

RESOLUTION NO. 85-2021

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE A FIRST AMENDMENT TO THE MASTER DEVELOPER AGREEMENT BETWEEN THE CITY OF MESQUITE, TEXAS, THE MESQUITE MEDICAL CENTER MANAGEMENT DISTRICT, AND HQZ PARTNERS, LP, TOGETHER WITH MCG-124, LLC, REGARDING THE DEVELOPMENT OF APPROXIMATELY 60.31 ACRES OF LAND GENERALLY LOCATED SOUTH OF GROSS ROAD, EAST OF NORTH PEACHTREE ROAD, NORTH OF THE UNION PACIFIC RAILROAD, AND WEST OF INTERSTATE HIGHWAY 635 IN THE CITY OF MESQUITE, TEXAS, AND BEING COMMONLY REFERRED TO AS THE “VERDE CENTER“ OR THE “VERDE CENTER AT PEACHTREE” AND PROVIDING A COLLATERAL ASSIGNMENT PROVISION; AND AUTHORIZING THE CITY MANAGER TO ADMINISTER THE AGREEMENT AS AMENDED FOR SUCH PURPOSES AND TO TAKE ALL ACTIONS NECESSARY OR ADVISABLE TO COMPLETE THE TRANSACTIONS CONTEMPLATED BY THE AGREEMENT AS AMENDED ON BEHALF OF THE CITY.

WHEREAS, pursuant to Resolution No. 30-2018, the City of Mesquite, Texas (the “**City**“), entered into a Master Developer Agreement with HQZ Partners, LP, and MCG-124, LLC (collectively the “**Developer**“), and the Mesquite Medical Center Management District (the “**District**”) (collectively, the “**Parties**”) (the “**Agreement**“) generally providing for the development of approximately 60.31 acres of land generally located south of Gross Road, east of North Peachtree Road, north of the Union Pacific Railroad and west of Interstate Highway 635 in the City and commonly referred to as the “Verde Center“ or the “Verde Center at Peachtree“; and

WHEREAS, the City Council has been presented with a First Amendment to the Agreement (“**First Amendment**”) which amends the Agreement by adding a new Section 6.18– Collateral Assignment, a true and correct copy of such First Amendment being attached hereto as Exhibit A and made a part hereof for all purposes; and

WHEREAS, after full review and consideration of the Agreement and First Amendment, the City Council finds that the First Amendment 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. That 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 and provisions of the First Amendment, a copy of which is attached hereto as Exhibit A and incorporated herein by reference, is in the best interest of the City and will benefit the City and its citizens.

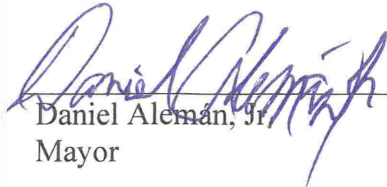
SECTION 3. That the City Council hereby approves the First Amendment substantially in the form attached as Exhibit A and hereby authorizes the City Manager to: (i) finalize and execute the First Amendment; and (ii) take such actions and execute such documents as are necessary or advisable to consummate the transactions contemplated by the Agreement and First Amendment.

SECTION 4. That the City Manager is further hereby authorized to administer the Agreement and First Amendment on behalf of the City including, without limitation, the City Manager shall have the authority to: (i) provide any notices required or permitted by the Agreement and First Amendment; (ii) approve amendments to the Agreement and First Amendment provided such amendments, together with all previous amendments approved by the City Manager, do not increase City expenditures under the Agreement or First Amendment in excess of \$50,000; (iii) approve or deny any matter in the Agreement or First Amendment that requires the consent of the City provided, however, notwithstanding the foregoing, any assignment of the Agreement as amended that requires the consent of the City pursuant to the terms of the Agreement as amended 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 or First Amendment; (v) exercise any rights and remedies available to the City under the Agreement or First Amendment; and (vi) execute any notices, amendments, approvals, consents, denials and waivers authorized by this Section 4 provided, however, notwithstanding anything contained herein to the contrary, the authority of the City Manager pursuant to this Section 4 shall not include the authority to take any action that cannot be delegated by the City Council or that is within the City Council's legislative functions.

SECTION 5. 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.

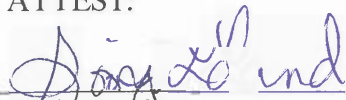
SECTION 6. That this resolution shall take effect immediately upon passage of this resolution.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 6th day of December 2021.



Daniel Aleman, Jr.
Mayor

ATTEST:



Sonja Land
City Secretary

APPROVED AS TO LEGAL FORM:



David L. Paschall
City Attorney

FIRST AMENDMENT TO MASTER DEVELOPER AGREEMENT

This First Amendment (this "Amendment") to that certain Master Developer Agreement, (the "Master Agreement") between the City of Mesquite, Texas (the "City"), the Mesquite Medical Center Management District (the "District") and HQZ Partners, LP, a Texas limited partnership, together with MCG-124, LLC, a Texas limited liability company (together, the "Developer"), is hereby entered into between the Developer, the District and the City (collectively, the "Parties") effective as of Dec 1, 2021.

