



**NOTICE OF REGULAR MEETING AGENDA
LANCASTER CITY COUNCIL
MUNICIPAL CENTER CITY COUNCIL CHAMBERS
211 N. HENRY STREET, LANCASTER, TEXAS**



Monday, June 27, 2016 - 7:00 PM

CALL TO ORDER

INVOCATION: Ministerial Alliance

PLEDGE OF ALLEGIANCE: Councilmember Marco Mejia

CITIZENS' COMMENTS:

At this time citizens who have pre-registered before the call to order will be allowed to speak on any matter other than personnel matters or matters under litigation, for a length of time not to exceed three minutes. No Council action or discussion may take place on a matter until such matter has been placed on an agenda and posted in accordance with law.

PUBLIC HEARING:

1. Conduct a Public Hearing and consider an amendment to the City of Lancaster Comprehensive Plan and Future Land Use Map and a change in zoning classification from R-Retail, to LI – Light Industrial, for a 4.66 acre tract of land generally located on the northwest corner of Houston School Road and Wintergreen Road.

ACTION:

2. Discuss and consider a resolution granting a request for Special Exceptions pursuant to Sections 14.505 (a) 2 and 3, height and articulations; to provide a Special Exception for increased height and reduced vertical articulation on the proposed industrial site located on the northwest corner of Houston School Road and Wintergreen Road.
3. Discuss and consider a resolution granting a request for Special Exceptions pursuant to Sections 14.505 (a) 2 and 3, height and articulations; to provide a Special Exception for increased height and reduced vertical articulation on the proposed industrial site located on the southwest corner of Houston School Road and Daniieldale Road.
4. Consider a resolution accepting a dedication of a 0.706 acre tract of land from Mills Branch Village Center LTD. on Village Drive.
5. Consider a Resolution approving the terms and conditions of a License Agreement by and between the City of Lancaster and Quik Trip Corporation for the installation and maintenance of a monument entry feature and landscaping improvements within the Pleasant Run Road right-of-way for the Quik Trip development.
6. Discuss and consider a resolution authorizing the City Manager to execute an economic development agreement pursuant to Chapter 380, Texas Local Government Code, by and between the City of Lancaster and White Tract, LLC.

7. Discuss and consider a resolution ratifying the terms and conditions of an incentive grant by and between the Lancaster Economic Development Corporation and White Tract, LLC.

ADJOURNMENT

EXECUTIVE SESSION: The City Council reserve the right to convene into executive session on any posted agenda item pursuant to Section 551.071(2) of the Texas Government Code to seek legal advice concerning such subject.

ACCESSIBILITY STATEMENT: Meetings of the City Council are held in municipal facilities are wheelchair-accessible. For sign interpretive services, call the City Secretary's office, 972-218-1311, or TDD 1-800-735-2989, at least 72 hours prior to the meeting. Reasonable accommodation will be made to assist your needs.

PURSUANT TO SECTION 30.06 PENAL CODE (TRESPASS BY HOLDER WITH A CONCEALED HANDGUN), A PERSON LICENSED UNDER SUBCHAPTER H, CHAPTER 411, GOVERNMENT CODE (HANDGUN LICENSING LAW), MAY NOT ENTER THIS PROPERTY WITH A CONCEALED HANDGUN.

CONFORME A LA SECCION 30.06 DEL CODIGO PENAL (TRASPASAR PORTANDO ARMAS DE FUEGO CON LICENCIA) PERSONAS CON LICENCIA BAJO DEL SUB-CAPITULO 411, CODIGO DEL GOBIERNO (LEY DE PORTAR ARMAS), NO DEBEN ENTRAR A ESTA PROPIEDAD PORTANDO UN ARMA DE FUEGO OCULTADA.

PURSUANT TO SECTION 30.07 PENAL CODE (TRESPASS BY HOLDER WITH AN OPENLY CARRIED HANDGUN), A PERSON LICENSED UNDER SUBCHAPTER H, CHAPTER 411, GOVERNMENT CODE (HANDGUN LICENSING LAW), MAY NOT ENTER THIS PROPERTY WITH A HANDGUN THAT IS CARRIED OPENLY.

CONFORME A LA SECCION 30.07 DEL CODIGO PENAL (TRASPASAR PORTANDO ARMAS DE FUEGO AL AIRE LIBRE CON LICENCIA) PERSONAS CON LICENCIA BAJO DEL SUB-CAPITULO H, CAPITULO 411, CODIGO DE GOBIERNO (LEY DE PORTAR ARMAS), NO DEBEN ENTRAR A ESTA PROPIEDAD PORTANDO UN ARMA DE FUEGO AL AIRE LIBRE.

Certificate

I hereby certify the above Notice of Meeting was posted at the Lancaster City Hall on June 24, 2016 @ 5:00 p.m. and copies thereof were provided to the Mayor, Mayor Pro-Tempore, Deputy Mayor Pro-Tempore and Council members.



Sorangel O. Arenas
City Secretary

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 1.

Meeting Date: 06/27/2016

Policy Statement: This request supports the City Council 2015-2016 Policy Agenda

Goal(s): Quality Development

Submitted by: Rona Stringfellow, Assistant City Manager

Agenda Caption:

Conduct a Public Hearing and consider an amendment to the City of Lancaster Comprehensive Plan and Future Land Use Map and a change in zoning classification from R-Retail, to LI – Light Industrial, for a 4.66 acre tract of land generally located on the northwest corner of Houston School Road and Wintergreen Road.

Background:

1. Location and Size: The property is located on the northwest corner of Houston School Road and Wintergreen Road. The tract of land is 4.66 acres in size.
2. Current Zoning: The subject property is currently zoned R-Retail.
3. Adjacent Properties:
 - North: LI-Light Industrial (vacant)
 - South: R-Retail (Dollar General)
 - East: ZL-7 (Wintergreen Ridge subdivision)
 - West: LI – Light Industrial (vacant)
4. Public Notification: On May 22, 2016, a notice for this public hearing appeared in the Focus Daily Newspaper. Staff also mailed notifications of this public hearing to the 6 property owners that are within 200-feet of the subject site, and zoning signs were placed on the subject property. These actions fulfill the noticing requirement pursuant to Section 14.207 of the Lancaster Development Code (LDC).

One (1) response returned in support of the applications and non returned in opposition. One (1) adjacent property owner spoke in opposition during the P&Z Public Hearing. One (1) e-mail was received by an adjacent property owner since the P&Z meeting.

5. Case History:

Date	Body	Action
06/7/16	P&Z	Recommended Approval

Operational Considerations:

The applicant is requesting a change in zoning from R – Retail to LI – Light Industrial for a 4.66 acre parcel. Pursuant to Section 14.1101 of the LDC, when reviewing a zoning change application, there are five (5) considerations that must be made when deciding on a zoning change application. Below is an analysis of these considerations:

Consistency with the Comprehensive Plan:

The Comprehensive Plan identifies this site as Retail. The proposed change in zoning is not in compliance with the existing Comprehensive Plan designation for this parcel; however, the City has been in the process of updating the Comprehensive Plan and this area is recommended to be suitable for Light

Industrial uses. While this has not been formally adopted, it is compatible. This change in designation, would be a natural extension of the existing industrial designation, of the areas along Houston School Road and Wintergreen Road. The Comprehensive Plan serves as a guide for future development, and as such, can be changed to accommodate this proposed change in zoning application.

Potential Impact on Adjacent Development:

The properties to the north and west remain undeveloped, while there is a new residential subdivision to the east of the subject site. This subdivision is on the opposite side of Houston School Road, which has a 120-foot right-of-way, and has a 6-foot high screening wall on its western perimeter, which mitigates the impacts generated by the traffic on Houston School Road. Based upon a site visit and the variables listed above, staff does not foresee any potential negative impacts upon adjacent properties or developments because of this zoning application.

Availability of utilities and access:

The subject site is located at the intersection of Houston School Road and Wintergreen Road, both of which are classified as major arterials in the Master Thoroughfare Plan. The subject site can be provided utilities from either Houston School Road or Wintergreen Road. Since this site can be accessed from two streets, there is the availability of sufficient access to this site.

Site conditions such as vegetation, topography and flood plain:

This site is developable because it is primarily an open flat field. A portion of the 100-year flood plain does pass through the site, but this will not keep this site from being developed.

Timing of Development as it relates to Lancaster's Capital Improvement Plan:

Houston School Road has been improved and Wintergreen Road is scheduled to be improved.

Conclusion:

Based upon an analysis of the five (5) considerations that must be taken into consideration when reviewing a change in zoning application, staff has concluded that the proposed application does not appear to have a negative impact upon the community, and that the proposed application meets the change in zoning application criteria Pursuant to Section 14.1101 of the LDC.

Legal Considerations:

The City Attorney has approved the Ordinance as to form for consideration.

Public Information Considerations:

On May 22, 2016, a notice for this public hearing appeared in the Focus Daily Newspaper. Staff mailed notifications of this public hearing to the 6 property owners within 200-feet of the subject site, and zoning signs were placed on the subject property. These actions fulfill the noticing requirement pursuant to Section 14.207 of the Lancaster Development Code (LDC).

There was one (1) notification returned in support of this application, and non returned in opposition to this application.

At the June 7, 2016 P&Z meeting, Angela Murphy, 2027 Stonewood, Lancaster, Texas 75134 spoke in opposition of this application. On June 9, 2016, after the P&Z meeting Leona Mitchell, a resident in the Ames Meadows subdivision expressed opposition to this zoning request. It should be of note that neither of the residents in opposition live within 200' of the rezoning request.

Options/Alternatives:

1. Approve the rezoning request, as submitted.
2. Approve the rezoning request in accordance with recommended changes.
3. Deny the rezoning request.

Recommendation:

P&Z:

At the June 7, 2016 meeting, the Planning and Zoning Commission made a favorable recommendation to approve the requested zoning change.

Attachments

Ordinance

Property Map

P&Z packet with attachments

Excerpt of P&Z minutes

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF LANCASTER, TEXAS, AMENDING THE COMPREHENSIVE FUTURE LAND USE PLAN AND MAP THEREOF OF THE CITY OF LANCASTER, TEXAS, AS HERETOFORE AMENDED, BY DESIGNATING SAID PLAN FROM RETAIL, AND GRANTING A CHANGE IN ZONING R-RETAIL TO LI-LIGHT INDUSTRIAL TO ALLOW A LIGHT INDUSTRIAL USE. THE PROPERTY IS 4.66 ACRES OF LAND LOCATED ON THE NORTHWEST CORNER OF HOUSTON SCHOOL ROAD AND WINTERGREEN ROAD, LANCASTER, DALLAS COUNTY, TEXAS; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Planning and Zoning Commission and the governing body of the City of Lancaster, Texas, in compliance with the laws of the State of Texas and pursuant to the Comprehensive Zoning Ordinance of the City of Lancaster, have given requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners generally, and to all persons interested and situated in the affected area and in the vicinity thereof, the said governing body is of the opinion that Comprehensive Land Use Plan and Zoning Application No. Z16-03 should be approved, and in the exercise of legislative discretion have concluded that the Comprehensive Land Use Plan and Zoning Ordinance and Map thereof should be amended.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS:

SECTION 1. That the Comprehensive Future Land Use Plan and Map thereof and Zoning Ordinance and Map of the City of Lancaster, Texas, duly passed by the governing body of the City of Lancaster, Texas, as heretofore amended, be and the same is hereby amended by amending the Comprehensive Land Use Plan Ordinance and Map thereof from Retail uses to Light Industrial uses and to grant zoning from Retail (R) to Light Industrial (LI) on property containing 4.66 acres of land located on the northwest corner of Houston School Road and Wintergreen Road, Lancaster, Dallas County, Texas.

SECTION 2. That the subject Property, as hereby zoned, shall be developed and used in conformance and in the manner and for the purposes provided for LI- Light Industrial zoning district regulations and approvals required as set forth in the Lancaster Land Development Code and the Comprehensive Zoning Ordinance of the City of Lancaster, as heretofore amended, and the detailed site plan, which shall be submitted and approved in accordance with said ordinances.

SECTION 3. That all provisions of the Ordinances of the City of Lancaster, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 4. That should any sentence, paragraph, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part so decided to be unconstitutional, illegal or invalid, and shall not affect the validity of the Comprehensive Zoning Ordinance as a whole.

SECTION 5. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Comprehensive Zoning Ordinance, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 6. That any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in the Comprehensive Zoning Ordinance of the City of Lancaster, as heretofore amended, and upon conviction shall be punished by a fine not to exceed the sum of two thousand dollars (\$2,000.00) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.

SECTION 7. That this ordinance shall take effect immediately from and after its passage and the publication of its caption, as the law and charter in such cases provide.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 27th day of June, 2016.

ATTEST:

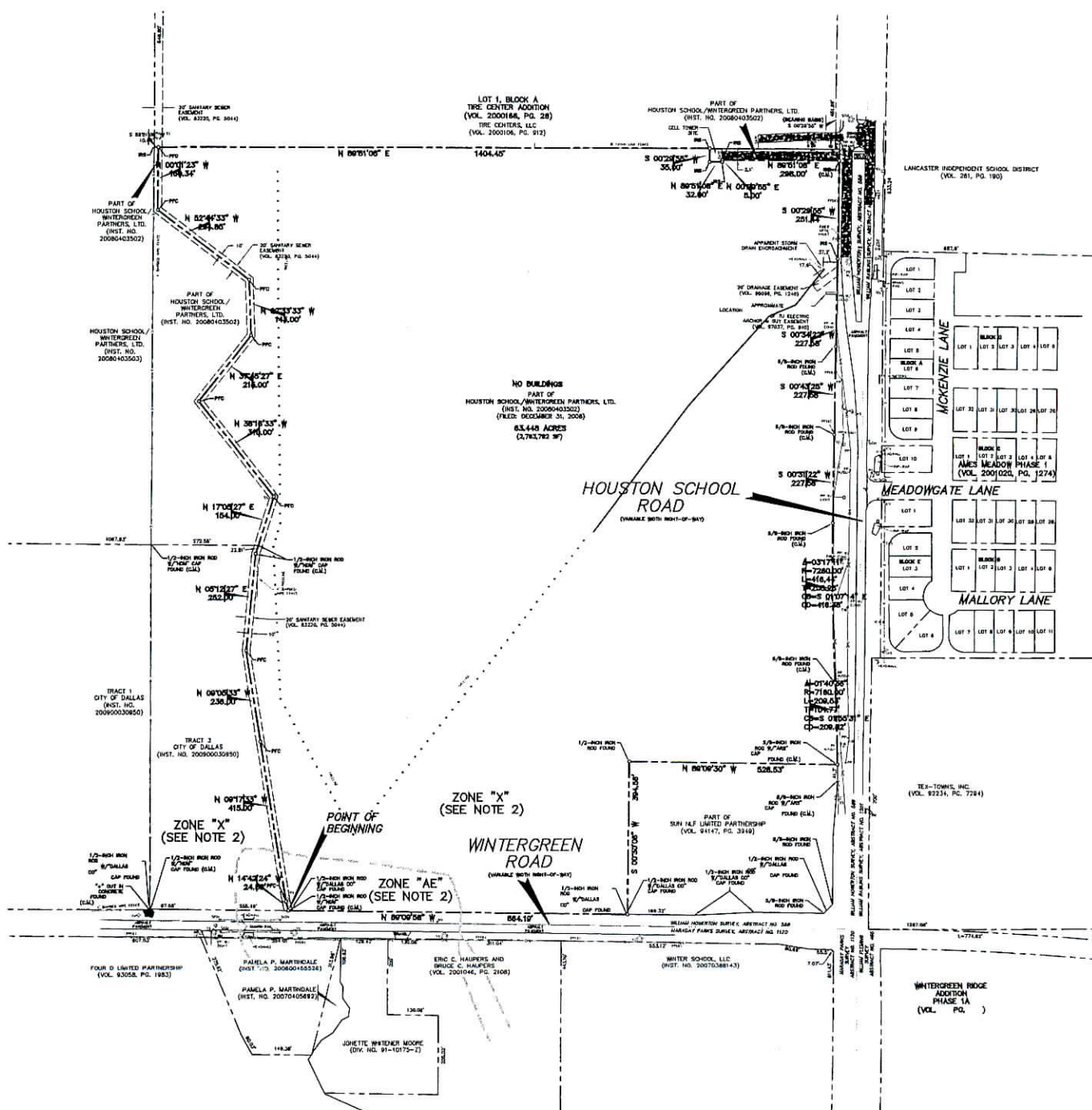
Sorangel O. Arenas, City Secretary

APPROVED:

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney



PLANNING & ZONING COMMISSION

Agenda Communication for
June 7, 2016

#3

Z16-03 Conduct a Public Hearing and consider an amendment to the City of Lancaster's Comprehensive Plan's Future Land Use Map and a change in zoning classification from R-Retail, to LI – Light Industrial, for a 4.66 acre tract of land generally located on the northwest corner of Houston School Road and Wintergreen Road.

