all current and future owners of all or any part of the Property. The Developer's compliance and 1.9-Acre Tract Owner's compliance with this provision is a condition to receiving any 380 Grant payments and Roadway Impact Fee reimbursements under this Agreement and no 380 Grant payment or Roadway Impact Fee reimbursements shall be due or payable in the event the Developer or the 1.9-Acre Tract Owner is in violation of the Prohibited Uses at the time such 380 Grant Payment or Roadway Impact Fee reimbursement would otherwise be due and payable.

2.10 Landscaping. The development of the Property will have cohesive landscaping to create a harmonious streetscape edge that will contain native plant materials and drought-tolerant shrubs and trees. The landscaping shall comply with the requirements in Section 1A of the Mesquite Zoning Ordinance and be generally consistent with the landscaping shown on the Concept Plan attached to the PD with the additional stipulations below:

(a) A landscape area equal to a minimum of 15% of the Property shall be provided by the time of full development of the Property, and landscaped areas located in adjacent right-of-way and maintained by the property owner's association for the Property shall be counted to satisfy the 15% requirement. In no case shall any individual lot have less than 10% landscaping.

(b) A landscape buffer shall be provided along the right of way ("ROW") with a minimum depth of 15 feet;

(c) One tree is required for every 500 square feet of required landscaping, which shall also include one large shade tree provided for each 35 linear feet along the ROW and shall be planted within the 15-foot landscape buffer no more than 35 feet apart;

(d) Ten evergreen shrubs shall be provided for each 30 linear feet along the ROW and shall be planted in the 15-foot landscape buffer; and

(e) When a parking area contains 20 or more parking spaces, the interior of the area shall be landscaped by providing a minimum of one tree for every 12 parking spaces or fraction thereof and at the terminus of all rows of parking. Such islands shall contain at least one tree. The remainder shall be landscaped with shrubs, turf, ground cover or other appropriate material not to exceed three feet in height.

The Developer's compliance and 1.9-Acre Tract Owner's compliance with this provision is a condition to receiving any 380 Grant payments and Roadway Impact Fee reimbursements under this Agreement. City approval of a landscaping plan meeting the requirements of this Article II, Section 2.10 shall be required as a condition to payment of the 380 Grant and the Roadway Impact Fee reimbursements and the Developer's receipt of such City approval shall demonstrate compliance with this Article II, Section 2.10.

2.11 Signage. The maximum 80-foot tall freestanding sign shown on the Concept Plan attached to the PD shall be constructed in compliance with the PD and shall, at a minimum, display the name of the development as well as the name of the anchor tenant. Compliance with this section by the Developer, the 1.9-Acre Tract Owner, future owners of all or any portion of the Property, and their respective successors, assigns, and tenants is a condition to the Developer receiving any 380 Grant payments and Roadway Impact Fee reimbursements under this Agreement; however, the Developer shall not be required to repay any amounts already received from the City under this Agreement pursuant to the recapture provision in Article II, Section 3.22 in the event of non-compliance with this provision by any Person other than the Developer or the 1.9-Acre Tract Owner. If the Property is not in compliance with this section at the time the City receives a Payment Request, the City shall not be required to fund such Payment Request until the Property is brought into full compliance with this section.

2.12 FM 741 Signal. The City agrees that the Developer and 1.9-Acre Tract Owner shall have no obligation to construct or fund a traffic signal at the intersection of FM 741 and Heartland Parkway.

2.13 Common Areas and Parks.

(a) The Developer shall submit construction plans for the park to be constructed as part of the Public Improvements, including a landscape plan that meets or exceeds applicable zoning, to the City's Director of Planning and Development Services and receive approval of such plans, which approval shall not be unreasonably withheld, conditioned or delayed. Compliance with this section by the Developer, the 1.9-Acre Tract Owner, future owners of all or any portion of the Property, and their respective successors, assigns, and tenants is a condition to the Developer receiving any 380 Grant payments and Roadway Impact Fee reimbursements under this Agreement; however, the Developer shall not be required to repay any amounts already received

from the City under this Agreement pursuant to the recapture provision in Article II, Section 3.22 in the event of non-compliance with this provision by any Person other than the Developer or the 1.9-Acre Tract Owner. If the Property is not in compliance with this section at the time the City receives a Payment Request, the City shall not be required to fund such Payment Request until the Property is brought into full compliance with this section.

(b) The construction plans for the park, including the landscaping plans, may be part of the construction plans and landscaping plans for the Property.

(c) All common areas and parks within the Property will be privately owned, publicly accessible open space areas that are owned and maintained by a property owner's association.

ARTICLE III
ADDITIONAL PROVISIONS

3.1 Term. The term of this Agreement commences on the Effective Date and continues until the earlier of the following: (i) eleven (11) years following the issuance of a Certificate of Occupancy for the Grocery Store within the Property; (ii) Developer has been paid the total 380 Grant, not to exceed $393,000, and has been reimbursed for all Roadway Impact Fees paid to the City for the full development of the Property, not to exceed $574,441 in impact fee reimbursements; (iii) the Performance Standard has not been timely satisfied and the Developer has been reimbursed for all Roadway Impact Fees paid to the City for the full development of the Property, not to exceed $574,441 in impact fee reimbursements; and (iv) the date this Agreement is terminated by any Party pursuant to a right to terminate as expressly provided herein.

3.2 Events of Default.

(a) No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given 60 days to perform. If the default cannot reasonably be cured within such 60-day period, and the Party in default has diligently pursued such remedies as shall be reasonably necessary to cure such default, then the non-defaulting party may, at its sole option, extend the period in which the default must be cured.

(b) If the Developer or the 1.9-Acre Tract Owner is in default, the City shall have available all remedies at law or in equity, including but not limited to termination of this Agreement. Additionally, should Developer default under any other agreement between City and Developer involving the Property resulting in termination of that agreement, then this Agreement shall also terminate.

(c) If the City is in default, Developer's and 1.9-Acre Tract Owner's sole and exclusive remedies shall be limited to: (1) termination of this Agreement; or (2) seek any remedy provided by subsection (d) immediately below. In addition, if the City fails to make an annual appropriation of funds to pay any 380 Grant payments or Roadway Impact Fee reimbursements to the Developer pursuant to the terms of this Agreement, or if a legislative or judicial change relieves the City of its obligation to pay any 380 Grant payments to the Developer pursuant to the terms of this Agreement, the Developer and 1.9-Acre Tract Owner may terminate this Agreement as the

Developer's and 1.9-Acre Tract Owner's sole and exclusive remedy by providing written notice of termination to the City in which event no Party hereto shall have any further rights or obligations pursuant to this Agreement other than those that expressly survive the termination of this Agreement.