Recitals:

WHEREAS, the Parties entered into the Master Agreement dated June 8, 2018; and

WHEREAS, all capitalized terms used in this Amendment shall be defined as stated in the Master Agreement unless otherwise defined in this Amendment; and

NOW THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Amendment, 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:

Section 1. A new Section 6.18 is hereby added to the Master Agreement:

Section 6.18 Collateral Assignment. Notwithstanding Article V(b) hereof and as provided in this Section 6.18, the Developer has the right 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 the benefit of Piper Canyon Partners LLC, a Delaware limited liability company ("PCP"). Such collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate PCP to perform any obligations or incur any liability under this Agreement unless PCP agrees in writing to perform such obligations or incur such liability. Provided the City and the District have been given a copy of the documents creating the PCP's interest, including notice information for PCP, then PCP shall have the right, but not the obligation, to cure any default under this Agreement within thirty (30) days written notice to PCP (subject to reasonable extension to the extent such default is non-monetary and requires possession of the Property or otherwise cannot be reasonably cured within such thirty (30) day period provided, however, that any such extension shall not exceed sixty (60) days). No remedies shall be exercised under the Master Agreement with respect to any such default unless and until PCP fails to cure such default within the cure period set forth herein. PCP is not a party to this Agreement unless this Agreement is amended, with the consent of PCP and without need for the consent of the City, to add PCP as a Party. Notwithstanding the foregoing, however, this Agreement shall continue to bind the Property and shall survive any transfer, conveyance, or assignment occasioned by the exercise of foreclosure or other rights by PCP or any other lender, whether judicial or nonjudicial. Any Purchaser or Successor Owner of any portion of the Property, shall be bound by this Agreement and shall not be entitled to the rights and benefits of this Agreement

with respect to the acquired portion of the Property until all continuing defaults under this Agreement with respect to the acquired portion of the Property have been cured, and such Purchaser or Successor Owner shall be deemed an assignee under this Agreement provided the City and District consent to the assignment of this Agreement pursuant to Section 5.1(b).

For purposes of this Section 6.18, the following terms shall have the meanings set forth below:

“Purchaser or Successor Owner“ means (i) an unrelated Person to whom a lender sells the Property as a result of a lender’s foreclosure on the Property or (ii) a Person the lender hires or engages to develop the Property. PCP is a lender for the purposes of this definition.

“Person“ or “Persons“ means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.


Section 2. Entire Agreement. The Agreement, as amended by this Amendment, is the entire agreement between the Parties with respect to the subject matter covered in this Amendment. There is no other collateral oral or written agreement between the Parties that in any manner relates to the subject matter of the Agreement, as amended by this Amendment. The Agreement shall remain in full force and effect except as amended by this Amendment. In the event of a conflict between the Agreement and this Amendment, this Amendment shall control.

Section 3. Amendments. This Amendment may only be amended by a written agreement executed by both Parties.

Section 4. Counterparts. This Amendment may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which will together constitute the same instrument.

[Signature Page Follows}

CITY OF MESQUITE

By: 
Name: Cliff Kechel
Title: City Manager

ATTEST:


City Secretary

**MESQUITE MEDICAL CENTER
MANAGEMENT DISTRICT**

By: _____
Name: _____
Title: President, Board of Directors

ATTEST:

Secretary, Board of Directors

[SIGNATURES CONTINUE ON NEXT PAGE]

CITY OF MESQUITE

By: _____
Name: _____
Title: City Manager

ATTEST:

City Secretary

**MESQUITE MEDICAL CENTER
MANAGEMENT DISTRICT**

By: Harry Sewell
Name: HARRY SEWELL
Title: President, Board of Directors

ATTEST:

Rinda Dawson
Secretary, Board of Directors

[SIGNATURES CONTINUE ON NEXT PAGE]

Acknowledgement

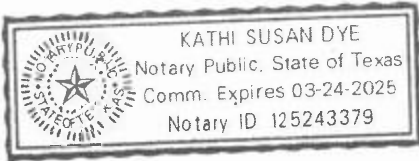
STATE OF Texas §
COUNTY OF Dallas §

Mesquite Medical
Center Management
District

This instrument was ACKNOWLEDGED before me on Dec. 21, 2021, by Harry Sewell, in his/her capacity as President of the CITY OF MESQUITE on behalf of said City. He/she is personally known to me or has produced DL as identification. District

[SEAL]

Kathi Dye
Notary Public - State of Tx



My Commission Expires: 3-24-25
Kathi Dye
Printed Name of Notary Public

Acknowledgement

STATE OF Texas §
COUNTY OF Dallas §

This instrument was ACKNOWLEDGED before me on Dec 7, 2021, by Linda Davidson, in his/her capacity as Secretary of the MESQUITE MEDICAL CENTER MANAGEMENT DISTRICT, on behalf of said District. He/she is personally known to me or has produced DL as identification.