Background

1. **Location and Size:** The property is located on the northwest corner of Houston School Road and Wintergreen Road. The tract of land is 4.66 acres in size.
2. **Current Zoning:** The subject property is currently zoned R-Retail.
3. **Adjacent Properties:**
North: LI-Light Industrial (vacant)
South: R-Retail (Dollar General)
East: ZL-7 (Wintergreen Ridge subdivision)
West: LI – Light Industrial (vacant)
4. **Public Notification:** On May 22, 2016, a notice for this public hearing appeared in the Focus Daily Newspaper. Staff also mailed notifications of this public hearing to all of the 6 property owners that are within 200-feet of the subject site, and zoning signs were placed on the subject property. These actions fulfill the noticing requirement pursuant to Section 14.207 of the Lancaster Development Code (LDC).

Out of the 6 notifications that were mailed to neighboring property owners, there was 1 notification returned in support of this application, attached. There were no returned notifications in opposition to this application.

Considerations

The applicant is requesting a change in zoning from R – Retail to LI – Light Industrial for a 4.66 acre parcel. Pursuant to Section 14.1101 of the LDC, when reviewing a zoning change application, there are five (5) considerations that must be made when deciding on a zoning change application. Below is an analysis of these considerations:

Consistency with the Comprehensive Plan:

The Comprehensive Plan identifies this site as Retail. The proposed change in zoning is not in compliance with the existing Comprehensive Plan designation for this parcel; however, the City has been in the process of updating the Comprehensive Plan and this area is recommended to be suitable for Light Industrial uses. While this has not been formally adopted, it is compatible.

This change in designation would be a natural extension of the existing Industrial designation of the areas along Houston School Road and Wintergreen Road. The Comprehensive Plan serves as a guide for future development, and as such, can be changed to accommodate this proposed change in zoning application.

Potential Impact on Adjacent Development:

The properties to the north and west remain undeveloped, while there is a new residential subdivision to the east of the subject site. This subdivision is on the opposite side of Houston School Road, which has a 120-foot right-of-way, and has a 6-foot high screening wall on its western perimeter, which mitigates the impacts generated by the traffic on Houston School Road. Based upon a site visit and the variables listed above, staff does not foresee any potential negative impacts upon adjacent properties or developments because of this zoning application.

Availability of utilities and access:

The subject site is located at the intersection of Houston School Road and Wintergreen Road, both of which are classified as major arterials in the Master Thoroughfare Plan. The subject site can be provided utilities from either Houston School Road or Wintergreen Road. Since this site can be accessed from two streets, there is the availability of sufficient access to this site.

Site conditions such as vegetation, topography and flood plain:

This site is developable because it is primarily an open flat field. A portion of the 100-year flood plain does pass through the site, but this will not keep this site from being developed.

Timing of Development as it relates to Lancaster's Capital Improvement Plan:

Houston School Road has been improved and Wintergreen Road is scheduled to be improved over the next couple of years. The City will start improvements on Wintergreen Road sometime in 2018.

Conclusion:

Based upon an analysis of the five (5) considerations that must be taken into consideration when reviewing a change in zoning application, staff has concluded that the proposed application will not have a negative impact upon the community, and that the proposed application meets the change in zoning application criteria Pursuant to Section 14.1101 of the LDC.

Options/Alternatives

- 1) Recommend approval as requested
- 2) Recommend approval with conditions
- 3) Postpone consideration and direct staff
- 4) Recommend denial of the request.

Recommendation

Staff recommends **approval** of the application as requested.

Planning and Zoning Commission
Agenda Communication
June 7, 2016
Page 3

Approval Process

Upon recommendation by the Planning and Zoning Commission, the City Council will conduct a public hearing and render a final decision for this item at their June 27, 2016, regular meeting.

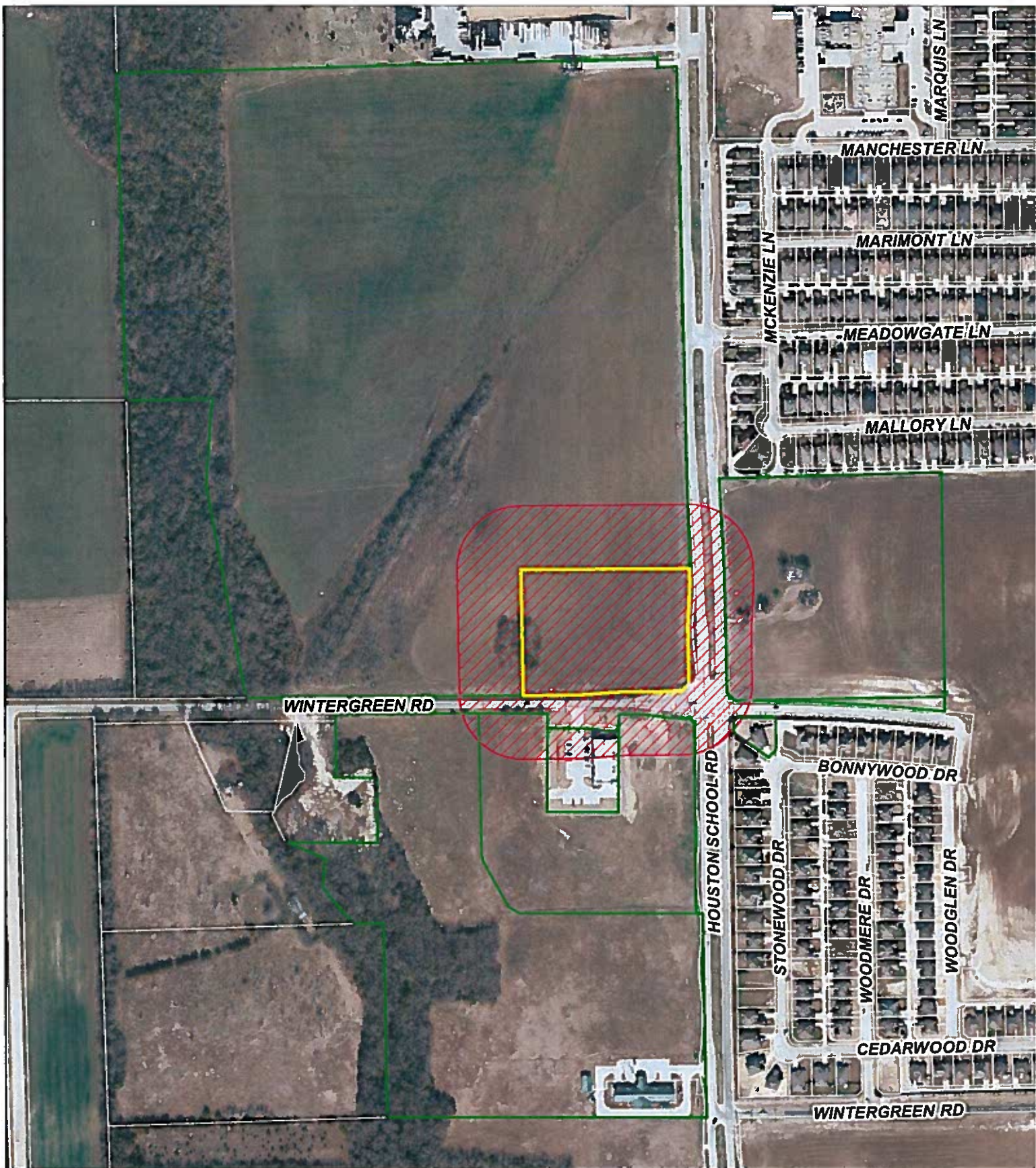
Attachments





Location map
Concept plan
Zoning exhibit
Support letter

Prepared By and Submitted By:

Rona Stringfellow
Assistant City Manager

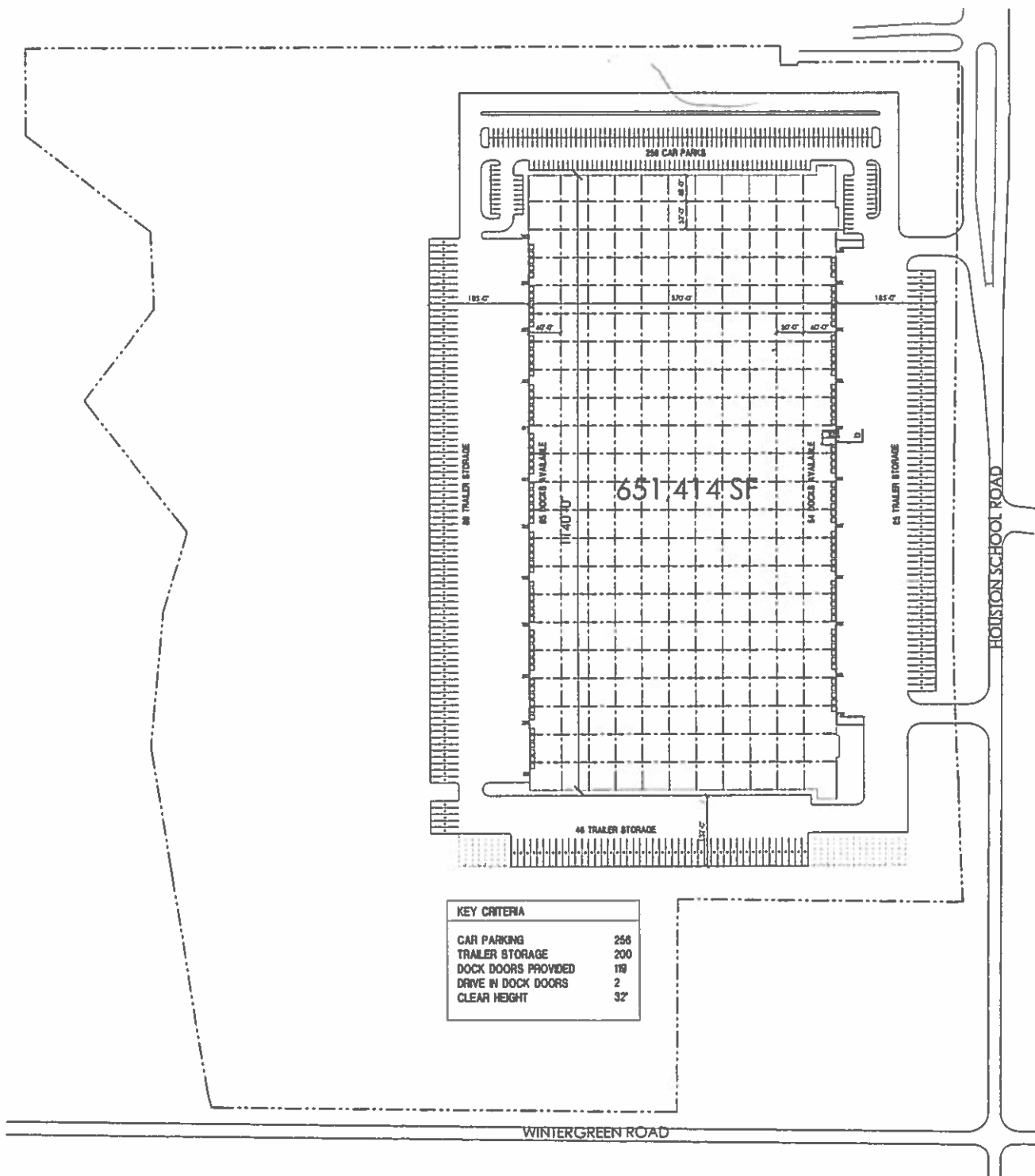
Date: June 4, 2016

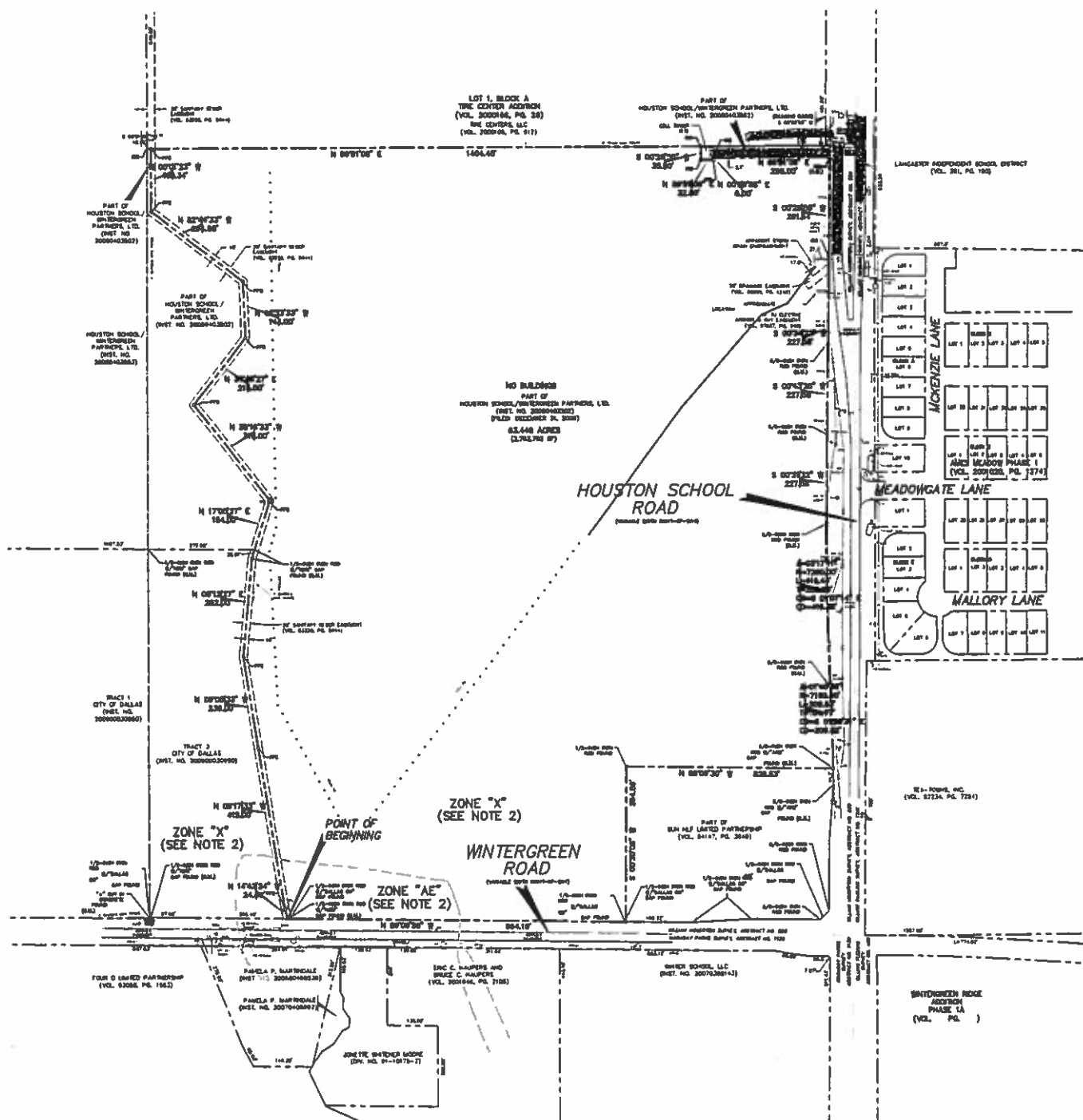


-  Parcels
-  Subject Parcel
-  Notification Parcels
-  200' Notification Area

City of Lancaster
2501 N Houston School Rd
200' Notification Area

EXAMPLE OF SITE PLAN







City of Lancaster Planning Division



NOTICE OF PUBLIC HEARING: [Case No. – Z16-03]

TO: Property Owner

RE: Conduct a public hearing and consider an amendment to a PD Planned Development.