(d) Limited Waiver of Immunity.

1. The City, the Developer and the 1.9-Acre Tract Owner hereby acknowledge and agree that to the extent this Agreement is subject to the provisions of Subchapter I of Chapter 271, Texas Local Government Code, as amended, the City's immunity from suit is waived only as set forth in such statute.

2. Should a court of competent jurisdiction determine the City's immunity from suit is waived in any manner, the Parties hereby acknowledge and agree that in a suit against the City for breach of this Agreement:

(i) The total amount of money awarded is limited to actual damages in an amount not to exceed the balance due and owed by City under this Agreement;

(ii) The recovery of damages against City, the Developer or 1.9-Acre Tract Owner shall not include consequential damages or exemplary damages;

(iii) The Parties shall not recover attorney's fees; and

(iv) The Parties are not entitled to specific performance or injunctive relief against the City.

3. Limitation on Damages.

In no event shall any Party have any liability under this Agreement for any exemplary or consequential damages.

3.3 Assignment. The Developer shall have the right, from time to time without the consent of the City, but upon written notice to the City, to assign this Agreement, in whole or in part, including any obligation, right, title, or interest of the Developer under this Agreement, to the following (an "Assignee"): (a) any person or entity that is or will become an owner of all or a portion of the tract of land described on **Exhibit A**; (b) any entity that is controlled by or under common control with the Developer; and (c) in the limited case of an assignment of just the 380 Grant payments and Roadway Impact Fee reimbursements under this Agreement, to any other person or entity. Each assignment shall be in writing executed by the Developer and the Assignee and shall obligate the Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned. A copy of each assignment shall be provided to the City within 15 days after execution. From and after such assignment and notwithstanding anything to the contrary in this Agreement, the City agrees to look solely to the Assignee for the performance of all obligations assigned to the Assignee and agrees that the Developer shall be released from subsequently performing the assigned obligations and from any liability that results from the Assignee's failure to perform the assigned obligations; provided, however, if a copy of the assignment is not received by the City within 15 days after execution,

the Developer shall not be released until the City receives such assignment. An Assignee shall be considered the "Developer" and a "Party" for the purposes of this Agreement. The City may rely on any notice of assignment received from the Developer without obligation to investigate or confirm the validity or occurrence of such assignment. The Developer waives all rights or claims against the City for any funds provided to an Assignee as a result of receipt of a notice of assignment from the Developer, and the Developer's sole remedy shall be to seek the funds directly from the Assignee. The assignment provisions of this section applicable to the Developer shall also apply to the 1.9-Acre Tract Owner to the extent such owner seeks to assign any rights, title, or interest it has under this Agreement; however, such assignment shall only be to any person or entity that is or will become an owner of any portion of the tract of land described on **Exhibit B**. No assignment shall relieve the Developer or the 1.9-Acre Tract Owner from any obligations or liabilities under this Agreement prior to such assignment.

3.4 Encumbrance by Developer and Assignees. The Developer and Assignees have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, or interest under this Agreement for any loan in connection with the development of the Property for the benefit of their respective lenders without the consent of, but with prompt written notice to, the City. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate any lender to perform any obligations or incur any liability under this Agreement unless the lender agrees in writing to perform such obligations or incur such liability. Provided the City has been given a copy of the documents creating the lender's interest, including notice information for the lender, then that lender shall have the right, but not the obligation, to cure any default under this Agreement and shall be given thirty (30) days to do so in addition to the cure periods otherwise provided to the defaulting Party by this Agreement; and the City agrees to accept a timely cure offered by the lender as if offered by the defaulting Party. A lender is not a Party to this Agreement unless this Agreement is amended, with the consent of the lender, to add the lender as a Party. No collateral assignment shall relieve the Developer from any obligations or liabilities under this Agreement.

3.5 Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the City Council, and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

3.6 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within ten business days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance, shall give notice to all the Parties, including a detailed explanation of the force majeure and a description of the action that

will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term "force majeure" shall include events or circumstances that are not within the reasonable control of the Party whose performance is suspended and that could not have been avoided by such Party with the exercise of good faith, due diligence and reasonable care, including, but not limited to, the occurrence of a pandemic such as COVID-19.

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

To the City:
City of Mesquite, Texas
Attn: Cliff Keheley
1515 N. Galloway Ave.
Mesquite, TX 75149
E-mail: ckeheley@cityofmesquite.com

With a copy to:
City of Mesquite, Texas
Attn: City Attorney
1515 N. Galloway Ave.
Mesquite, TX 75149
dpaschall@cityofmesquite.com

To the Developer and 1.9-Acre Tract Owner:

Heartland Retail, LLC
UST-Heartland, L.P.
Attn: Phillip Huffines
8200 Douglas Ave # 300
Dallas, TX 75225
E-mail: phuffines@huffinescommunities.com

With a copy to:
Shupe Ventura Lindelow & Olson, PLLC
Attn: Misty Ventura
9406 Biscayne Boulevard
Dallas, Texas 75218
E-mail:misty.ventura@svlandlaw.com

3.8 Interpretation. The Parties acknowledge that each of them has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for or against any Party, regardless of which Party originally drafted the provision.

3.9 Authority and Enforceability; Binding Effect. The City represents and warrants that this Agreement has been approved by resolution duly adopted by the City Council in

accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. Developer represents and warrants that this Agreement has been approved by appropriate action of Developer, and that the individual executing this Agreement on behalf of Developer has been duly authorized to do so. The 1.9-Acre Tract Owner represents and warrants that this Agreement has been approved by appropriate action of the 1.9-Acre Tract Owner, and that the individual executing this Agreement on behalf of the 1.9-Acre Tract Owner has been duly authorized to do so.