[SEAL]

Kathi Dye
Notary Public - State of Tx

My Commission Expires: 3-24-25
Kathi Dye
Printed Name of Notary Public

CITY OF MESQUITE

By: _____
Name: _____
Title: City Manager

ATTEST:

City Secretary

**MESQUITE MEDICAL CENTER
MANAGEMENT DISTRICT**

By: Harry Sewell
Name: HARRY SEWELL
Title: President, Board of Directors

ATTEST:

Sunda Dawson
Secretary, Board of Directors

[SIGNATURES CONTINUE ON NEXT PAGE]

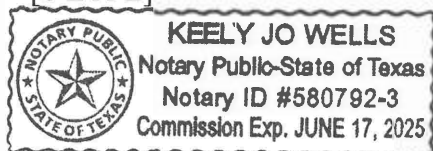
Acknowledgement

STATE OF Texas §

COUNTY OF Dallas §

This instrument was ACKNOWLEDGED before me on December 8, 2021, by Cliff Keheley in his/her capacity as City Manager of the CITY OF MESQUITE, on behalf of said City. He/she is personally known to me or has produced _____ as identification.

[SEAL]



Keely Jo Wells
Notary Public - State of Texas

My Commission Expires: 6/17/2025

Keely Jo Wells
Printed Name of Notary Public

Acknowledgement

STATE OF _____ §

COUNTY OF _____ §

This instrument was ACKNOWLEDGED before me on _____, 2021, by _____, in his/her capacity as _____ of the MESQUITE MEDICAL CENTER MANAGEMENT DISTRICT, on behalf of said District. He/she is personally known to me or has produced _____ as identification.

[SEAL]

Notary Public - State of _____

My Commission Expires: _____

Printed Name of Notary Public

Acknowledgement

Medical Center Management District

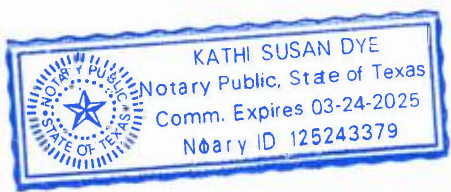
STATE OF Texas §

COUNTY OF Dallas §

This instrument was ACKNOWLEDGED before me on Dec 7, 2021 by Harry Sewell, in his/her capacity as President of the CITY OF MESQUITE, on behalf of said City. He/she is personally known to me or has produced DL as identification. District

[SEAL]

Kathi Dye
Notary Public - State of TX



My Commission Expires: 3-24-25
Kathi Dye
Printed Name of Notary Public

Acknowledgement

STATE OF Texas §

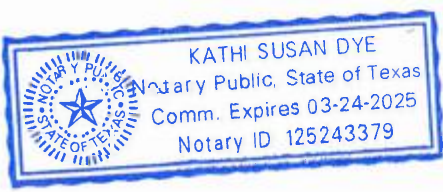
COUNTY OF Dallas §

This instrument was ACKNOWLEDGED before me on Dec 7, 2021, by Linda Davidson in his/her capacity as Secretary of the MESQUITE MEDICAL CENTER MANAGEMENT DISTRICT, on behalf of said District. He/she is personally known to me or has produced DL as identification.

[SEAL]

Kathi Dye
Notary Public - State of ~~TX~~ Texas

My Commission Expires: 3-24-25
Kathi Dye
Printed Name of Notary Public



HQZ PARTNERS, LP

By: Lang and Company, L.L.C, its
general partner

By: Jim Lang

Name: James D. Lang, Jr.

Title: Manager

MCG-124, LLC

By: Jim Lang

Name: James D. Lang

Title: Manager

By:
Name: Jim Ray

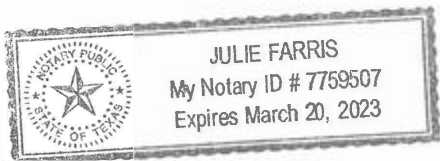
Title: Manager

Acknowledgement

STATE OF Texas §
COUNTY OF DALLAS §

This instrument was ACKNOWLEDGED before me on December 13, 2021, by Jim Lang, in his/her capacity as MANAGER of Lang and Company, L.L.C., a Texas limited liability company, as general partner of HQZ PARTNERS, LP, a Texas limited partnership, on behalf of said limited partnership. He/she is personally known to me or has produced Known to me as identification.

[SEAL]



Julie Farris
Notary Public - State of Texas

My Commission Expires: 3/20/23

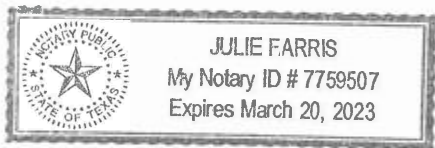
Julie Farris
Printed Name of Notary Public

Acknowledgement

STATE OF Texas §
COUNTY OF DALLAS §

This instrument was ACKNOWLEDGED before me on December 13, 2021, by Jim Lang, in his/her capacity as MANAGER of MCG-124, LLC, a Texas limited liability company, on behalf of said limited liability company. He/she is personally known to me or has produced Known to me as identification.

[SEAL]



Julie Farris
Notary Public - State of Texas

My Commission Expires: 3/20/23

Julie Farris
Printed Name of Notary Public