LOCATION: On, approximately 4.66 acres on the NW Corner of Wintergreen Road and North Houston School Road further described in the William Howerton Survey, Abstract Number 559, Dallas County, Texas, with said 4.660 acre tract being a portion of that certain tract of land as conveyed to Sandy/Mac Partners. Ltd., as recorded in Volume 2000046, Page 2036, Deed Records, Lancaster, Dallas County, Texas. This notice and the notification area are required under Chapter 211.007 of the Texas Local Government Code.

EXPLANATION OF REQUEST: The Applicant is requesting rezoning from R-Retail to LI – Light Industrial.

- ☒ I AM IN FAVOR OF THE REQUEST FOR THE FOLLOWING REASONS:
- ☐ I AM OPPOSED TO THE REQUEST FOR THE FOLLOWING REASONS:

COMMENTS:

GOOD FIT FOR THE AREA

WINTERGREEN DG LLC

SIGNATURE:

John Miller, OWNER

ADDRESS:

3105 E. McLOUGHLIN BLVD
VANCOUVER, WA 98661

Your written comments are being solicited in the above case. Additional information is available in the Department of Planning at 700 E. Main. The Planning and Zoning Commission will hold a public hearing and take action on the above case at their meeting on **Tuesday, May 17, 2016 at 7:00 pm**. Meetings are typically held in the City Council Chambers, City of Lancaster Municipal Center, 211 N. Henry Street, Lancaster, Texas. The City Council will hold a public hearing and take action on the above case at their meeting on **Monday, June 13, 2016 at 7:00 pm**. This Council meeting is scheduled to be held at Grand Hall, City of Lancaster Community Park, 1700 Veterans Memorial Pkwy, Lancaster, Texas 75146

Please legibly respond in ink. If the signature and/or address is missing, your comments will not be recorded. Your response must be received in the Planning Division by 5 pm on **Wednesday, May 11, 2016** for your comments to be recorded for the Planning and Zoning Commission's and City Councils' May 2, 2016 meeting. Responses received after that time will be forwarded to the Commission and Council at the public hearing.

If you have any questions concerning this request, please
contact the Planning Division
Phone 972-275-1722
FAX 972-275-1822

RETURN BY FAX OR MAIL
City of Lancaster
Planning Division, 700 E. Main St.
Lancaster, TX 75146-0940

6 notices were sent on May 2, 2016



RECEIVED
5/18/16 *PS*

**Excerpt from Unapproved Minutes
Planning and Zoning Commission
June 7, 2016**

ITEM 2.

PUBLIC HEARING:

Z 16-03 Conduct a Public Hearing and Consider a rezoning request from R-Retail to LI-Light Industrial. The property contains 4.66 acres on the northwest corner of Wintergreen Road and North Houston School further described in the William Howerton Survey, Abstract Number 559, Dallas County, Texas, with said 4.66 acre tract being a portion of that certain tract of land as conveyed to Sandy/Mac Partners, Ltd., as recorded in Volume 2000046, Page 2036, Deed Records, Lancaster, Dallas County, Texas.

ACM Stringfellow provided the staff report. This is a request for a change in zoning from R-Retail to LI-Light Industrial for a 4.66 acre parcel. Pursuant to the Lancaster Development Code we are reviewing a zoning change application and there are five considerations when making a zoning change.

The first criteria is the consistency with the Comprehensive Plan identifies this site as Retail. The proposed change in zoning is not in compliance with the existing Comprehensive Plan designation for this parcel; however, the City has been in the process of updating the Comprehensive Plan and the area is recommended to be suitable for Light Industrial uses as well as mixed uses. This plan is still in the draft form and has not been recommended by this body or City council. This change in designation would be a natural extension of the existing Industrial designation of the areas along Houston School Road and Wintergreen Road and it would be extend pass Wintergreen Road. The Comprehensive Plan serves as a guide for future development, and as such, can be changed to accommodate this proposed change in zoning application should the Commission choose to recommend approval.

The potential impact on adjacent development the properties to the north and west remain undeveloped, while there is a new residential subdivision to the east of the subject site. This subdivision is on the opposite side of Houston School Road, which has a 120-foot right-of-way, and has a 6-foot high screening wall on its western perimeter, which mitigates the impacts generated by the traffic on Houston School Road. Based upon a site visit and the variables listed above, staff does not foresee any potential negative impacts upon adjacent properties or developments because of this zoning application. In addition to that the applicant would be responsible for providing screening wall in this area.

Availability of utilities and access: The subject site is located at the intersection of Houston School Road and Wintergreen Road, both of which are classified as major arterials in the Master Thoroughfare Plan. The subject site can be provided utilities from either Houston School Road or Wintergreen Road. Since this site can be accessed from two streets, there is the availability of sufficient to this site.

Site conditions such as vegetation, topography and flood plain: This site is developable because it is primarily an open flat field. A portion of the 100-year flood plain does pass through the site, but this will not keep this site from being developed.

Timing of Development as it relates to Lancaster's Capital Improvement Plan: Houston School Road has been improved and Wintergreen Road is scheduled to be improved over the next couple of years. The City will start improvements on Wintergreen Road sometime in 2018.

In conclusion, based upon an analysis of the five (5) considerations that must be taken into consideration when reviewing a change in zoning application, staff has concluded that the proposed application will not have a negative impact upon the community, and that the proposed application meets the change in zoning application criteria Pursuant to Section 14.1101 of the Lancaster Development Code.

Staff recommends approval of the application as requested.

Chair Earle, asked the Commissioners if they had any questions for City staff.

Commissioner Aguilar asked at the intersection of Wintergreen and Houston School Road is all this land classified as R- Retail and we are trying to move to LI- Light Industrial. ACM Stringfellow stated that is correct.

Commissioner Johnson asked in reference to the Southside of the Family Dollar is this Light Industrial. ACM Stringfellow stated it is Retail.

Commissioner Aguilar asked if changing this zoning goes against the City's Comprehensive Plan. ACM Stringfellow stated that currently the City's Comprehensive plan is retail but when there are zoning request, the applicants can apply for the Future Land Use Plan to be amended.

Chair Earle opened the public hearing and asked the applicant to come forward to address the Commission:

Clyde Hargrove, 1350 Marlin Road, Lancaster, Texas and he provided an overview as to this site plan request. This layout fits with the industrial overview that is already in the city and believes this would be great for the City of Lancaster and the community. Mr. Hargrove stated he has owned this land for over 20 years and thinks that this would be a great fit.

Chair Earle asked what type of amenities would this offer to the potential homeowners. ACM Stringfellow stated the applicant has agreed to include additional berms in the area as well as screening for the homeowners to the east.

Commissioner Johnson asked in terms of the neighborhood what impact will it have on the homeowners with so much traffic in this area including traffic to the school.

Mr. Hargrove stated that he has turned down previous site plans until this one is better fitted for the area of Lancaster.

Angela Murphy, 2027 Stonewood, Lancaster, Texas 75134 spoke in opposition of the item. She stated that she did not believe this use was appropriate for the site.

Chair Earle asked to entertain a motion. **A MOTION WAS MADE BY CHAIR EARLE AND SECONDED BY COMMISSIONER AGULAR TO APPROVE Z 16-03.**

AYES: EARLE, AGUILAR

NAYS: JOHNSON

THE ITEM PASSED 2 to 1.

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 2.

Meeting Date: 06/27/2016

Policy Statement: This request supports the City Council 2015-2016 Policy Agenda

Goal(s): Quality Development

Submitted by: Rona Stringfellow, Assistant City Manager

Agenda Caption:

Discuss and consider a resolution granting a request for Special Exceptions pursuant to Sections 14.505 (a) 2 and 3, height and articulations; to provide a Special Exception for increased height and reduced vertical articulation on the proposed industrial site located on the northwest corner of Houston School Road and Wintergreen Road.

Background:

The proposed new development, consists of approximately 68.108 acres, and is planned to contain one building that is 651,414 square feet. In addition, this request includes the 4.66 acre tract that is a separate zoning action. Should the rezoning request for the 4.66 acre tract not be approved, this request would apply only to the 63.448 acre tract of land.

Article 14.500 – District Development Regulations and Standards of the Lancaster Development Code (LDC), states in Section 14.504 (a) 3 A (Maximum, Building Height), that the height limit for all structures, shall be as established in the districts governing the property on which the structures are located. The District Development Standards table indicates that the maximum height of a building within the Light Industrial (LI) zoning district, is thirty-five feet (35').

Section 14.505 (a) (3) (2) states under Vertical Articulation that no horizontal wall shall extend for a distance greater than 4 times the height of the wall without changing height by a minimum of 25% of the wall's height. The applicant is stating that the vertical articulation requirement will cause a change in the height by a minimum of 25% of the wall height thereby resulting in unnecessarily tall parapets that in their opinion would add little visual interest to the building as well as reduce the available clear height available inside the building. The applicant is requesting that at such time that development occurs, this requirement is satisfied by providing paint colors and material changes to meet the spirit and intent of the ordinance thereby providing visual interest.

Due to the unique function of maneuvering around large equipment, the changing requirements of the logistics industry and associated market requirements, the applicant is requesting that the total building height will need to be increased to fifty feet, (50') and not generally requiring articulations across the loading dock walls, to allow for an internal working clear height of thirty-two (32'), exterior height of forty-two (42') and forty-seven feet, six inches (47'6") height including articulation elements.

Article 14.209 (d) of Chapter 14.200 – Authority and Administrative Procedures of the LDC states that the City Council, pursuant to the powers conferred upon it by State law, the ordinances of the City, and this Article may grant Exceptions herein provided to the provisions of this ordinance upon finding that:

- (1) Such Exception will not substantially or permanently injure the appropriate use of adjacent property in the same district; and
- (2) Such Exception will not adversely affect the health, safety or general welfare of the public; and

- (3) Such Exception will not be contrary to the public interest; and
- (4) Such Exception will not authorize the operation of a use other than those uses specifically authorized for the district in which the property for which the Exception sought is located, except as provided elsewhere in this ordinance; and
- (5) Such Exception will be in harmony with the spirit and purpose of this ordinance; and
- (6) Such Exception will not alter the essential character of the district in which is located the property for which the Exception is sought; and
- (7) Such Exception will not substantially weaken the general purposes of the zoning regulations established for the district in which the property is located; and
- (8) Such Exception is within the spirit and intent of the City's Comprehensive plan and other policies.

Operational Considerations:

The purpose of the request, is to seek an exception to the maximum building height in the Light Industrial (LI) zoning district, and articulation through the use of materials and color. The City Council must determine if the height exception and building articulation, meets the intent of the ordinance.

Legal Considerations:

The resolution has been reviewed and approved as to form by the City Attorney.

Public Information Considerations:

This resolution is being considered at a regular meeting of the City Council, in accordance with the Texas Open Meetings Act.

Options/Alternatives:

- 1. Approve the resolution as presented.
- 2. Deny the request.

Recommendation:

Staff recommends approval of both exceptions to height and articulation, as presented.

Attachments

Resolution

Example Site Plan

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, GRANTING A REQUEST FOR SPECIAL EXCEPTIONS PURSUANT TO SECTION 14.505 (A) 2 AND 3, OF THE LANCASTER DEVELOPMENT CODE; TO PROVIDE A SPECIAL EXCEPTION TO A REDUCTION IN THE ARTICULATION REQUIREMENTS AND INCREASED HEIGHT ON THE PROPOSED BUILDING LOCATED ON THE NORTHWEST CORNER OF HOUSTON SCHOOL ROAD AND WINTERGREEN ROAD; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Lancaster Development Code provides a thirty-five foot (35') maximum height for buildings, and a minimum change in vertical height of 25% for vertical articulation located within the Light Industrial (LI) zoning district; and

WHEREAS, the applicant has made a request for special exceptions to be granted to said height requirement, and vertical articulation to allow for the increased height of fifty feet (50'), and a reduction in the vertical articulation; and

WHEREAS, the applicant has confirmed that at such time development occurs, changes in paint colors and material changes will be made for vertical articulation; and

WHEREAS, after review and consideration, the City Council finds that the request for special exceptions as provided herein is warranted pursuant to §14.209 (d) of said code and meets the requirements of the Ordinance.

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

SECTION 1. That the request for the special exceptions to the requirements of the Lancaster Development Code to allow fifty (50') and vertical articulation made with paint color and material changes to be located on the northwest corner of Houston School Road and Wintergreen Road, be, and the same is, hereby granted.

SECTION 2. This Resolution shall become effective immediately from and after its passage, as the law and charter in such cases provides.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 27th day of June, 2016.

ATTEST:

APPROVED:

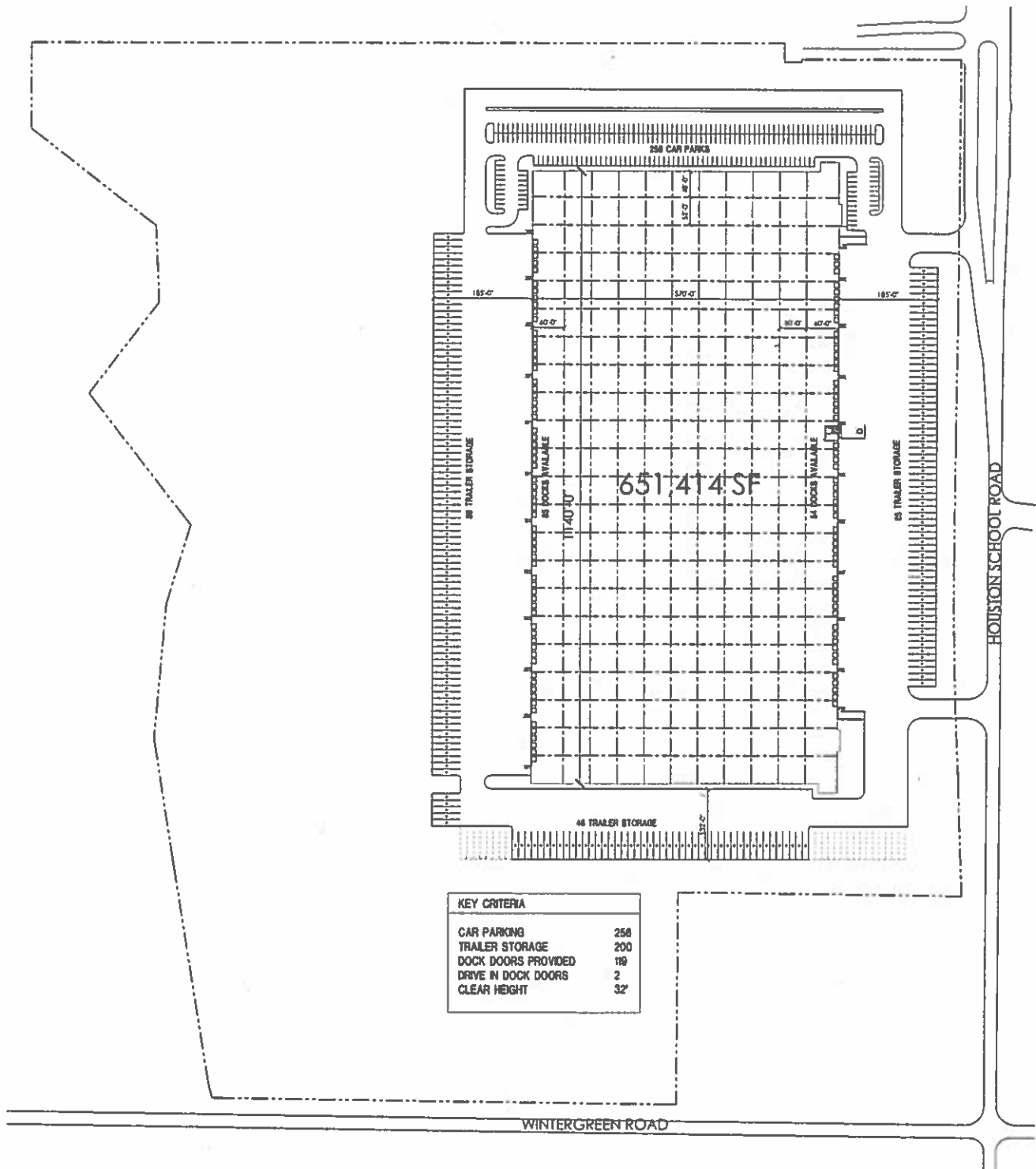
Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

EXAMPLE OF SITE PLAN



LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 3.