3.10 Binding Effect; Covenant Running with the Land. Each Party acknowledges and agrees that this Agreement is binding upon such Party and its successors, assigns, tenants, and all future owners of all or any portion of the Property, and is enforceable against such Party, successors, assigns, tenants and all future owners of all or any portion of the Property in accordance with its terms and conditions. This Agreement and all amendments hereto shall be recorded in the deed records of Kaufman County, Texas. This Agreement, when recorded, shall be binding upon the Parties and their successors, assigns, tenants, and all future owners of all or any portion of the Property, and upon the Property, and shall constitute a covenant running with the land. The Developer agrees to record this Agreement in the appropriate records of Kaufman County, Texas, at its cost and expense, within fifteen (15) days after the date this Agreement is fully executed by all of the Parties.

3.11 Entire Agreement; Severability. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

3.12 Applicable Law; Venue. This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Dallas County. Venue for any action to enforce or construe this Agreement shall be Dallas County.

3.13 Non-Waiver. Any failure by a Party to insist upon strict performance by another Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

3.14 Form 1295. Submitted herewith is a completed Form 1295 generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions

of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The City hereby confirms receipt of the Form 1295 from the Developer, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Parties understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Developer; and, neither the City nor its consultants have verified such information.

3.15 Employment of Undocumented Workers.

(a) During the term of this Agreement, the Developer, and each branch, division, and department of the Developer will not knowingly employ any Undocumented Workers and, if convicted of a violation under 8 U.8.C. Section 1324a (f), the Developer shall repay to the City the incentives granted herein within 120 days after the date the Developer is notified by the City of such violation, plus interest at the rate equal to the lesser of: (i) the maximum lawful rate; or (ii) six percent (6%) compounded annually from the date of violation until paid. Pursuant to Section 2264.101 (c), TEXAS GOVERNMENT CODE, a business is not liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee of the business, or by a person with whom the business contracts. The Developer agrees to provide the City with written notice of any conviction of the Developer, or any branch, division or department of the Developer, of a violation under 8 U.S.C. §1324a (f) within thirty (30) days from the date of such conviction.

(b) During the term of this Agreement, the 1.9-Acre Tract Owner, and each branch, division, and department of the 1.9-Acre Tract Owner will not knowingly employ any Undocumented Workers and, if convicted of a violation under 8 U.8.C. Section 1324a (f), the 1.9-Acre Tract Owner shall repay to the City incentives, if any, previously paid to the 1.9-Acre Tract Owner within 120 days after the date the 1.9-Acre Tract Owner is notified by the City of such violation, plus interest at the rate equal to the lesser of: (i) the maximum lawful rate; or (ii) six percent (6%) compounded annually from the date of violation until paid. Pursuant to Section 2264.101 (c), TEXAS GOVERNMENT CODE, a business is not liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee of the business, or by a person with whom the business contracts. The 1.9-Acre Tract Owner agrees to provide the City with written notice of any conviction of the 1.9-Acre Tract Owner, or any branch, division or department of the 1.9-Acre Tract Owner, of a violation under 8 U.S.C. §1324a (f) within thirty (30) days from the date of such conviction.

3.16 No Boycott of Israel. Pursuant to Section 2270.002, Texas Government Code, to the extent this Agreement is determined by a court of competent jurisdiction to constitute a contract for goods and services, if the Developer or 1.9-Acre Tract Owner employs ten (10) or more full-time employees and this Agreement has a value of $100,000 or more, such Party hereby (i) represents that it does not boycott Israel, and (ii) subject to or as otherwise required by applicable federal law, including without limitation 50 U.S.C. § 4607, agrees it will not boycott Israel during the term of the Agreement. As used in the immediately preceding sentence, "boycott Israel" shall have the meaning given such term in Section 2271.001, Texas Government Code. Developer and 1.9-Acre Tract Owner each represent that (i) it does not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) it is not listed by the State Comptroller under § 2252.153,

Texas Government Code, as a company known to have contracts with or provide supplies or services to a foreign terrorist organization. As used in the immediately preceding sentence, "foreign terrorist organization" shall have the meaning given such term in Section 2252.151, Texas Government Code.

3.17 Obligations Payable Only from Identified Sources of Funds. The obligations of the City under this Agreement are non-recourse and payable only from sources of funds identified in this Agreement, and such obligations do not create a debt or other obligation payable from any other City revenues, taxes, income or property. Neither the City nor any of its appointed or elected officials or any of their officers or employees shall incur any liability hereunder to the Developer, the 1.9-Acre Tract Owner, or any other person, entity or party in their individual capacities by reason of this Agreement or their acts or omissions under this Agreement.

3.18 Other Agreements and Remedies. Nothing in this Agreement is intended to constitute a waiver by the City of any remedy the City may have outside this Agreement against the Developer, the 1.9-Acre Tract Owner, or any Assignee. The obligations of the Developer hereunder shall be those as a Party hereto and not solely as an owner of the Property. Nothing herein shall be construed, nor is intended, to affect the City's, the Developer's or the 1.9-Acre Tract Owner's rights and duties to perform their respective obligations under other agreements, regulations and ordinances.

3.19 No Waiver of Governmental Powers and Immunities. The City does not waive or surrender any of its governmental powers, immunities or rights and, notwithstanding any provision in this Agreement, this Agreement does not control, waive, limit or supplant the legislative authority or discretion of the City.

3.20 No Third-Party Rights. Nothing in this Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give any person or entity other than the Parties any rights, remedies or claims under or by reason of this Agreement, and all covenants, conditions, promises and agreements in this Agreement shall be for the sole and exclusive benefit of the Parties.

3.21 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

3.22 Recapture of Incentives. Unless otherwise provided in this Agreement, in the event of an uncured default by the Developer, the Developer shall immediately pay to the City, at the City's address set forth in Article III, Section 3.7 of this Agreement, or such other address as the City may hereafter notify the Developer in writing, the amount equal to all 380 Grant payments and Roadway Impact Fee reimbursements previously paid by the City to the Developer pursuant to this Agreement, together with interest at the rate equal to the ***lesser*** of: (i) the maximum lawful rate; or (ii) five percent (5%) per annum, such interest rate to be calculated on each 380 Grant payment and Roadway Impact Fee reimbursement being recaptured from the date each such 380 Grant payment and Roadway Impact Fee reimbursement was paid by the City to the Developer until the date repaid by the Developer to the City and such interest rate shall adjust periodically as of the date of any change in the maximum lawful rate.

3.23 Right to Offset. The City shall have the right to offset any amounts due and payable by the City under this Agreement against any debt (including taxes) lawfully due and owing by the Developer to the City, regardless of whether the amount due arises pursuant to the terms of this Agreement or otherwise, and regardless of whether or not the debt has been reduced to judgment by a court.