Meeting Date: 06/27/2016

Policy Statement: This request supports the City Council 2015-2016 Policy Agenda

Goal(s): Quality Development

Submitted by: Rona Stringfellow, Assistant City Manager

Agenda Caption:

Discuss and consider a resolution granting a request for Special Exceptions pursuant to Sections 14.505 (a) 2 and 3, height and articulations; to provide a Special Exception for increased height and reduced vertical articulation on the proposed industrial site located on the southwest corner of Houston School Road and Daniieldale Road.

Background:

The proposed new development, consists of approximately 26 acres and is planned to contain one building that is 420,000 square feet, (see attached Site Plan).

Article 14.500 – District Development Regulations and Standards of the Lancaster Development Code (LDC), states in Section 14.505, (a) 2 A (Maximum Building Height) that the height limit for all structures, shall be as established in the Districts governing the property on which the structures are located. The District Development Standards table, indicates that the maximum height of a building within the Light Industrial (LI) zoning district, is thirty five feet (35').

Section 14.505 (a) (3) (A) states under Vertical Articulation, that no horizontal wall shall extend for a distance greater than 4 times the height of the wall, without changing height by a minimum of 25% of the wall's height. The applicant is proposing a "cross-dock" building design, that provides for loading on both sides of the building, to avoid having loading facing at least one street. Additionally, they are requesting to have a loading dock facing Daniieldale Road without articulation. They are stating that the tractor trailer traffic accessing the loading door, causes significant conflicts with any protrusion or bump out along the building wall. A distribution building with an articulated loading dock wall, will not be competitive in the marketplace with any nearby projects.

Due to the growing trend in industrial distribution buildings for taller buildings, to create more efficiency in using the cubic space available within the building footprint. There have been significant enhancements in material handling equipment, and fire sprinkler designs, such that taller buildings are becoming the standard in all competitive industrial distribution areas, to forty-nine feet (49'), and not generally requiring articulations across the loading dock walls, to allow exterior height of forty-nine feet (49').

Article 14.209 (d) of Chapter 14.200 – Authority and Administrative Procedures of the LDC states that the City Council, pursuant to the powers conferred upon it by State law, the ordinances of the City, and this Article may grant Exceptions herein provided to the provisions of this ordinance upon finding that:

- (1) Such Exception will not substantially or permanently injure the appropriate use of adjacent property in the same district; and
- (2) Such Exception will not adversely affect the health, safety or general welfare of the public; and
- (3) Such Exception will not be contrary to the public interest; and
- (4) Such Exception will not authorize the operation of a use other than those uses specifically authorized

for the district in which the property for which the Exception sought is located, except as provided elsewhere in this ordinance; and

(5) Such Exception will be in harmony with the spirit and purpose of this ordinance; and

(6) Such Exception will not alter the essential character of the district in which is located the property for which the Exception is sought; and

(7) Such Exception will not substantially weaken the general purposes of the zoning regulations established for the district in which the property is located; and

(8) Such Exception is within the spirit and intent of the City's Comprehensive plan and other policies.

Operational Considerations:

The purpose of the request is to seek an exception to the maximum building height in the Light Industrial (LI) zoning district and an exception to building articulation to allow for a loading dock facing Daniieldale without articulation.

The City Council must determine if the height and articulation exception meets the intent of the ordinance.

Legal Considerations:

The resolution has been reviewed and approved as to form by the City Attorney.

Public Information Considerations:

This resolution is being considered at a regular meeting of the City Council, in accordance with the Texas Open Meetings Act.

Options/Alternatives:

1. Approve the resolution as presented.
2. Deny the request.

Recommendation:

Staff recommends approval of both exceptions height and articulation.

Attachments

Resolution

Site plan and elevations

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, GRANTING A REQUEST FOR SPECIAL EXCEPTIONS PURSUANT TO SECTION 14.505 (A) 2 AND 3, OF THE LANCASTER DEVELOPMENT CODE; TO PROVIDE A SPECIAL EXCEPTION TO A REDUCTION IN THE ARTICULATION REQUIREMENTS AND INCREASED HEIGHT ON THE PROPOSED BUILDING LOCATED ON THE SOUTHWEST CORNER OF HOUSTON SCHOOL ROAD AND DANIELDALE ROAD; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Lancaster Development Code provides a thirty-five foot (35') maximum height for buildings, and a minimum change in vertical height of 25% for vertical articulation located within the Light Industrial (LI) zoning district; and

WHEREAS, the applicant has made a request for special exceptions to be granted to said height requirement, and vertical articulation to allow for the increased height of forty-nine feet (49'), and a reduction in the vertical articulation on the loading dock that takes Daniieldale Road; and

WHEREAS, after review and consideration, the City Council finds that the request for special exceptions as provided herein are warranted pursuant to §14.209 (d) of said code and meets the requirements of the Ordinance.

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

SECTION 1. That the request for the special exceptions to the requirements of the Lancaster Development Code to allow forty-nine feet (49') and reduction of vertical articulation on the loading dock that faces Daniieldale Road to be located on the southwest corner of Houston School Road and Daniieldale Road, be, and the same is, hereby granted.

SECTION 2. This Resolution shall become effective immediately from and after its passage, as the law and charter in such cases provides.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 27th day of June, 2016.

ATTEST:

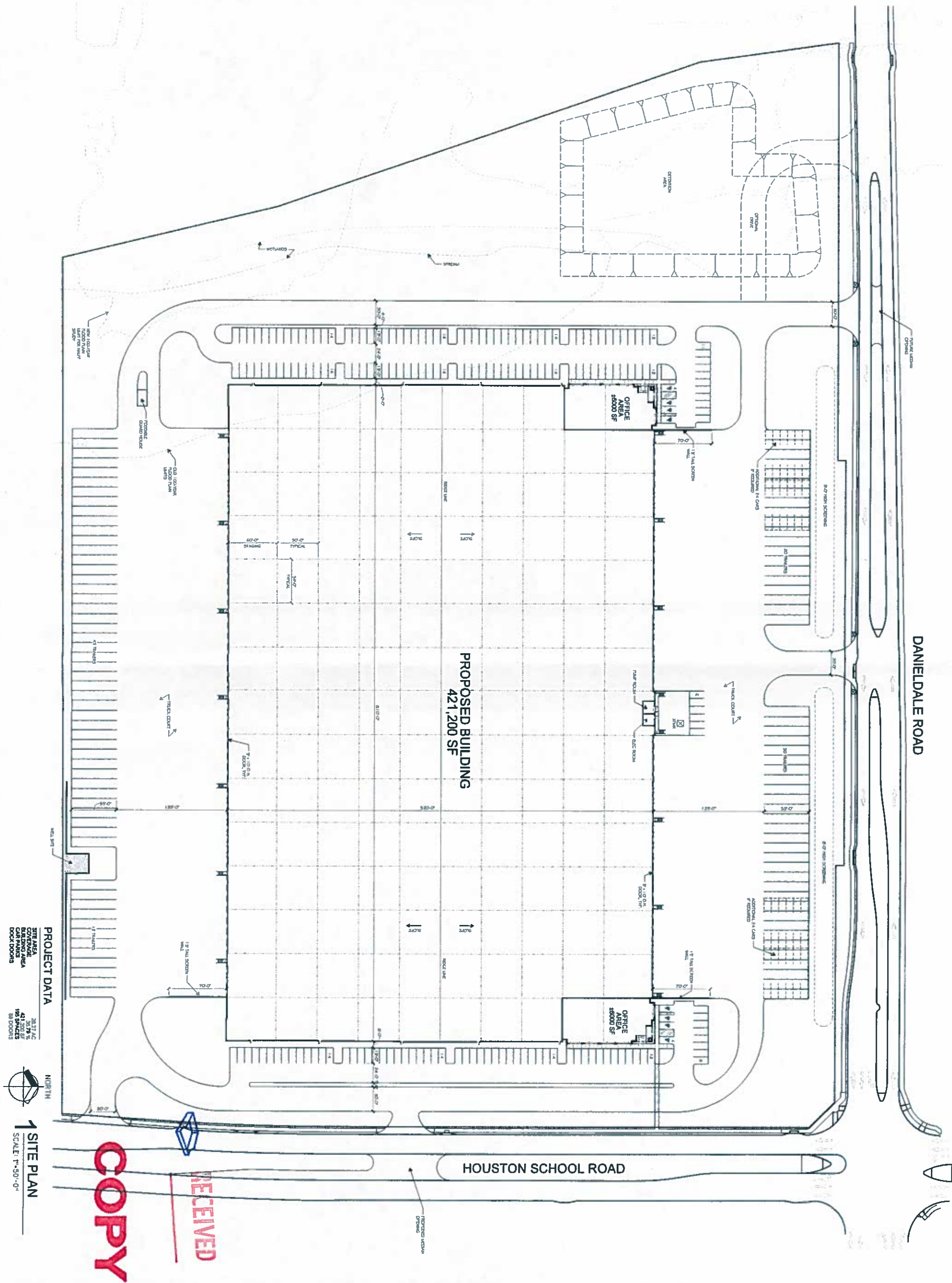
APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney



FIRST INDUSTRIAL
I-20/35 DISTRIBUTION CENTER
LANCASTER, TEXAS



pross design group, incorporated
6210 Harwood Hall Road, Suite 100, Dallas, Texas 75220 972/798-1400



FIRST
INDUSTRIAL
REALTY TRUST

drawn: BO
checked: MARK W. PROSS
date: 05/27/2016



LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 4.

Meeting Date: 06/27/2016

Policy Statement: This request supports the City Council 2015-2016 Policy Agenda

Goal(s): Sound Infrastructure
Quality Development

Submitted by: Rona Stringfellow, Assistant City Manager

Agenda Caption:

Consider a resolution accepting a dedication of a 0.706 acre tract of land from Mills Branch Village Center LTD. on Village Drive.

Background:

The owners of the property located within The Woodlands development of the Mills Branch Overlay District, dedicated Village Drive to the City of Lancaster in 2008. Since that time, the new Neighborhood Walmart has been constructed. It was discovered by the property owners that this small section of the roadway was not included in the original dedication. This parcel is necessary to complete the Village Drive roadway within the Woodlands development of the Mills Branch Overlay District.

Village Drive is not constructed. The property owner is dedicating the remaining portion to the City for a more cohesive and complete roadway, for future development.

Operational Considerations:

The tract of land is needed for future construction of Village Drive. The City is acquiring right-of-way for that purpose. At such time the roadway is constructed, by the developer or property owner, it will be property of the City of Lancaster and maintained by the city.

Legal Considerations:

The dedication deed and resolution has been reviewed and approved as to form by the City Attorney.

Public Information Considerations:

This item will be considered at a meeting of the City Council, noticed in accordance with the Texas Open Meetings Act.

Options/Alternatives:

1. City Council may approve the resolution as presented.
2. City Council may deny the resolution

Recommendation:

Staff recommends approval of the resolution as presented.

Financial Considerations:

The financial impact to the City is \$10.00 plus the cost of a title policy, and filing fees. The City will have future costs associated with maintenance of the rights-of-way and roadway following construction.

Attachments

Resolution

Dedication Deed

Exhibits A and A-1

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, AUTHORIZING THE ACQUISITION OF RIGHT OF WAY ALONG VILLAGE DRIVE; DECLARING THAT A PUBLIC NECESSITY EXISTS TO ACQUIRE THE PROPERTY; AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO NEGOTIATE THE PURCHASE OF THE LAND FOR JUST COMPENSATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lancaster ("City") wishes to provide for the health and welfare of its citizens; and

WHEREAS, the City is a home rule City with specific, enumerated powers to provide for the health, safety and general welfare of its citizens; and

WHEREAS, the City is authorized pursuant to Chapter 251, TEX. LOCAL GOV'T CODE, to exercise the right or power of eminent domain for public purposes to acquire property, whether located inside or outside the municipality, where necessary for the purpose of providing transportation improvements; and

WHEREAS, the City is authorized to exercise the power of eminent domain to acquire the property for the expansion of transportation infrastructure and its attendant uses; and

WHEREAS, the parcel of land necessary for expansion of transportation infrastructure and attendant uses has been appraised in accordance with the provisions of Chapter 21, TEX. PROPERTY CODE to establish just compensation as provided therein;

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

SECTION 1. That the City Council of the City of Lancaster hereby finds that a public necessity, use, and purpose exists to acquire certain property along Village Drive for expansion and improvement to the transportation infrastructure and appurtenant uses.

SECTION 2. That the City Manager or her designee is hereby authorized and directed to make an offer and/or accept a dedication from the property owner for the acquisition of the land.

SECTION 3. That an offer of a just and adequate compensation based on fair market value shall be made for the tract of land on Village Drive, including damages to the remainder, if any.

SECTION 4. That if for any reason any section, paragraph, subdivision, clause, phrase or provision of this Resolution shall be held invalid, it shall not affect any valid provisions of this or any other Resolution of the City of Lancaster to which these rules and regulations relate.

SECTION 5. That the City Council hereby finds and declares all predatory language herein to be true and correct and approves and adopts the same herein as part of this Resolution.

SECTION 6. That this Resolution shall take effect on and after its adoption by the City Council of the City of Lancaster.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 27th day of June, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DEDICATION DEED

**STATE OF TEXAS §
 §
COUNTY OF DALLAS §**

KNOW ALL MEN BY THESE PRESENTS:

That Mills Branch Village Center LTD., as Grantors, for and in consideration of the sum of \$10.00 and other good and valuable consideration in hand paid by the City of Lancaster, Texas, as Grantee, the receipt and sufficiency of which is hereby acknowledged, has granted, sold and conveyed, and by these presents does grant, sell and convey unto the said City of Lancaster, Texas, right-of-way for public street purposes, including the right of ingress, egress, and regress therein, and easements to construct, maintain, and repair water lines, sewer lines, drainage improvements, public access, and any and all public utilities deemed necessary by said City into, or any other public purpose, over, under and through all that certain tract of land described and depicted in the Exhibit A and A-1, respectively, attached hereto and made part hereof for all purposes, the same as if fully copied herein.

To have and to hold the above described street right-of-way in and to said premises with the right of ingress, egress, and regress therein, together with all and singular the usual rights thereto in anywise belonging, unto the said City of Lancaster, Texas, its successors and assigns, forever, and Grantor does hereby bind itself, its successors and assigns, to warrant and forever defend, all and singular, the said premises unto the said City of Lancaster, Texas, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereto.

In witness whereof, I have hereunto subscribed my name this 27th day of June, 2016.

By: _____
Name: Mills Branch Village Center, LTD

GRANTORS' ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

 This instrument was acknowledged before me on the _____ day of _____ 2016, by
_____.

Notary Public, State of Texas

My Commission expires: _____

GRANTORS' ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

 This instrument was acknowledged before me on the _____ day of _____ 2016, by
Mills Branch Village Center LTD.