3.24. No Acceleration. All amounts due pursuant to this Agreement and any remedies under this Agreement are not subject to acceleration.

3.25. Execution of Agreement by Parties. If this Agreement is not executed by all Parties by May 31, 2020, this Agreement will be null and void and of no force or effect.

3.26. Architectural Standards. The Parties acknowledge that effective September 1, 2019, the Legislature of the State of Texas enacted HB 2439, codified at V.T.C.A., Government Code, Title 10, Subtitle Z "*Miscellaneous Provisions Prohibiting Certain Government Actions*", Chapter 3000 "*Governmental Action Affecting Residential and Commercial Construction*, regarding the regulation by municipalities of building products, materials, and aesthetic methods for residential and commercial buildings (the "Act"). Specifically, §3000.002 of the Act prohibits cities from adopting or enforcing a rule, charter provision, ordinance, order, building code or other regulation that prohibits or limits the use or installation of certain building products or materials or that establishes certain standards for building products, materials or aesthetic methods. The Developer and the 1.9-Acre Tract Owner acknowledge that, notwithstanding the Act, in consideration of: (i) the City entering into the TIRZ Reimbursement Agreement; and (2) the agreement of the City to pay the 380 Grant and the Roadway Impact Fee reimbursement to the Developer under the terms and subject to the conditions set forth in this Agreement, the Developer and the 1.9-Acre Tract Owner are contractually agreeing to comply with the Architectural Standards on **Exhibit C**. The Parties acknowledge that the provisions of this Article III, Section 3.26 are material to the City's agreement to enter into the TIRZ Reimbursement Agreement and to grant the 380 Grant and the Roadway Impact Fee reimbursement and is a bargained for consideration between the Parties. The Parties further acknowledge and agree that the terms, provisions, covenants, and agreements contained in this Agreement regarding the development of the Property in compliance with the PD and the Architectural Standards are covenants that touch and concern the land and that it is the intent of the Parties that such terms, provisions, covenants, and agreements shall run with the land and shall be binding upon the Parties hereto, their successors, assigns, tenants and all future owners of all or any portion of the Property. The terms, provisions, covenants, and agreements contained in this Agreement regarding the development of the Property in compliance with the PD and the Architectural Standards shall be enforceable against the Developer, the 1.9-Acre Tract Owner and their successors, assigns, tenants, and all future owners of all or any portion of the Property.

3.27 Exhibits. The following exhibits are attached to this Agreement and incorporated herein for all purposes:

Exhibit A	Metes and Bounds Description of the 25.464-acre Property
Exhibit B	Metes and Bounds Description of the 1.935-acre Property
Exhibit C	Architectural Standards
Exhibit D	Prohibited Uses
Exhibit E	Public Improvements

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Effective Date.

CITY:

CITY OF MESQUITE, TEXAS

ATTEST:

Name: Sonja Land
Title: City Secretary

By: _____
Name: Cliff Keheley
Title: City Manager

APPROVED AS TO FORM:

Name: David L. Paschall
Title: City Attorney

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on this 5th day of ~~April~~ May 2020, by Cliff Keheley, City Manager of the City of Mesquite, Texas, on behalf of said municipality.

SUSAN L. HOUSE
Notary Public-State of Texas
Notary ID #12492441-2
Commission Exp. MAY 12, 2024

[SEAL]

Notary Public, State of Texas

DEVELOPER

HEARTLAND RETAIL, LLC,
a Texas limited liability company

By: UST-Heartland GP, LLC
a Texas limited liability company
Its Manager

By: _____
Lance Fair
Vice President

STATE OF ~~TEXAS~~ FLORIDA §
§
COUNTY OF ~~DALLAS~~ ORANGE §

This instrument was acknowledged before me on this 24 day of April 2020, by Lance Fair, Vice President of UST-Heartland GP, LLC, a Texas limited liability company and the manager of Heartland Retail, LLC, a Texas limited liability company, on behalf of said limited liability company.

ROY S. VILLAREAL
MY COMMISSION # GG 101386
EXPIRES: May 4, 2021
Bonded Thru Notary Public Underwriters

_____
Notary Public, State of ~~Texas~~ FLORIDA

[SEAL]

1.9-ACRE TRACT OWNER

UST-HEARTLAND, L.P.
a Texas limited partnership

By: UST-Heartland GP, LLC
a Texas limited liability company
its general partner

By: _____
Lance Fair
Vice President

STATE OF ~~TEXAS~~ FLORIDA §
§
COUNTY OF ~~DALLAS~~ ORANGE §

This instrument was acknowledged before me on this 24 day of April 2020, by Lance Fair, Vice President of UST-Heartland GP, LLC, a Texas limited lability company and the general partner of UST-Heartland, L.P., a Texas limited partnership, on behalf of said limited partnership.

[SEAL]

ROY S. VILLAREAL
MY COMMISSION # GG 101386
EXPIRES: May 4, 2021
Bonded Thru Notary Public Underwriters

_____
Notary Public, State of ~~Texas~~ FLORIDA

EXHIBIT A
METES AND BOUNDS DESCRIPTION OF THE PROPERTY

25.464 ACRE TRACT

BEING that certain tract of land situated in the Martha Music Survey, Abstract No. 312, in Kaufman County, Texas, and being part of that certain tract of land described in deed to CADG Kaufman 146, LLC, recorded in Volume 4363, Page 38, of the Deed Records of Kaufman County, Texas (DRKCT), and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set at the intersection of the southwest right-of-way line of Farm to Market Road No. 741 (called 90 foot R.O.W. at this point), and the northeasterly right-of-way line of Heartland Parkway (called 100 foot R.O.W. at this point), and being the west corner of said CADG Kaufman 146, LLC tract;

THENCE North 46°18'40" East, with said southwest right-of-way line of Farm to Market Road No. 741, said southwest right-of-way line according to Deed to the State of Texas recorded in Volume 454, Page 159, DRKCT, a distance of 428.96 feet to a 1/2 inch iron rod with cap stamped "DAA" found for corner at the west corner of that certain tract of land described as Tract 7 in deed to HW Heartland, L.P. recorded in Volume 3119, Page 142, DRKCT;