Notary Public, State of Texas

My Commission expires: _____

Upon Recording Return to Grantee:

City of Lancaster
Attn: City Secretary
211 N. Henry Street
Lancaster, Dallas County, Texas 75146

BEING a tract of land situated in the A. Bledsoe Survey, Abstract No. 113, City of Lancaster, Dallas County, Texas, and being a portion of a called 1.104 acre tract of land described in the Special Warranty Deed to Mills Branch Village Center, LTD., as recorded in Instrument No. 20080077097, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at the southeast corner of a called 0.706 acre tract of land described in the Right-of-Way Deed to the City of Lancaster, Texas, as recorded in Instrument No. 20080063068, said Official Public Records of Dallas County, Texas, and on the northerly line of said 1.104 acre tract, and from which a 1/2-inch iron rod found for witness at the northeast corner of said 1.104 acre tract bears North 88°28'31" East, a distance of 190.68 feet;

THENCE South 01°30'21" East, departing the northerly line of said 1.104 acre tract, crossing said 1.104 acre tract, a distance of 49.97 feet to a point for corner on the southerly line of said 1.104 acre tract, and on the northerly line of a called 73.962 acre tract described in the deed to C.T. Beckham, as recorded in Instrument No. 200600470490, said Official Public Records of Dallas County, Texas;

THENCE South 88°29'40" West, along the southerly line of said 1.104 acre tract, a distance of 50.00 to a point for corner;

THENCE North 01°30'21" West, departing the southerly line of said 1.104 acre tract and the northerly line of said 73.962 acre tract, crossing said 1.104 acre tract, a distance of 49.96 feet to a point for corner at the southwest corner of said 0.706 acre tract, and on the northerly line of said 1.104 acre tract;

THENCE North 88°28'31" East, along the northerly line of said 1.104 acre tract, and along the southerly line of said 1.104 acre tract, a distance of 50.00 feet to the POINT OF BEGINNING and containing 0.057 of an acre (2,498 square feet) of land, more or less.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.



MICHAEL MARX
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 5181
5750 GENESIS COURT, SUITE 200
FRISCO, TEXAS 75034
PH. 972-335-3580
michael.marx@kimley-horn.com

EXHIBIT A
STREET RIGHT OF WAY
DEDICATION
A. BLED SOE SURVEY,
ABSTRACT NO. 113
CITY OF LANCASTER
DALLAS COUNTY, TEXAS



Kimley-Horn
and Associates, Inc.

5750 Genesis Court, Suite 200
Frisco, Texas 75034

FIRM # 10190822

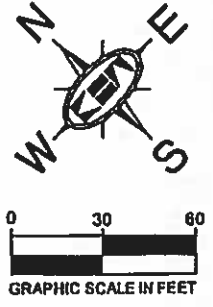
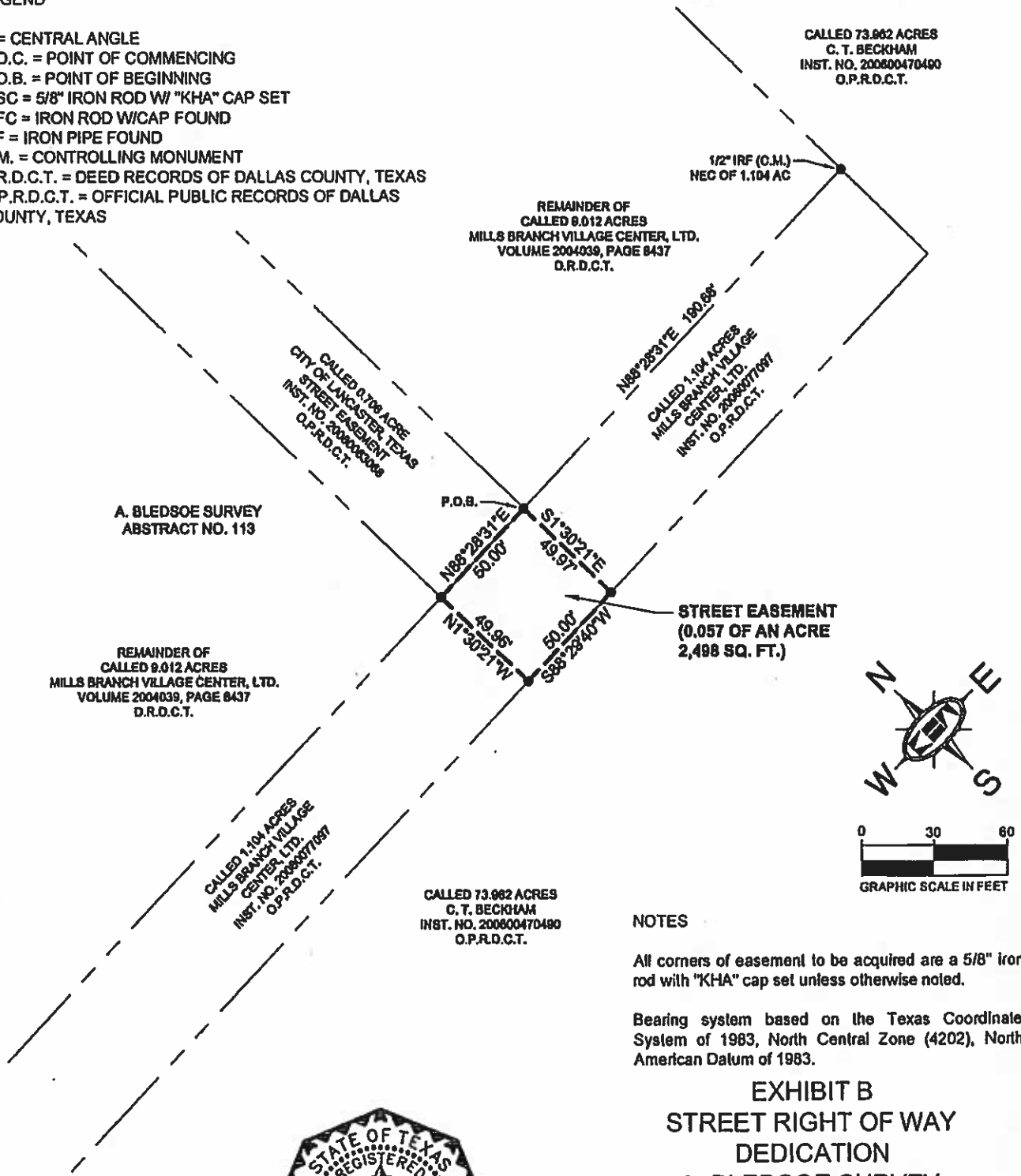
Tel. No. (972) 335-3580
Fax No. (972) 335-3779

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
-	JEG	MBM	MAR. 2014	063362458	1 OF 2

EXHIBIT A-1

LEGEND

Δ = CENTRAL ANGLE
P.O.C. = POINT OF COMMENCING
P.O.B. = POINT OF BEGINNING
IRSC = 5/8" IRON ROD W/ "KHA" CAP SET
IRFC = IRON ROD W/CAP FOUND
IPF = IRON PIPE FOUND
C.M. = CONTROLLING MONUMENT
D.R.D.C.T. = DEED RECORDS OF DALLAS COUNTY, TEXAS
O.P.R.D.C.T. = OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS



NOTES


All corners of easement to be acquired are a 5/8" iron rod with "KHA" cap set unless otherwise noted.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.

**EXHIBIT B
STREET RIGHT OF WAY
DEDICATION
A. BLEDSOE SURVEY,
ABSTRACT NO. 113
CITY OF LANCASTER
DALLAS COUNTY, TEXAS**



MICHAEL MARX
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 5181
5750 GENESIS COURT, SUITE 200
FRISCO, TEXAS 75034
PH. 972-335-3580
michael.marx@kimley-horn.com

 Kimley-Horn and Associates, Inc.		5750 Genesis Court, Suite 200 Frisco, Texas 75034		FIRM # 10193822		Tel. No. (972) 335-3580 Fax No. (972) 335-3770	
		Scale 1" = 60'	Drawn by JEG	Checked by MBM	Date MAR. 2014	Project No. 063362458	Sheet No. 2 OF 2

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 5.

Meeting Date: 06/27/2016

Policy Statement: This request supports the City Council 2015-2016 Policy Agenda

Goal(s): Sound Infrastructure
Quality Development

Submitted by: Rona Stringfellow, Assistant City Manager

Agenda Caption:

Consider a Resolution approving the terms and conditions of a License Agreement by and between the City of Lancaster and Quik Trip Corporation for the installation and maintenance of a monument entry feature and landscaping improvements within the Pleasant Run Road right-of-way for the Quik Trip development.

Background:

The applicant is requesting approval of a license agreement, to locate a monument entry feature, and landscaping within the Pleasant Run Road right-of-way for the Quik Trip Development at the northeast corner of Pleasant Run Road, and Interstate Highway 35E. The improvements will be installed by the developer, at their cost and maintained by the city. This license agreement grants permission to the developer to have a monument sign and landscaping in public right-of-way. Approval of the license agreement is granted by City Council. City staff has reviewed the construction plans and have no concerns with this proposal.

Operational Considerations:

The purpose of the request is to seek approval of a license agreement in fulfillment of the streetscape masterplan providing a 15' monument sign in the median.

The proposed improvements will be installed by Quik Trip and maintained by the City.

Legal Considerations:

The license agreement and resolution have been reviewed and approved by the City Attorney. This agreement is required before any signage can be located in City right-of-way.

Public Information Considerations:

This resolution is being considered at a regular meeting of the City Council, in accordance with the Texas Open Meetings Act.

Options/Alternatives:

1. Approve the resolution as presented.
2. Deny the resolution.

Recommendation:

Staff recommends approval of the resolution, as presented.

Financial Considerations:

The cost of the improvements is the responsibility of the developer and the City is responsible for the maintenance.

Attachments

Resolution

Exhibit A

Exhibit A-1

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, APPROVING THE TERMS AND CONDITIONS OF A LICENSE AGREEMENT BY AND BETWEEN THE CITY OF LANCASTER AND QUIK TRIP CORPORATION, FOR THE INSTALLATION OF A MONUMENT ENTRY FEATURE AND LANDSCAPING IMPROVEMENTS WITHIN THE PLEASANT RUN ROAD RIGHT-OF-WAY FOR THE QUIK TRIP DEVELOPMENT; AUTHORIZING THE CITY MANAGER TO EXECUTE SAID LICENSE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, City of Lancaster ("City") and Quik Trip Corporation ("QT"), a Texas Corporation, desire to enter into a right-of-way license agreement for the installation of a monument entry feature and landscaping improvements; and

WHEREAS, the City and QT have negotiated such license agreement; and

WHEREAS, after discussion and consideration, the City Council has determined that it would be in the best interest of the City and its citizens to enter into such agreements;

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

SECTION 1. That the License Agreement attached hereto and incorporated herein by reference as Exhibit A, having been reviewed by the City Council of the City of Lancaster, Texas and found to be acceptable and in the best interest of the City and its citizens, be, and the same is hereby, in all things approved.

SECTION 2. That the City Manager is hereby authorized to execute the License Agreement by and between the City of Lancaster and Quik Trip Corporation.

SECTION 3. That this Resolution shall take effect immediately from and after its adoption and it is so resolved.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 27th day of June, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

STATE OF TEXAS	§	
	§	LICENSE AGREEMENT
COUNTY OF DALLAS	§	

This License Agreement ("AGREEMENT") is made by and between City of Lancaster, Texas (hereinafter referred to as "CITY") and Quik Trip Corporation, a Texas Corporation (hereinafter referred to as "LICENSEE") acting by and through their authorized representatives.

WITNESSETH:

WHEREAS, CITY owns the right-of-way described in Exhibit "A-1" attached hereto and incorporated herein for all purposes; and

WHEREAS, LICENSEE has requested the CITY allow the use and occupancy of the right-of-way for the purpose of LICENSEE installing and maintaining landscaping and signage improvements (hereinafter referred to as "IMPROVEMENTS");

NOW, THEREFORE, in consideration of the covenants contained herein and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Purpose:** CITY hereby grants LICENSEE a license, pursuant to the terms of this AGREEMENT, for the purpose of installing landscaping and signage IMPROVEMENTS within that certain CITY right-of-way being more particularly described in Exhibit "A-1."
2. **Terms:** The term of this AGREEMENT shall be perpetual, subject, however, to termination by the CITY as provided herein.
3. **Non-exclusive:** This AGREEMENT is nonexclusive and is subject to any existing utility, drainage or communications facility located in, on, under or upon the right-of-way or property owned by CITY, any utility or communication company, public or private, to all vested rights presently owned any utility or communication company, public or private for the use of the CITY right-of-way for facilities presently located within the boundaries of the right-of-way and to any existing lease, license, or other interest in the right-of-way granted by CITY to any individual, corporation or other entity, public or private.
4. **Environmental Protection:** LICENSEE shall not use or permit the use of the property for any purpose that may be in violation of any laws pertaining to the health of the environment, including, without limitation, the comprehensive environmental

response, compensation and liability act of 1980 ("CERCLA"), the resource conservation and recovery act of 1976 ("RCRA"), the Texas Water Code and the Texas Solid Waste Disposal Act. LICENSEE warrants that the permitted use of the property will not result in the disposal or other release of any hazardous substance or solid waste on or to the property and that it will take all steps necessary to ensure that no such hazardous substance or solid waste will ever be discharged onto the property or adjoining property by LICENSEE. The terms "hazardous substance" and "release" shall have the meaning specified in CERCLA and the term "solid waste" and "disposal (or dispose)" shall have the meaning specified in the RCRA; provided, however, that in the event either CERCLA or RCRA is amended so as to broaden the meaning of any term defined thereby, such broader meaning shall apply subsequent to the effective date of such amendment; and provided further, to the extent that the laws of the State of Texas establish a meaning for hazardous substance, release, solid waste, or disposal which is broader than that specified in the CERCLA or RCRA, such broader meaning shall apply. LICENSEE shall indemnify and hold CITY harmless against all costs, environmental clean up to the property and surrounding CITY property resulting from LICENSEE's use of the property under this AGREEMENT.

5. **Mechanic's liens not permitted:** LICENSEE shall fully pay all labor materials used in, on or about the property and will not permit or suffer any mechanic's or materialman's liens of any nature be affixed against the property by reason of any work done or materials furnished to the property at LICENSEE's instance or request.
6. **Future City use:** This AGREEMENT is made expressly subject and subordinate to the right of CITY to use the property for any public purpose whatsoever. In the event that CITY shall, at any time subsequent to the date of this AGREEMENT, at its sole discretion, determine that the relocation or removal of the IMPROVEMENTS shall be necessary or convenient for CITY's use of the property, LICENSEE shall at its sole cost and expense make or cause to be made such modifications or relocate said IMPROVEMENTS so as not to interfere with the CITY's or CITY's assigns use of the property. A minimum of thirty (30) days written notice for the exercise of the above action shall be given by CITY and LICENSEE shall promptly commence to make the required changes and complete them as quickly as possible or reimburse CITY for the cost of making such required changes.
7. **Maintenance:** The CITY, or its assignee, agrees to maintain the IMPROVEMENTS for the duration of this AGREEMENT.
8. **Duration of License:** This AGREEMENT shall terminate and be of no further force and effect in the event LICENSEE shall discontinue or abandon the use of the IMPROVEMENTS or in the event LICENSEE shall remove the IMPROVEMENTS from the property or upon termination by CITY whichever event first occurs.
9. **Compliance with laws:** LICENSEE agrees to abide by and be governed by all laws, ordinances and regulation of any and all government entities having jurisdiction over the LICENSEE.