THENCE leaving said southwest right-of-way line of Farm to Market Road No. 741, and with the southwest and southeast lines of said Tract 7, the following bearings and distances to 1/2 inch iron rods with cap stamped "DAA" found for corner:

South 43°42'15" East, a distance of 207.45 feet;

And North 46°15'02" East, a distance of 146.43 feet;

THENCE North 15°07'57" East, continuing with said southeast line of Tract 7, a distance of 467.14 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE North 83°20'17" East, leaving said northwest line of Tract 7, and with the northerly line of said CADG Kaufman 146, LLC tract, a distance of 465.52 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE over and across said CADG Kaufman 146, LLC tract, the following bearings and distances to 5/8 inch iron rods with cap marked "PETITT-RPLS 4087" set for corner:

South 06°39'43" East, a distance of 222.01 feet;

South 68°43'31" East, a distance of 145.05 feet;

North 86°42'10" East, a distance of 198.45 feet;

South 07°44'02" East, a distance of 285.71 feet;

South 42°35'50" West, a distance of 477.61 feet;

South 15°12'36" West, a distance of 235.81 feet;

North 78°15'28" West, a distance of 65.47 feet;

And South 09°46'40" West, a distance of 165.00 feet, said iron rod being located on said northeasterly right-of-way line of Heartland Parkway (variable width R.O.W. at this point), and being the beginning of a non-tangent curve to the left;

THENCE with said northeasterly right-of-way line of Heartland Parkway, said right-of-way dedicated by Final Plat of Heartland Tract A, Phase 2B, recorded in Cabinet 3, Slide 38, of the Plat Records of Kaufman County, Texas, and with said curve having a central angle of 02°09'35", a radius of 790.00 feet, a chord which bears North 81°18'07" West, a chord distance of 29.78 feet, for an arc distance of 29.78 feet to the end of said curve, a 1/2 inch iron rod with cap stamped "DAA" found for corner;

THENCE North 82°23'59" West, continuing with said northeasterly right-of-way line of Heartland Parkway, a distance of 23.30 feet to a 1/2 inch iron rod with cap stamped "DAA" found for corner, and being the beginning of a tangent curve to the right;

THENCE continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of 10°28'32", a radius of 300.00 feet, a chord which bears North 77°08'39" West, a chord distance of 54.77 feet, for an arc distance of 54.85 feet to the end of said curve, a 1/2 inch iron rod with cap stamped "DAA" found for corner, and being the beginning of a tangent reverse curve to the left;

THENCE continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of 10°28'32", a radius of 300.00 feet, a chord which bears North 77°08'39" West, a chord distance of 54.77 feet, for an arc distance of 54.85 feet to the end of said curve, a 1/2 inch iron rod with cap stamped "DAA" found for corner (called 100 foot R.O.W. at this point);

THENCE North 82°22'55" West, continuing with said northeasterly right-of-way line of Heartland Parkway, a distance of 172.65 feet to a 1/2 inch iron rod with cap stamped "DAA" found for corner, and being the beginning of a tangent curve to the right;

THENCE continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of 38°41'30", a radius of 950.00 feet, a chord which bears North 63°02'10" West, a chord distance of 629.41 feet, for an arc distance of 641.53 feet to the end of said curve, a 1/2 inch iron rod with cap stamped "DAA" found for corner;

THENCE North 43°41'26" West, continuing with said northeasterly right-of-way line of Heartland Parkway, a distance of 249.59 feet to the POINT OF BEGINNING of herein described tract, containing 25.464 acres of land.

EXHIBIT B
METES AND BOUNDS DESCRIPTION OF THE 1.935-ACRE PROPERTY

BEING that certain tract of land situated in the Martha Music Survey, Abstract No. 312, in Kaufman County, Texas, and being that certain tract of land described as Tract 7 in deed to H.W. Heartland, L.P. (now known as UST-Heartland, L.P. according to Certificate of Amendment filed in the Office of the Secretary of State of Texas on December 3, 2013), recorded in Volume 3119, Page 142, of the Deed Records of Kaufman County, Texas (DRKCT), and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set at the intersection of the southeast right-of-way (R.O.W.) line of Farm to Market Road No. 741 (called 90 foot R.O.W. at this point), and the northeasterly right-of-way line of Heartland Parkway (called 100 foot R.O.W. at this point), and being the west corner of that certain tract of land described in deed to Heartland Retail, LLC recorded in Volume 5787, Page 437, DRKCT;

THENCE North 46°18'40" East, with said southeast right-of-way line of Farm to Market Road No. 741, a distance of 428.96 feet to a 1/2 inch iron rod with cap stamped "DAA" found at the west corner of said Tract 7, and being the POINT OF BEGINNING of herein described tract;

THENCE North 46°18'40" East, continuing with said southeast right-of-way line of Farm to Market Road No. 741, a distance of 22.96 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner at the beginning of a tangent curve to the left;

THENCE continuing with said southeast right-of-way line of Farm to Market Road No. 741, and with said curve having a central angle of 14°27'58", a radius of 999.93 feet, a chord which bears North 39°04'41" East, a chord distance of 251.79 feet, for an arc distance of 252.46 feet to the end of said curve, a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE North 32°01'23" East, continuing with said southeast right-of-way line of Farm to Market Road No. 741, a distance of 211.13 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner at the beginning of a non-tangent curve to the left;

THENCE continuing with said southeast right-of-way line of Farm to Market Road No. 741, and with said curve having a central angle of 00°58'12", a radius of 909.93 feet, a chord which bears North 31°32'17" East, a chord distance of 15.40 feet, for an arc distance of 15.40 feet to the end of said curve, a concrete monument found for corner at the intersection of said southeast right-of-way line of Farm to Market Road No. 741, and the southerly right-of-way line of Interstate Highway No. 20 (variable width R.O.W);

THENCE North 83°20'17" East, with said southerly right-of-way line of Interstate Highway No. 20, a distance of 79.06 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner at the northeast corner of said Tract 7;

THENCE South 15°07'57" West, leaving said southerly right-of-way line of Interstate Highway No. 20, and with the southeasterly line of said Tract 7, a distance of 477.91 feet to a 1/2 inch iron rod with cap stamped "DAA" found for corner;

THENCE South 46°15'02" West, continuing with said southeasterly line of Tract 7, a distance of 146.43 feet to a 1/2 inch iron rod with cap stamped "DAA" found for corner;

THENCE North 43°42'15" West, with the southwest line of Tract 7, a distance of 207.45 feet to the POINT OF BEGINNING of herein described tract, containing 1.935 acres of land.

EXHIBIT C
ARCHITECTURAL STANDARDS

The Heartland Town Center retail development is intended to provide a variety of quality tenants and retail/restaurant businesses to serve the rapidly growing residential housing in the adjacent Heartland Master-planned community in a quality atmosphere and with architectural features to complement the Heartland residential housing. The conceptual layout of the development is included on this exhibit. The actual layout of the development will be regulated by the planned development zoning of the Retail Property. The architecture of the development shall be generally consistent and compatible with the conceptual architecture shown in the attached drawings.

BUILDING DESIGN

Front Pad Sites

Exterior walls of each building shall be at least 65 percent masonry in the aggregate, excluding windows and doors. For purposes of this paragraph, masonry means brick and natural or synthetic stone, all of which shall consist of earth-tone colors. The remaining 35 percent shall consist of cement fiber siding (fire resistive material), masonry, or metal siding. This paragraph applies only to the six pad sites. The materials and colors of each building shall incorporate the materials and colors illustrated in the attached drawings.

Grocery Store

Exterior walls shall be at least 65 percent masonry in the aggregate, excluding windows and doors. For purposes of this paragraph, masonry means poured-in-place concrete, tilt-wall concrete, brick and natural or synthetic stone, all of which shall consist of earth-tone colors. Any poured-in-place or tilt-wall concrete shall not have a smooth finish to the surface, but shall have patterns and/or relief to create shadows on the wall or to provide a variation in the wall. No solid smooth concrete wall shall be permitted. The remaining 35 percent shall consist of cement fiber siding (fire resistive material), masonry, or metal siding. This paragraph applies only to a grocery store. The materials and colors of each building shall incorporate the materials and colors illustrated in the attached drawings.

Retail Buildings (Excluding the Six Pad Sites and Grocery Store)

The architectural design for the retail buildings (excluding the six pad sites and grocery store) has a general breakdown of materials as follows, which is illustrated on the drawings that are incorporated into this exhibit:

Facades Facing Street Frontage: FM 741 and/or Heartland Parkway (the "Main Building Facades")

The Main Building Facades, excluding windows and doors, shall consist of at least 35 percent fiber cement siding (fire resistive material), 15 percent masonry veneer, and ten percent metal siding. At least 40 percent of the Main Building Facades shall consist of windows/glazing. The Main Building Facades shall have articulation or variation in depth to provide scale and visual interest.

Facade Facing Central Green and/or Internal Lot (the "Thirdary Building Facade")
The Thirdary Building Facade, excluding windows and doors, shall consist of at least 50 percent fiber cement siding (fire resistive material), 15 percent masonry veneer, and 15 percent metal siding. At least 20 percent of the Thirdary Building Facade shall consist of windows/glazing. The Thirdary Building Facade shall have articulation or variation in depth to provide scale and visual interest.

Facades at Building Ends (the "Tertiary Building Facades")
The Tertiary Building Facades, excluding windows and doors, shall consist of at least 45 percent fiber cement siding (fire resistive material), 15 percent masonry veneer, and 25 percent metal siding. At least 15 percent of the Tertiary Building Facades shall consist of windows/glazing.

LANDSCAPING

Landscaping shall be consistent with the landscaping, as it exists on the Effective Date, at the main entrance to the Heartland residential development to provide consistency along FM741 and Heartland Parkway. The development shall incorporate native plant materials and drought tolerant trees and shrubs similar to the landscaping drawings incorporated in this exhibit and in compliance with the requirements in Section 1A of the Mesquite Zoning Ordinance.

LIGHTING

All parking lot lighting and pedestrian lighting fixtures, pole types, lamp color and style shall be of a consistent design throughout Heartland Town Center and shall not exceed 30 feet in height. The illumination shall use energy saving LED fixtures. The use of neon lighting and/or electronic "billboard" signage is strictly prohibited; however, neon lighting may be used with the approval of the City of Mesquite Director of Planning and Development Services.

TRASH CONTAINMENT AND DUMPSTER

Dumpster facilities shall be located a minimum of 100 feet away from the property lines of any lot containing a residential land use. Each dumpster shall be enclosed by a structure that consists of a compatible material and color as used on the nearest retail building along with screening landscape at least five-foot in height at initial installation.

Wrought iron fencing is only allowed where the fence and dumpster shall not be visible from a public roadway.

Gates shall consist of wrought iron or wrought iron in combination with high-grade cedar wood.

MECHANICAL AND UTILITY EQUIPMENT

Mechanical and utility equipment shall be located on roofs screened from public view or on the ground in locations that are screened from the public by landscaping. Landscape screening shall be planned around the ground equipment so as to not encroach upon the utility providers easement(s) and operational restriction(s) or to restrict any views from perimeter thoroughfares.

VARIATIONS TO THE DESIGN GUIDELINES

The City of Mesquite Director of Planning and Development Services shall have the authority to allow modifications to these standards if he/she finds the modifications are consistent with the building elevations, material examples, and landscaping materials provided in the drawings incorporated into this exhibit.

Concept Site Plan

Heartland Town Center - Concept Plan Summary Table

Parcel Number	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Notes:
1. [illegible]
2. [illegible]
3. [illegible]
4. [illegible]
5. [illegible]

Key Notes

- Parcel Number
- Drive Through - 7 Car stack
- 80' Buffer
- Tractor Trailer Dock
- Park & Open Space
- Shade Structure
- 80' - Pole Sign
- 25' - 130 sf Monument Sign
- 6' - Pad Site Tenant ID Sign
- Entry Monument Sign
- Tower
- Grocery
- Mixed Use
- Business
- Building 1 - 12,000 sf
- Building 2 - 9,453 sf
- Building 3 - 13,868 sf
- Building 4 - 9,819sf
- Building 5 - 60,000 sf
- Building 6 - 1,500 sf
- Building 7 - 15,000 sf

1. Deviations from current development standards/regulations not specifically addressed/listed for approval as part of Planned Development Regulations may require a hearing/approval by the Board of Adjustment (BOA)

2. All current development requirements of the City, as amended shall be met unless approved otherwise within these Planned Development Zoning District Development Regulations.