10. **Indemnification:** LICENSEE shall defend, protect and keep CITY forever harmless and indemnified against and from any penalty, or any damage, or charge, imposed for any violation of any law, ordinance, rule or regulation arising out of the use of the property by the LICENSEE, whether occasioned by the neglect of LICENSEE, its employees, officers, agents, contractors or assigns or those holding under LICENSEE. LICENSEE shall at all times defend, protect and indemnify and it is the intention of the parties hereto that LICENSEE hold CITY harmless against and from any and all loss, cost, damage, or expense, including attorney's fee, arising out of or from any accident or other occurrence on or about the property causing personal injury, death or property damage resulting from use of property by LICENSEE, its agents, employees, customers and invitees, except when caused by the negligence or willful misconduct of CITY, its officers, employees or agents, and only then to the extent of the proportion of any fault determined against CITY for its willful misconduct. LICENSEE shall at all times defend, protect, indemnify and hold CITY harmless against and from any and all loss, cost, damage, or expense, including attorney's fees arising out of or from any and all claims or causes of action resulting from any failure of LICENSEE, its officers, employees, agents, contractors or assigns in any respect to comply with and perform all the requirements and provisions hereof.
11. **Action upon termination:** At such time as this AGREEMENT may be terminated or canceled for any reason whatsoever, LICENSEE, upon request by CITY, shall either (i) remove all IMPROVEMENTS and appurtenances owned by it, situated in, under or attached to the CITY and shall restore such property to substantially the condition of the property prior to LICENSEE's encroachment at LICENSEE's sole expense; or (ii) abandon all IMPROVEMENTS and appurtenances in place with such IMPROVEMENTS becoming the property of the City.
12. **Assignment:** LICENSEE shall not assign or transfer its rights under this AGREEMENT to any other person or entity without the prior consent of CITY, which consent will not be unreasonably withheld, provided, however that LICENSEE has the right, without further action by or consent from the CITY to assign this AGREEMENT and the duties, obligations, responsibilities and liabilities imposed herein to a to-be-formed entity, which will be formed to act as the homeowner's association for the residential development to be developed by LICENSEE, and further provided that upon such assignment, LICENSEE is released from all duties, obligations, responsibilities and liabilities arising under or pursuant to the terms and provisions of this AGREEMENT.
13. **Termination:** This AGREEMENT may be terminated in any of the following ways:
- a. Written agreement of both parties;
 - b. By CITY giving LICENSEE thirty (30) days prior written notice;
 - c. By CITY upon failure of LICENSEE has not cured any failure within thirty (30) days of written notification by CITY of such failure.

14. **Notice:** When notice is PERMITTED or required by this Agreement, it shall be in writing and shall be deemed delivered when delivered in person or when placed, postage prepaid in the United States mail, certified return receipt requested, and addressed to the parties at the address set forth below. Either party may designate from time to time another and different address for receipt of notice by giving notice of such change or address.

to City: Opal Mauldin-Robertson,
City Manager
City of Lancaster
211 North Henry
P.O. Box 940
Lancaster, Texas 75146

To LICENSEE: Quik Trip Corporation
Attn: Daniel Chambers
1120 North Industrial Boulevard
Euless, Texas 76039

15. **Attorney's fees:** Any signatory to this AGREEMENT, who is the prevailing party in any legal proceeding against any other signatory brought under or with relation to this Agreement shall be entitled to recover court cost and reasonable attorney's fees from the non-prevailing party.
16. **Governing law:** This AGREEMENT is governed by the laws of the State of Texas; and venue for any action shall be in Dallas County, Texas.
17. **Binding effect:** This AGREEMENT shall be binding upon and inure to the benefit of the executing parties and their respective heirs, personal representatives, successors and assigns.
18. **Entire Agreement:** This AGREEMENT embodies the entire agreement between the parties and supersedes all prior agreements, understandings, if any, relating to the property and the matters addressed herein and may be amended, or supplemented only by written instrument executed by the party against whom enforcement is sought.
19. **Recitals:** The recitals to this Agreement are incorporated herein by reference.
20. **Headings:** The heading of this AGREEMENT are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereto.
21. **Legal construction:** The provisions of this AGREEMENT are hereby declared covenants running with the property and are fully binding on all successors, heirs, and assigns of LICENSEE who acquires any right, title, or interest in or to the property or any part thereof. Any person who acquires any right, title, or interest in or to the

property, or any part hereof, thereby agrees and covenants to abide by and fully perform the provisions of this AGREEMENT with respect to the right, title or interest in such property.

EXECUTED this 27th day of June, 2016.

CITY OF LANCASTER

By: _____
Opal Mauldin-Robertson, City Manager

ATTEST:

By: _____
Sorangel O. Arenas, City Secretary

Quik Trip Corporation,
a Texas Corporation

BY: _____

NAME: _____ Daniel Chambers

TITLE: _____ Owner

LICENSEE'S ACKNOWLEDGMENT

STATE OF TEXAS §

§

COUNTY OF TARRANT §

 This instrument was acknowledged before me on the ____ day of _____, 2016, by Daniel Chambers, Real Estate Project Manager of Quik Trip Corporation, Texas, on behalf of corporation.

Notary Public, State of Texas

My Commission expires: _____

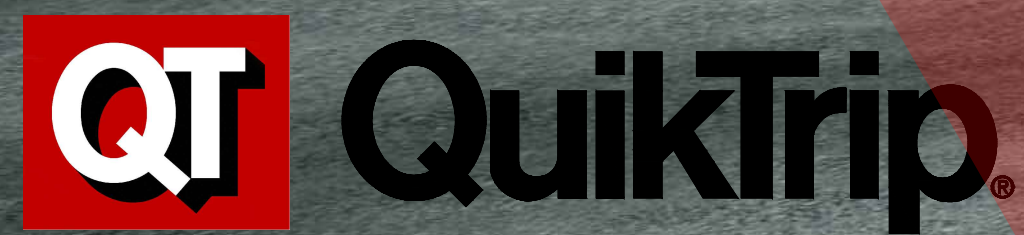
CITY'S ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

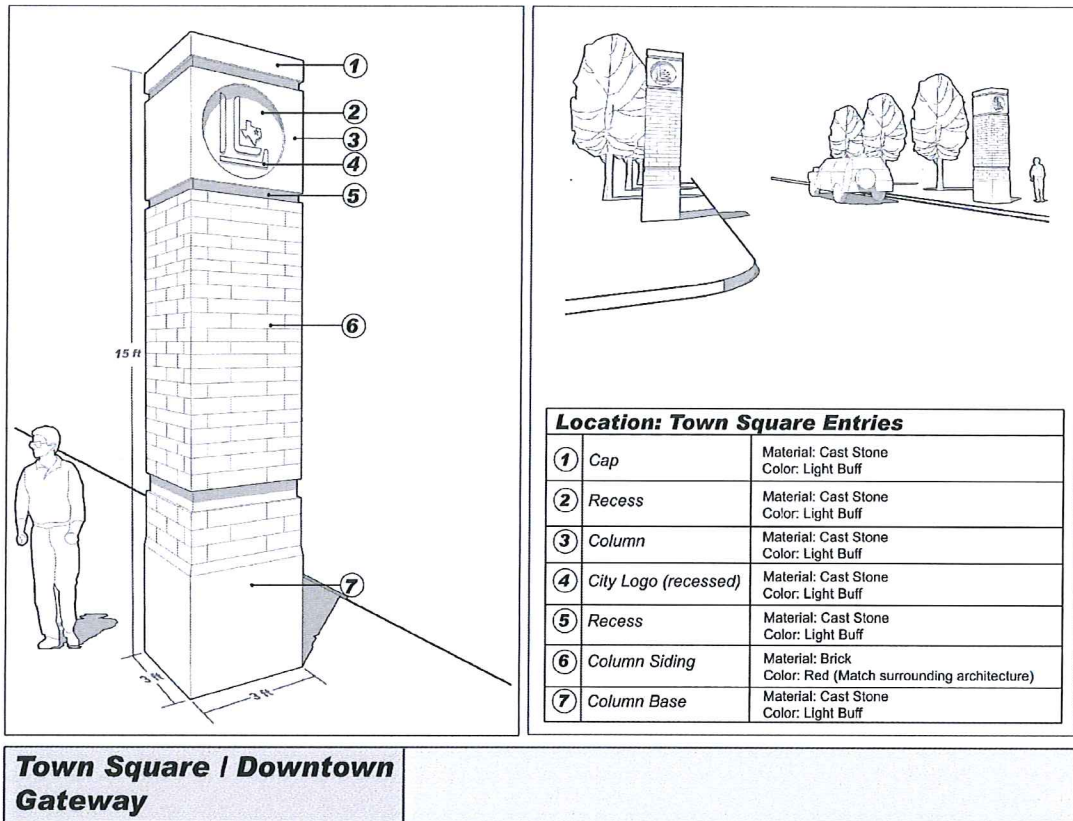
This instrument was acknowledged before me on the ____ day of _____, 2016, by Opal Mauldin-Robertson, City Manager of the City of Lancaster, Texas, a Texas municipality, on behalf of said municipality.

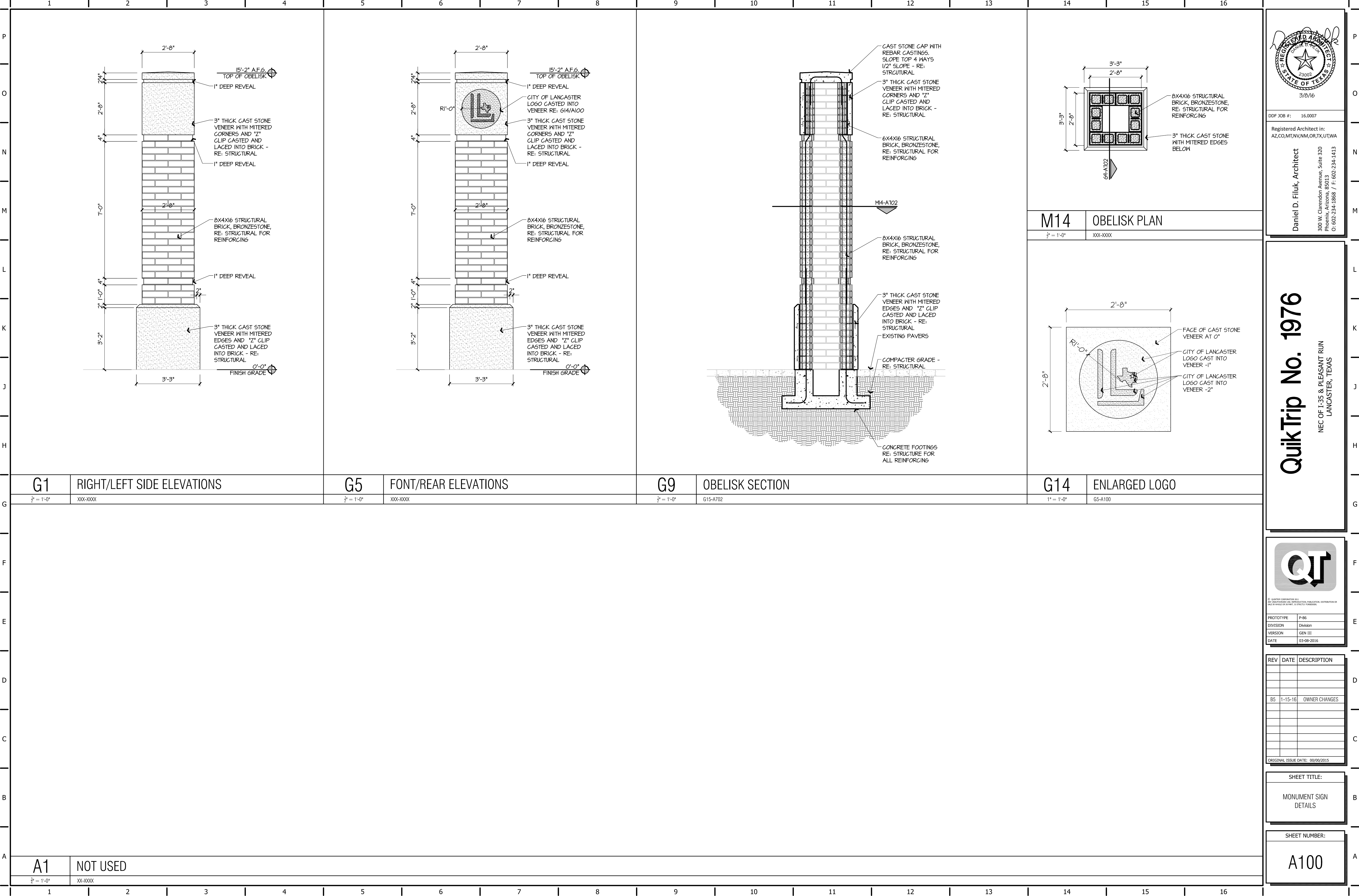
Notary Public, State of Texas

My Commission expires:

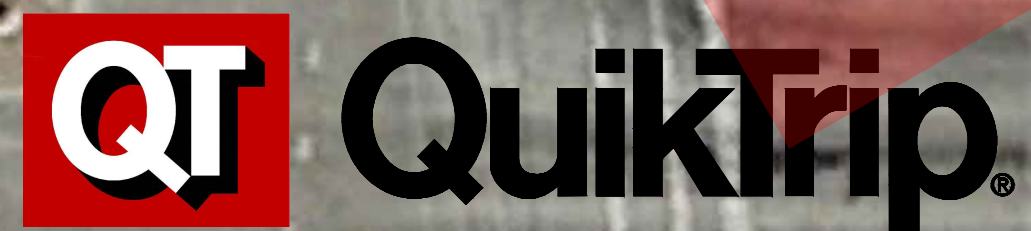


Store 1976 Lancaster, TX
08-1976-PE08 Date: 02.12.16 By:JK





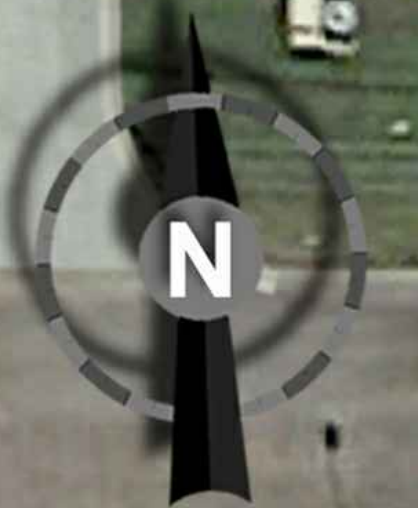
N Interstate 35 E Service Rd



Store 1976 Lancaster, TX
08-1976-SP01 Date: 01.08.16 By:JK

E Pleasant Run Rd

Gateway Monument



LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 6.

Meeting Date: 06/27/2016

Policy Statement: This request supports the City Council 2015-2016 Policy Agenda

Goal(s): Quality Development

Submitted by: Ed Brady, Director of Economic Development

Agenda Caption:

Discuss and consider a resolution authorizing the City Manager to execute an economic development agreement pursuant to Chapter 380, Texas Local Government Code, by and between the City of Lancaster and White Tract, LLC.

Background:

White Tract, LLC (Panattoni Development Company), has purchased 100 acres on North Dallas Avenue, to construct one warehouse distribution facility, totaling approximately, one million six hundred thousand (1,600,000), square feet to lease to future tenants.

The company estimates approximately \$75,000,000, in value added capital investment at their site in Lancaster. The company has applied for a real property tax incentive grant, in compliance with the City's Incentive Policy.

Operational Considerations:

White Tract, LLC will annually submit receipts for real property tax payments, in order to exercise the Grant. Within 60 days of verification of payment, the City will remit sixty five percent (65%), of the payment to the company for a period of ten (10) years.

Legal Considerations:

The City Attorney as reviewed and approved the resolution and agreement as to form.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed in accordance with the Texas Open Meeting Act.

Options/Alternatives:

1. The City Council may approve the resolution and agreement as presented.
2. The City Council may reject the resolution and agreement.

Recommendation:

Staff recommends approval of the resolution and agreement.

Financial Considerations:

Based on the estimated value added capital investment submitted by the company and in consideration of the sixty five percent (65%) real property tax grant for ten (10) years, the project will represent approximately \$2,000,000 over the ten year period in new revenue to the City.

Attachments

Resolution

Agreement

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE ECONOMIC DEVELOPMENT AGREEMENT WHICH IS ATTACHED HERETO AS EXHIBIT A PURSUANT TO CHAPTER 380, TEXAS LOCAL GOVERNMENT CODE, BY AND BETWEEN THE CITY OF LANCASTER AND WHITE TRACT, LLC, A DELAWARE LIMITED LIABILITY COMPANY; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, White Tract, LLC, a Delaware limited liability company has purchased approximately one hundred (100) acres of real property in Lancaster, Texas and desires to construct a warehouse-distribution building totaling approximately 1,600,000 square feet; and

WHEREAS, White Tract, LLC's development of the Premises will provide employment opportunities within the City; and

WHEREAS, the location of White Tract, LLC's project on the Premises will result in a significant capital investment and improvements on the Premises; and

WHEREAS, White Tract, LLC has advised the City that a contributing factor that would induce the company to construct and lease to tenants the building would be an agreement by the City to provide an economic development grant to the company; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to White Tract, LLC in accordance with this Agreement is in accordance with the City Economic Development Policy and will: (i) further the objectives of the City; (ii) benefit the City and the City's inhabitants; and (iii) will promote local economic development and stimulate business and commercial activity in the City; and

WHEREAS, City desires to authorize the City Manager to enter into an Economic Development Agreement with White Tract, LLC pursuant to Chapter 380 of the Texas Local Government Code.