3. THIS ZONING CONCEPT PLAN IS FOR ILLUSTRATIVE PURPOSES ONLY AND SUBJECT TO CHANGE. This Zoning Concept Plan, along with development regulations, is intended to describe the intent of the Planned Development. Significant deviations from the Zoning Concept Plan, as determined by the Director of Planning and Development Services, will require an amendment to the Zoning Concept Plan and, as necessary, the development regulations.

Symbol Legend

- Canopy Tree
- Ornamental Tree
- Iron Fence & Shrub Screening

Owner & Applicant:
Heartland Retail, LP, 8200 Douglas Ave., Suite 300, Dallas, TX 75225
(214) 750-1800
Architect:
Callison/RTKL, 1717 Pacific, Dallas, TX 75201
(214) 468-7510
Engineer/Surveyor:
Pettit Barraza, LLC, 1651 N Glenville Drive, Suite 212, Richardson, Texas 75081
(214) 221-9955

This plan is preliminary and approximate thus the dimensions of the buildings and square footage will most likely vary from the final construction plans.

Authentic Modest Materials

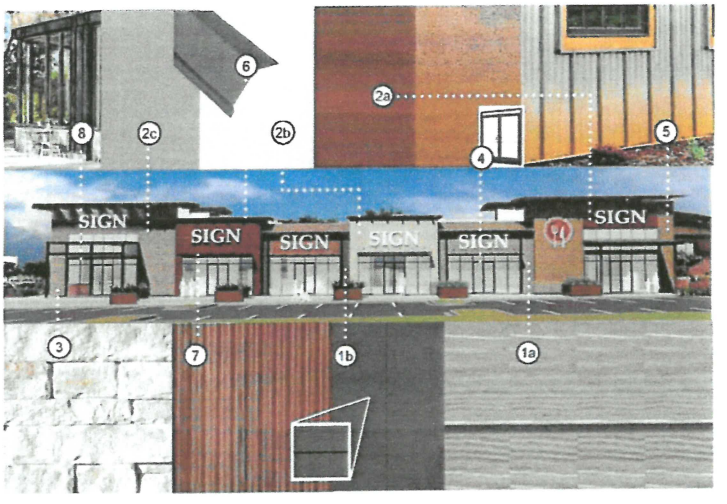
Authentic Modest Materials

Moments of Suprise Character / Material Reuse

Framed Views of Active Retail/ Restaurant

Hill Country Modern - Weathered

Building - One (facing Farm-to-Market Road)

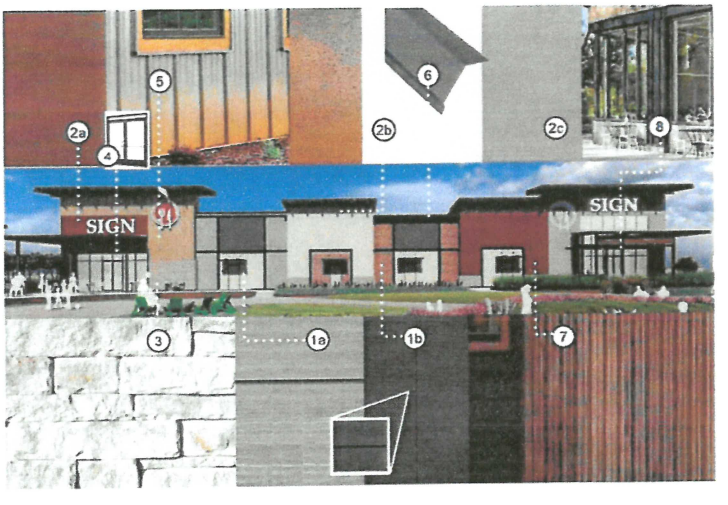


LEGEND

1a	NICHIHA VINTAGEWOOD - ASH
1b	NICHIHA VINTAGEWOOD - BARK
2a	FIBER CEMENT BOARD VENEER - KALAHARI
2b	FIBER CEMENT BOARD VENEER - T-262 SAHARA
2c	FIBER CEMENT BOARD VENEER - T-020 MEDITERRANEAN
3	STONE - STACK STONE - MESA GRAY
4	ANODIZED METAL STOREFRONT - DARK GRAY
5	CORRUGATED METAL SIDING - TRUTEN 608
6	ROOF METAL COPING - BLACK
7	CORTEN METAL SIDING
8	WIDE FLANGE

Hill Country Modern - Weathered

Building - One (park facing side)

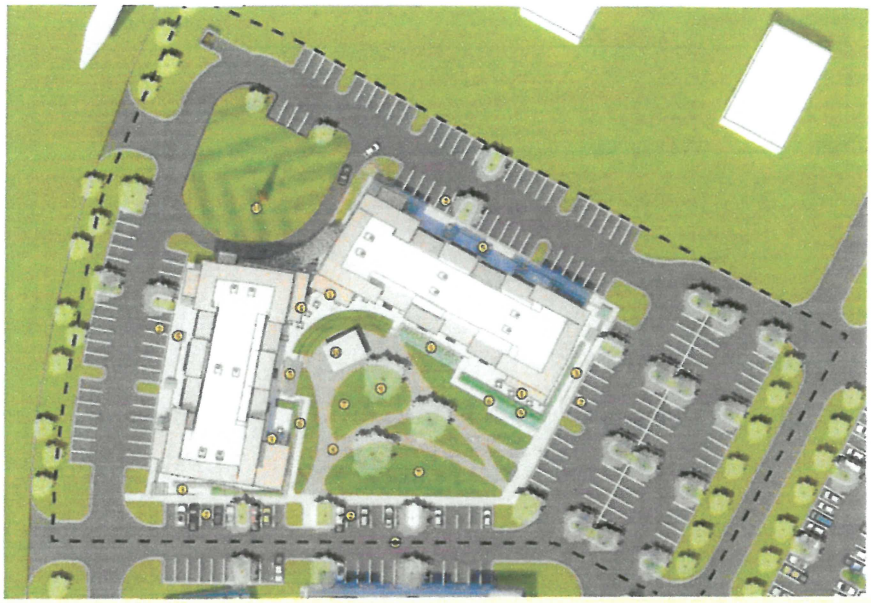


LEGEND

1a	NICHIHA VINTAGEWOOD - ASH
1b	NICHIHA VINTAGEWOOD - BARK
2a	FIBER CEMENT BOARD VENEER - KALAHARI
2b	FIBER CEMENT BOARD VENEER - T-262 SAHARA
2c	FIBER CEMENT BOARD VENEER - T-020 MEDITERRANEAN
3	STONE - STACK STONE - MESA GRAY
4	ANODIZED METAL STOREFRONT - DARK GRAY
5	CORRUGATED METAL SIDING - TRUTEN 608
6	ROOF METAL COPING - BLACK
7	CORTEN METAL SIDING
8	WIDE FLANGE