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

SECTION 1. That the City Manager is hereby authorized to execute an Economic Development Agreement, which is attached hereto and incorporated herein as Exhibit A, pursuant to Chapter 380 of the Texas Local Government Code (and any amendments thereto, including any related instruments), on behalf of the City of Lancaster, Texas, with White Tract, LLC and its affiliated and related entities.

SECTION 2. That all provisions of the resolutions of the City of Lancaster, Texas, in conflict with the provisions of this resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this resolution shall remain in full force and effect.

SECTION 3. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this resolution be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said resolution which shall remain in full force and effect.

SECTION 4. This resolution shall take effect immediately from and after its passage, as the law and charter in such cases provide.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 27th day of June, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Economic Development Agreement

This Economic Development Agreement (“Agreement”) is made by and between the City of Lancaster, Texas (“City”), and White Tract, LLC a Delaware limited liability company, (the “Company”), acting by and through their respective authorized representatives.

W I T N E S S E T H:

WHEREAS, the Company has purchased approximately 100 acres of real property in the City of Lancaster, Texas, and being more particularly described in **Exhibit “A”** (the “Property”); and

WHEREAS, the Company intends to construct a warehouse-distribution building totaling approximately 1,600,000 square feet and related infrastructure for future tenant or owner occupied warehouse-distribution operations (the “Project”) and building permits will be applied for and construction on the building will commence within twenty-four (24) months from the effective date of this agreement; and

WHEREAS, the Company has advised the City that a contributing factor that would induce the Company to undertake the Project would be an agreement by the City to provide an economic development grant to the Company to reimburse it for a portion of the Real Estate Taxes (hereinafter defined); and

WHEREAS, the City desires to encourage business expansions within the City that will add property tax base and generate additional sales tax and other revenue for the City; and

WHEREAS, promoting the expansion of new or existing businesses within the City will promote economic development, stimulate commercial activity, generate additional sales tax and will enhance the premises tax base and economic vitality of the City; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to the Company in accordance with this Agreement is in accordance with the City Economic Development Program and will: (i) further the objectives of the City; (ii) benefit the City and the City’s inhabitants; and (iii) promote local economic development and stimulate business and commercial activity in the City.

NOW THEREFORE, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Article I Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Annual Grant(s)” shall mean annual economic development grants to be provided by the City to Company in an amount equivalent to sixty-five percent (65%) of the Real Property Taxes assessed against the Project for a given tax year for a period of ten (10) consecutive tax years beginning with the first calendar year following the Commencement Date, to be paid as set forth herein. Should, however, the actual square footage of constructed building be reduced to less than the originally planned one million six hundred thousand square feet (1,600,000), then agreement will be amended to reflect a reduced Annual Grant calculated on the formula detailed below and in the City’s Official Incentive Policy and based on the reduced value added capital investment of the Project constructed on the Premises.

<u>Value of Project</u>	<u>Terms of Reduction</u>	<u>% of Reduction</u>
\$75,000,000+	10 years	65%
\$50,000,000	8 years	60%
\$35,000,000	7 years	50%
\$20,000,000	5 years	45%
\$10,000,000	5 years	40%
\$ 5,000,000	3 years	30%

“Casualty” shall mean the Project or portion thereof are wholly or partially destroyed by fire, tornado, hurricane, earthquake, flood or similar casualty that renders the Project or portion thereof unfit for the intended purpose.

“City” shall mean the City of Lancaster, Texas.

“Commencement Date” shall mean the latter of (a) January 1 of the calendar year immediately following the date a Certificate of Occupancy is issued by the City for the Company’s occupancy of the Project (b) no later than January 1, 2019.

“Company” shall mean White Tract, LLC, a Delaware limited liability company and its successors and assigns.

“Effective Date” shall mean the last date of execution hereof.

“Event of Bankruptcy or Insolvency” shall mean the dissolution or termination of a party’s existence as a going business, insolvency, appointment of receiver for any part of such party’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of

creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Events of Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or inaction (unless caused by the intentionally wrongful acts or omissions of the party), fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns or work stoppages.

“Expiration Date” shall mean the date of the payment by City to Company of the full amount of the tenth (10th) Annual Grant.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on the Company Project.

“Premises” shall mean the real property described on Exhibit “A” with or without improvements.”

“Payment Request” shall mean a written request from Company to the City for payment of an Annual Grant.

“Project” shall mean the development of the Project on the Premises, by the design, construction and maintenance of new improvements and related infrastructure for a warehouse-distribution building totaling approximately 1,600,000 square feet.

“Real Property Taxes” shall mean, all real estate ad valorem taxes assessed and levied by the City on the real property with or without improvements in accordance with state law.

“Related Infrastructure” shall mean the construction of the Project in accordance with all City development and building code requirements related to site preparation, water, wastewater, storm water, building construction etc. necessary to receive a City issued “Certificate of Occupancy” at completion of project activities.

“Required Use” shall mean Company’s continuous operation of warehouse-distribution facilities on the Premises.

“Taxable Value” shall mean the assessed value of the Project as certified by the appraisal district, or its successor, for a given year.

Article II

Term

The term of this Agreement shall begin on the "Effective Date and end on the Expiration Date.

Article III

Economic Development Grants

3.1 **Annual Grants.** Subject to the Company's continued satisfaction of all the terms and conditions of this Agreement, the City agrees to provide the Company with the Annual Grants to be paid on March 1 of each calendar year, (or the immediately following business day if March 1 is not a business day), beginning with March 1 of the first full calendar year following the Commencement Date, provided the City has received the Real Estate Taxes assessed against the Project in full for the respective tax year (i.e., the tax year immediately preceding the year in which an Annual Grant is made; and such Real Estate Taxes with respect to that immediately preceding tax year are used to determine the amount of each Annual Grant). For illustration purposes only, assume that the Real Estate taxes assessed against the Project for tax year 2016 is \$100,000.00 then the amount of the first Annual Grant for the Project for Tax Year 2016 would be, \$65,000.00 ($\$100,000.00 \times 65\%$), and would be paid on March 1, 2017.

3.2 **Grant Limitations.** Under no circumstances shall City obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Further, the City shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by the Company. None of the City's obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

3.3 **Current Revenue.** The Annual Grants made hereunder shall be paid solely from lawfully available funds that have been or will be appropriated by the City; provided however the City agrees during the term of this Agreement to make a good faith effort to appropriate funds each year to pay the Annual Grant for the then ensuing fiscal year. If such funds are not available to cover the entirety of any Annual Grant, then any unpaid portion of such shall be paid to the Company as soon as funds become available as provided in this Section together with interest on any unpaid amounts at the rate of 8% per annum from the date due until paid Annual Grant. Consequently, notwithstanding any other provision of this Agreement, the City shall have no obligation or liability to pay any Grants except as allowed by law. The City shall not be required to pay any Annual Grants if prohibited under federal or state legislation or a decision of a court of competent jurisdiction.

3.4 **Tax Protest.** In the event the Company or the owner of the Premises timely and properly protests or contests (including any motion to correct the appraisal roll) the Taxable Value and/or the taxation of the Project, or any portion thereof, with the applicable appraisal district (or its successor), and such protest and/or contest results in a final determination that changes the appraised value and/or the Taxable Value of the Project or the amount of ad valorem taxes assessed and due for the Project, or portion thereof, after an Annual Grant has been paid for such Project for such tax year, the Annual Grant for such tax year shall be adjusted (increased or

decreased as the case may be) accordingly on the date of payment of the next Annual Grant or within sixty (60) business days after such determination in the event no further Annual Grant payments are due under the Agreement. The terms of this Section shall survive the Expiration Date or any termination of this Agreement.

3.5 **Refunds.** In the event the City determines in its reasonable discretion that the amount of an Annual Grant paid by the City to the Company was incorrect, the Company shall, within sixty (60) days after receipt of written notification thereof from the City specifying the amount by which such Annual Grant exceeded the correct amount to which the Company was entitled (together with such records, reports and other information necessary to support such determination), pay such amount to the City. If the amount by which such Annual Grant was less than the correct amount to which the Company was entitled (together with such records, reports and other information necessary to support such determination), the City shall, within sixty (60) days, after the earlier of written notice from Company (together with such records, reports and other information necessary to support such determination) or determination by City, pay the adjustment to the Company. If the Company disputes any of the City's determinations, under this Section, the parties shall seek to amicably resolve the matter, subject to either party's right to pursue any available rights or remedies in connection therewith. The terms of this Section shall survive the Expiration Date or any termination of this Agreement.

Article IV

Conditions to the Economic Development Grant

The obligation of the City to provide the Annual Grants shall be conditioned upon the Company's continued compliance with and satisfaction of each of the material terms and conditions of this Agreement and each of the conditions set forth below:

4.1 During the term of this Agreement following the Commencement Date and continuing thereafter until the Expiration Date, or earlier termination, the Company agrees to continuously own, lease or make available for lease the Project or portion thereof for the Required Use and shall not cease to do so for more than three hundred sixty-five (365) consecutive days, except in connection with, and to the extent of a Casualty or an Event of Force Majeure.

4.2 The Company shall have commenced Project construction on the Premises within twenty-four months (24 months) of the execution date of this agreement subject to Events of Forced Majeure or the agreement will terminate.

4.3 The Company shall not have an uncured breach or default of this Agreement.

4.4 Notwithstanding anything to the contrary in this Agreement, the Company shall not have any obligation to construct the Project. If the Company fails to perform any of its obligations under this Agreement, including without limitation construction of the Project, the City's only remedy shall be to terminate this Agreement as provided herein and the City shall not be entitled to any additional remedies against the Company.

4.5 The Company shall comply with all the terms and conditions of this Agreement.

Article V

Termination

5.1 This Agreement terminates on the Expiration Date, and may prior to the Expiration Date, be terminated upon any one or more of the following:

- (a) by mutual written agreement of the parties;
- (b) by either party, if the other party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof; provided, however, that if the nature of the breach is such that it cannot reasonably be cured within such 30-day period, such party shall be entitled to additional time as may be reasonably required as long as such party commences the cure within such 30-day period and diligently pursues it to completion;
- (c) by City, if any Impositions owed to the City or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such taxes or Impositions);
- (d) by City, if Company suffers an Event of Bankruptcy or Insolvency; or
- (e) by either party if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable after the exhaustion of all appeals;
- (f) should Company fail to return fully signed and executed original agreement(s) to the City within thirty (30) days of written notice of approval of agreement(s) by the Lancaster City Council, the agreement(s) and the incentive offer they represent shall be deemed to be withdrawn and shall have no further affect.
- . (g) by City if the Company fails to commence construction of the Project within twenty-four months (24 months) of the Effective Date, subject Events of Force Majeure..

5.2 Notwithstanding anything contained in this Agreement to the contrary, this Agreement may not be terminated by the City under Section 4.1, Section 5.1(c), Section 5.1(f) or Section 5.1(g) , until the City has given the Company written notice and no less than ten (10) days to cure.

5.3 In the event the Agreement is terminated by the City pursuant to Section 5.1(b), (c), or (d), or by the City and the Company pursuant to Section 5.1(a), the Company shall not be entitled to receive any subsequent Annual Grants under this Agreement but shall have no obligation to refund to the City any Annual Grants (or portion thereof or interest accrued thereon) previously paid by the City to the Company.

5.4 In the event the Agreement is terminated by the City pursuant to Section 5.1(e), the Company shall, only if such legislation or court decision requires, immediately refund to the City an amount equal to the Annual Grant(s) paid by the City to the Company immediately preceding the date of such termination. The repayment obligation of Company set forth in this section 5.3 hereof shall survive termination.

Article VI Miscellaneous

6.1 **Binding Agreement.** The terms and conditions of this Agreement are binding upon the successors and assigns of the parties hereto.

6.2 **Third Party Beneficiaries.** It is understood and agreed between the parties that the Company and City, in satisfying the conditions of this Agreement, have acted independently, and the City assumes no responsibilities or liabilities to third parties in connection with these actions.

6.3 **No Joint Venture.** It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the parties.

6.4 **Authorization.** Each party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto.

6.5 **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 such other address as such party may subsequently designate in writing) or on the day actually received if sent by courier or otherwise hand delivered.

If intended for City, to:

City of Lancaster
Attn: Opal Mauldin-Robertson
City Manager
P. O. Box 940
211 North Henry Street
Lancaster, Texas 75146-0946

With a copy to:

Robert E. Hager
Nichols, Jackson, Dillard,
Hager & Smith, L.L.P
1800 Lincoln Plaza
500 North Akard
Dallas, Texas 75201

If intended for Company:

Mr. Ed Kepner
Senior Development Manager
Panattoni Development Company
10000 N. Central Expressway Suite 1450
Dallas, Texas 75231

6.6 **Entire Agreement.** This Agreement is the entire Agreement between the parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the parties that in any manner relates to the subject matter of this Agreement, except as provided in any Exhibits attached hereto

6.7 **Governing Law.** The Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Agreement shall be in the State District Court of Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said court.

6.8 **Amendment.** This Agreement may only be amended by the mutual written agreement of the parties.

6.9 **Legal Construction.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.10 **Exhibits.** All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

6.11 **Successors and Assigns.** This Agreement may not be assigned without the City's prior written consent, except to a Company subsidiary. Neither the Company nor its legal representatives or successors in interest shall, by operation of law or otherwise, assign, mortgage, pledge, encumber or otherwise transfer this Agreement or any part hereof, or the interest of the Company under this Agreement in either case except to a Company subsidiary, without obtaining the City's prior written consent, which consent shall not be unreasonably withheld. Any attempted assignment by the Company, except to a Company subsidiary, in violation of the terms and provisions of this Agreement shall be void and shall constitute a material breach of this Agreement.

6.12 **Recitals.** The recitals to this Agreement are incorporated herein.

6.13 **Counterparts.** This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

6.14 **Conditions Precedent.** This Agreement is subject to and conditioned upon the following conditions which are conditions precedent to the obligations of the parties: (i) Company shall diligently and faithfully, in a good and workmanlike manner, make or cause the construction and finish out improvements to the Premises in accordance with all applicable state and local laws and regulations or a valid waiver thereof; (ii) Company shall obtain a Certificate of Occupancy for the Premises.

Signature page to follow

EXECUTED on this 27th day of June, 2016.

CITY OF LANCASTER, TEXAS

By: _____
Opal Mauldin-Robertson, City Manager

Attest:

By: _____
Sorangel O. Arenas, City Secretary

Approved as to Form:

By: _____
Robert E. Hager, City Attorney

EXECUTED on this _____ day of _____, 2016.