Conceptual Landscape Plan for Heartland Retail

(EXHIBIT F)



Key Notes:

1. Outdoor Dinning Terrace
2. Handicapped Parking
3. Ramp Access to Bio-Retail/Restaurant
4. Stairs
5. Planting Bed
6. Ramp Access for delivery/Service
7. Lawn
8. Stabilized Gravel
9. Canopy Tree
10. Shade Structure
11. Icon Monument

Heartland Town Center | Schematic Design Package | June 17, 2019 | CALLISONRTKL | HUFFINES COMMUNITIES

Eye Level Perspective

Heartland Town Center | Schematic Design Package | June 17, 2019 | CALLISONRTKL | HUFFINES COMMUNITIES

Eye Level Perspective

Eye Level Perspective

Example Retail Pad Site Elevation

Example Grocery Store Elevation

EXHIBIT D
PROHIBITED USES

1. Any use contrary to law or which violates the terms of this Declaration.
2. Any use that emits a noxious odor, excessive noise, waste, environmental pollution, or an offensive activity that may be or become an annoyance or nuisance to the ordinary use of neighboring properties.
3. Cemetery, mortuary, or other place of internment of people or animals, or any premises where deceased bodies or body parts (human or animal) are removed, examined, stored, or processed, such as a taxidermist.
4. Prison, jail, detention or correctional facility.
5. Sexually-oriented business, including businesses that sell sexually-oriented attire, accessories, etc.... (such as Sara's Secrets, Condom Sense, etc....).
6. "Adult Entertainment Uses," which includes (for the purposes of this Declaration) any theater or other establishment which shows, previews, displays, advertises, or conspicuously promotes for sale or rental movies, films, videos, magazines, books, or other medium (whether now or hereafter developed) that are designated for "Adults Only" or rated "X" by the movie production industry (or any successor rating established by the movie production industry).
7. Tattoo parlors, body piercing shops, and shops offering or promoting illegal drug paraphernalia.
8. Bars, nightclubs, or other establishments whose reasonably projected annual gross revenues from the sale of alcoholic beverages for on-premises consumption exceeds 60 percent of the gross revenues. This prohibition does not apply to a full-service restaurant serving alcoholic beverages as part of its food service operation, such as Chili's, which is primarily viewed by the public as a restaurant, but which may derive a substantial portion of its sales from alcoholic beverages - even more than 60 percent of gross sales. Convenience stores that sell beer and/or wine are exempt from this requirement.
9. Slaughter houses or packing plants.
10. Gun club, gun range, shooting range, or any weaponry range that emits loud noises. This prohibition does not apply to archery ranges that do not emit loud noises or to family entertainment centers with toy weapons.
11. Manufacturing processes that discharge dust, gas, fumes, chemicals, or waste, or that involve loud and offensive noise that can be heard outside the building.
12. Outdoor storage, wholesale storage, self-storage facilities, warehousing, or wholesale distribution, such as (without limitation) a landfill, junk yard, scrap metal yard, salvage yard, or storage facility for vehicles, trailers, watercraft, or aircraft. This prohibition does not preclude a limited amount of outdoor storage that is directly necessary for an adjunct business, provided the storage is screened from public view.
13. Self-service laundry or self-service dry cleaner.
14. Sale, storage, or rental of motor vehicles, manufactured homes, mobile homes, trailers, recreation vehicles, trucks, or buses, new or used.
15. Sale, storage, or rental of heavy machinery, used commercial equipment, used commercial machinery, used appliances, used vehicle parts.
16. Repair of vehicles, engines, or motors. This also includes boat repair shops and collision repair, vehicle body shops, and hail repair facilities. This prohibition does not apply to new car dealerships or vehicle repair services in connection with an automobile service station or a new car dealership.

17. Exploration, mining, refining, processing, or sale operations pertaining to oil, gas, minerals, sand, gravel or rocks and all related activities.

18. Dumping, storage, disposal, incineration, treatment, processing, or reduction of garbage, or refuse of any nature, other than handling or reducing waste produced on the premises from authorized uses in a clean and sanitary manner.

19. Pawn shops, flea markets, salvage businesses, or thrift stores - such as Salvation Army - whose principal business is selling discounted and used merchandise. This prohibition does not preclude the resale of high quality merchandise, such as sold by Plato's Closet, Clothes Circuit, and/or Clotheshorse Anonymous, or periodic events, such as craft fairs.

20. Mini-warehouses, warehouse/distribution centers, motor and freight terminals, truck terminals, transit centers, and truck stop-type facilities.

21. Any facility for the dyeing and finishing of textiles, the production of fabricated metal products, the storage and refining of petroleum, or commercial dry cleaners.

22. Electric power generator plant.

23. Kennels and any use involving outdoor animal pens, such as a commercial stable. Veterinary offices with indoor boarding facilities and/or independent indoor animal boarding facilities are permitted.

24. Airport.

25. Drive-in theater.

26. Facilities, businesses, or agencies that provide services to people who are indigent, homeless, unemployed, temporarily employed, or seeking a job change, if the people served come in person to the property.

27. Any government office that provides services to the public, in person, by appointment or on a walk-in basis.

28. Any residential uses, including, but not limited to: single-family homes, apartment units, condominium units, duplex dwellings, tri-plex dwellings, townhomes and any other attached or detached residential dwelling.

29. Pay Day Lending.

30. Dollar Stores may not be a single tenant in a freestanding building. Any dollar store must be located as a tenant in the main retail strip.

EXHIBIT E

Public Improvements

Improvements:	**Cost:**
Site Grading	$210,000
Paving for common drives	$560,000
Electric Relocation	$140,000
Signage (enhanced)	$200,000
Street Lighting (internal)	$50,000
Common area/park	$500,000
Sidewalks	$200,000
FM 740 Interim improvements	$300,000
Landscape & Irrigation	$300,000
Total Public Improvements	$2,460,000