White Tract, LLC

a Delaware limited liability company

By: White Tract, LLC,
a Delaware limited liability company,
Managing Member

By: PDC Dallas LLC,
a Delaware limited liability company,
its Manager

By: _____
Ed Kepner
Senior Development Manager

EXHIBIT "A"

LEGAL DESCRIPTION

DESCRIPTION of a 99.493 acre tract of land situated in the Smith Elkins Survey, Abstract No. 430, Dallas County, Texas; said tract being part of a tract of land described in Special Warranty Deed with Vendor's Lien to White Property Co. No. 2, Ltd. recorded in Instrument No. 200600115509 of the Official Public Records of Dallas County, Texas and all of those tracts of land described in Special Warranty Deeds to Lancaster BLT I LLC recorded in Instrument No. 201400282641 and Instrument No. 201400282641 of said Official Public Records; said 99.493 acre tract being more particularly described as follows:

BEGINNING, at a 1/2-inch iron rod with "RSCT" cap found for corner in the southwest right-of-way line of North Dallas Avenue (State Highway No. 342) (a 120-foot wide right-of-way); said point being the northernmost corner of said White Property Co. No. 2, Ltd. tract and the easternmost corner of a tract of land described as "Tract 2" in Special Warranty Deed with Vendor's Lien to Shenadoah Properties, Inc. recorded in Instrument No. 200503589080 of said Official Public Records;

THENCE, in a southeasterly direction, along the said southwest line of North Dallas Avenue, the following two (2) calls:

South 27 degrees, 29 minutes, 14 seconds East, a distance of 686.88 feet to a "+" cut in concrete set at the beginning of a non-tangent curve to the right;

Along said curve to the right, having a central angle of 05 degrees, 31 minutes, 14 seconds, a radius of 3,760.24 feet, a chord bearing and distance of South 24 degrees, 32 minutes, 18 seconds East, 362.17 feet, an arc distance of 362.31 feet to a point at the end of said curve; said point being the northernmost corner of Lot 1-A, Block B, Cedar Valley Industrial Park, Section One, an addition to the City of Lancaster, Texas according to the plat recorded in Volume 96211, Page 970 of the Deed Records of Dallas County, Texas;

THENCE, South 59 degrees, 07 minutes, 31 seconds West, departing the said southwest line of North Dallas Avenue and along the northwest line of said Lot 1-A and Lot 2-A, Block B of said Cedar Valley Industrial Park, Section One, a distance of 1,004.35 feet to a 1/2-inch iron rod with "A&W SURV 4888" cap found for the westernmost corner of said Lot 2-A;

THENCE, South 31 degrees, 45 minutes, 17 seconds East, along the southwest line of said Lot 2-A, a distance of 90.40 feet to a 1/2-inch iron rod found for corner in the terminus of Capital Drive (a 60-foot wide right-of-way);

THENCE, South 59 degrees, 12 minutes, 36 seconds West, departing the said southwest line of Lot 2-A and along the said terminus of Capital Drive, at a distance of 60.00 feet passing the southwest right-of-way line of said Capital Drive and the northernmost corner of Lot 1A, Block C of said Cedar Valley Industrial Park, Section 1, an addition to the City of Lancaster, Texas according to the plat recorded in Volume 87076, Page 1503 of said Deed Records, continuing along the northwest line of said Lot 1A and Lot 1B, Block C of said Cedar Valley Industrial Park, Section 1, in all a total distance of 361.51 feet to a 1/2-inch iron rod with "PACHECO KOCH" cap set for the westernmost corner of said Lot 1B;

THENCE, North 31 degrees, 07 minutes, 09 seconds West, a distance of 71.95 feet to a 1/2-inch iron rod with "PACHECO KOCH" cap set for corner;

THENCE, South 58 degrees, 57 minutes, 44 seconds West, a distance of 2,179.53 feet to a 1/2-inch iron rod with "PACHECO KOCH" cap set for corner in the northeast right-of-way line of Dizzy Dean Drive (a variable width right-of-way, 42.5 feet wide at this point);

THENCE, North 31 degrees, 02 minutes, 16 seconds West, along the said northeast line of Dizzy Dean Drive, at a distance of 829.52 feet passing a 5/8-inch iron rod with "Wycoskie Mcinnis" cap found in the terminus of said Dizzy Dean Drive at the easternmost corner of a tract of land described as "Tract 3" in Special Warranty Deed to Starpeach Texas LP recorded in Instrument No. 201100223618 of said Official Public Records, continuing along the northeast line of said Starpeach Texas LP tract in all a total distance of 1,033.89 feet to a point for corner in the centerline of Floyd Branch; said point being the southernmost corner of Lancaster Gardens Addition, an addition to the City of Lancaster, Texas according to the plat recorded in Volume 12, Page 295 of the Map Records of Dallas County, Texas;

THENCE, in a northeasterly direction, departing the said northeast line of the Starpeach Texas LP tract and along the said centerline of Floyd Branch, the southeast line of said Lancaster Gardens Addition, the southeast line of Taylor Bros. Addition, an addition to the City of Lancaster, Texas according to the plat recorded in Volume 32, Page 243 of said Map Records, the southeast line of Taylor Bros. Addition, an addition to the City of Lancaster, Texas according to the plat recorded in Volume 43, Page 73 of said Map Records, and the southeast line of 2nd Installment Taylor Bros. Addition, an addition to the City of Lancaster, Texas according to the plat recorded in Volume 35, Page 109 of said Map Records, the following twenty three (23) calls:

North 55 degrees, 03 minutes, 37 seconds East, a distance of 135.66 feet to a point for corner;
North 43 degrees, 23 minutes, 48 seconds East, a distance of 77.35 feet to a point for corner;
North 38 degrees, 04 minutes, 59 seconds East, a distance of 76.51 feet to a point for corner;
North 47 degrees, 18 minutes, 40 seconds East, a distance of 167.14 feet to a point for corner;
North 44 degrees, 46 minutes, 00 seconds East, a distance of 153.82 feet to a point for corner;
North 46 degrees, 37 minutes, 54 seconds East, a distance of 106.95 feet to a point for corner;
North 41 degrees, 32 minutes, 39 seconds East, a distance of 80.98 feet to a point for corner;
North 49 degrees, 23 minutes, 49 seconds East, a distance of 76.78 feet to a point for corner;
North 43 degrees, 02 minutes, 19 seconds East, a distance of 215.65 feet to a point for corner;
North 52 degrees, 10 minutes, 54 seconds East, a distance of 278.40 feet to a point for corner;
North 69 degrees, 01 minutes, 01 seconds East, a distance of 95.86 feet to a point for corner;
North 57 degrees, 37 minutes, 37 seconds East, a distance of 138.36 feet to a point for corner;
South 77 degrees, 34 minutes, 37 seconds East, a distance of 131.50 feet to a point for corner;
North 78 degrees, 41 minutes, 53 seconds East, a distance of 51.89 feet to a point for corner;
North 47 degrees, 02 minutes, 08 seconds East, a distance of 40.40 feet to a point for corner;
North 13 degrees, 55 minutes, 21 seconds West, a distance of 77.05 feet to a point for corner;
North 50 degrees, 27 minutes, 16 seconds East, a distance of 122.92 feet to a point for corner;
North 39 degrees, 44 minutes, 04 seconds East, a distance of 86.41 feet to a point for corner;
North 56 degrees, 43 minutes, 17 seconds East, a distance of 134.37 feet to a point for corner;
North 48 degrees, 16 minutes, 13 seconds East, a distance of 189.06 feet to a point for corner;
North 48 degrees, 19 minutes, 29 seconds East, a distance of 136.04 feet to a point for corner;
North 22 degrees, 00 minutes, 31 seconds East, a distance of 98.89 feet to a point for corner;
North 57 degrees, 10 minutes, 34 seconds East, a distance of 66.07 feet to a point for corner in the southwest line of a tract of land described in Warranty Deed to Cherry Valley Church of Christ recorded in Volume 90166, Page 434 of said Deed Records;

THENCE, South 28 degrees, 38 minutes, 48 seconds East, departing the said centerline of Floyd Branch and the said southeast line of 2nd Installment Taylor Bros. Addition, and along the southwest line of said Cherry Valley Church of Christ tract, a distance of 321.28 feet to a 1/2-inch iron rod with "PACHECO KOCH" cap set for the southernmost corner of said Cherry Valley Church of Christ tract;

THENCE, North 62 degrees, 40 minutes, 02 seconds East, along the said southeast line of the Cherry Valley Church of Christ tract and the southeast line of said Shenadoah Properties, Inc., a distance of 1,065.01 feet to the POINT OF BEGINNING;

CONTAINING: 4,333,937 square feet or 99.493 acres of land, more or less

SAVE AND EXCEPT:

DESCRIPTION of a 0.992 acre tract of land situated in the Smith Elkins Survey, Abstract No. 430, Dallas County, Texas; said tract being part of that tract of land described in Trustee's Deed to Juanita Smith Alexander recorded in Volume 92094, Page 1453 of the Deed Records of Dallas County, Texas; said 0.992 acre tract being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found in the southwest right-of-way line of N. Dallas Avenue (State Highway No. 342) (a 120-foot wide right-of-way); said point being the northernmost corner of a tract of land described in Warranty Deed to Clarence L. Smith, Jr., recorded in Volume 84082, Page 675 of said Deed Records;

THENCE South 62 degrees 34 minutes 06 seconds West, departing the said southwest line of N. Dallas Avenue and along the northwest line of said Smith tract, a distance of 400.33 feet to a 1/2-inch iron rod found for corner in a northeast line of a tract of land described in Special Warranty Deed with Vendor's Lien to White Property Co. No., 2, Ltd. recorded in Instrument No.

200600115509 of the Official Public Records of Dallas County, Texas;

THENCE North 27 degrees 29 minutes 57 seconds West, along the said northeast line of the White Property tract, a distance of 108.13 feet to a point of corner; said point being an ell corner of said White Property tract;

THENCE North 62 degrees 37 minutes 16 seconds East, along a southeast line of said White Property tract, a distance of 400.35 feet to a point for corner in the said southwest line of N. Dallas Avenue; said point being an east corner of said White Property tract;

THENCE 27 degrees 29 minutes 14 seconds East, along the said southeast line of N. Dallas Avenue, a distance of 107.76 feet to the POINT OF BEGINNING;

CONTAINING 43,215 square feet or 0.992 acres of land, more or less.

FURTHER SAVE AND EXCEPT:

DESCRIPTION OF a 2.493 acre tract of land situated in the Smith Elkins Survey, Abstract No. 430, Dallas County, Texas; said tract being all of that tract of land described in Warranty Deed to Clarence L. Smith, Jr. recorded in Volume 84082, Page 675 of the Deed Records of Dallas County, Texas; said 2.493 acre tract being more particularly described as follows:

BEGINNING at a point in the southwest right-of-way line of N. Dallas Avenue (State Highway No. 342) (a 120-foot wide right-of-way), said point being the easternmost corner of said Smith tract and a north corner of a tract of land described in Special Warranty Deed with Vendor's Lien to White Property Co. No. 2 Ltd. recorded in Instrument No. 200600115509 of the Official Public Records of Dallas County, Texas; from said point a 1/2-inch iron rod found bears North 54 degrees 18 minutes East, a distance of 0.3 feet;

THENCE South 59 degrees 12 minutes 06 seconds West, departing the said southwest line of N. Dallas Avenue and along a northwest line of said White Property tract, a distance of 400.75 feet to a 1/2-inch iron rod for the southernmost corner of said Smith tract;

THENCE North 27 degrees 29 minutes 57 seconds West, along a northeast line of said White Property tract, a distance of 283.06 feet to a 1/2-inch rod found for the westernmost corner of said Smith tract;

THENCE North 62 degrees 37 minutes 16 seconds East, departing the said northeast line of the White Property tract, a distance of 400.33 feet to a point for corner in the said southwest line of N. Dallas Avenue; said point being the northernmost corner of said Smith tract;

THENCE in a southeasterly direction, along the said southwest line of N. Dallas Avenue, the following two (2) calls:

South 27 degrees 29 minutes 14 seconds East, a distance of 232.50 feet to a point at the beginning of a non-tangent curve to the right;

Along said curve to the right, having a central angle of 00 degrees 24 minutes 42 seconds, a radius of 3,760.24 feet, a chord bearing and distance of South 27 degrees 05 minutes 34 seconds East, 27.03 feet, an arc distance of 27.03 feet to the POINT OF BEGINNING;

CONTAINING 108,594 square feet or 2.493 acres of land, more or less. TRACT 1

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Opal Mauldin-Robertson , City Manager of the City of Lancaster, a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the ____day of _____, 2016.

Notary Public, State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Ed Kepner of White Tract, LLC, a Delaware limited liability company known to me to be the person and agent whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the ____day of _____,
2016.

My Commission Expires:

Notary Public, State of Texas

LANCASTER CITY COUNCIL

City Council Regular Meeting

Item 7.

Meeting Date: 06/27/2016

Policy Statement: This request supports the City Council 2015-2016 Policy Agenda

Goal(s): Quality Development

Submitted by: Ed Brady, Director of Economic Development

Agenda Caption:

Discuss and consider a resolution ratifying the terms and conditions of an incentive grant by and between the Lancaster Economic Development Corporation and White Tract, LLC.

Background:

The board of directors of the Lancaster Economic Development Corporation, convened on Tuesday, June 7, 2016, to consider a grant applied for by White Tract, LLC, in an amount equal to \$150,000, to assist with permit and infrastructure costs, associated with the construction of a warehouse distribution building, totaling approximately 1,600,000 square feet in Lancaster. The grant is not to exceed \$150,000.

Operational Considerations:

Upon receiving a City Certificate of Occupancy for the constructed buildings, the company will submit a request for the grant payment.

Legal Considerations:

The City Attorney has reviewed and approved the resolution and agreement as to form.

Public Information Considerations:

This item is being considered at a meeting of the City Council noticed and held in accordance with the Texas Open Meetings Act.

Options/Alternatives:

1. The City Council may approve the resolution as presented.
2. The City Council may reject the resolution.

Recommendation:

Staff recommends approval of the resolution.

Financial Considerations:

The grant will not exceed \$150,000 and is within the LEDC incentive fund.

Attachments

Resolution

LEDC Resolution 2016-03 and Agreement

RESOLUTION NO.

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, RATIFYING THE TERMS AND CONDITIONS OF AN INCENTIVE GRANT BY AND BETWEEN WHITE TRACT, LLC AND THE LANCASTER ECONOMIC DEVELOPMENT CORPORATION (LEDC) AUTHORIZING LEDC TO ENTER INTO A FORMAL AGREEMENT; PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to Lancaster Economic Development Corporation (hereinafter "LEDC") Resolution 2016-03 which was passed and approved on the 7th day of June, 2016 by the Board of Directors of the Lancaster Economic Development Corporation (LEDC), offering an incentive grant to White Tract, LLC.; and

WHEREAS, White Tract, LLC has purchased approximately one hundred (100) acres of real property in the City of Lancaster, Texas with the intent to construct and lease to tenants a warehouse-distribution building totaling approximately one million six hundred thousand (1,600,000) square feet combined; and

WHEREAS, the City of Lancaster and LEDC recognize the importance of their continued role in economic development in the community of Lancaster; and

WHEREAS, the City may provide incentives promoting economic development pursuant to Chapter 380 of the Texas Local Government Code, which authorizes loans and grants of a city's general funds pursuant to a "program" to stimulate business and commercial activity in the municipality; and

WHEREAS, pursuant to Texas Local Government Code, Chapter 501, et seq, as amended, LEDC, as a non-profit corporation, in accordance with the Act, shall promote development and redevelopment within the municipality and its vicinity and create new manufacturing and industrial facilities, distribution centers, warehouse facilities and related facilities, through the use of a sales tax, which development and redevelopment would not otherwise occur solely through private investment in the reasonably foreseeable future; and

WHEREAS, pursuant to the City's Charter, the Act and applicable Texas Statutes, the City has the authority to enter into agreements as the City considers necessary or convenient to implement economic development in Lancaster, Texas; and

WHEREAS, pursuant to the Act and the bylaws of the Lancaster Economic Development Corporation, LEDC has the authority to enter into agreements as LEDC considers necessary or convenient to implement economic development in Lancaster, Texas.

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

SECTION 1. The City Council ratifies the June 7, 2016 actions of the Board of Directors of the LEDC approving an incentive grant in an amount not to exceed one hundred fifty thousand dollars (\$150,000) to White Tract, LLC.

SECTION 2. The City Council authorizes LEDC to enter into an incentive agreement with White Tract, LLC which is attached hereto and incorporated herein as Exhibit A.

SECTION 3. This resolution shall be effective from and after its passage as provided by law.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 27th day of June, 2016.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

RESOLUTION NO. 2016-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LANCASTER ECONOMIC DEVELOPMENT CORPORATION OF LANCASTER TEXAS, (LEDC), IN SUPPORT OF A GRANT TO WHITE TRACT, LLC FROM FUNDS COLLECTED FROM ¼ OF 1 PERCENT ADDITIONAL SALES AND USE TAX FOR THE PROMOTION AND DEVELOPMENT OF NEW AND EXPANDED BUSINESS ENTERPRISES, AS AUTHORIZED BY STATE LAW; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Lancaster Economic Development Corporation recognizes how important business and community development is to the vitality and growth of Lancaster; and

WHEREAS, White Tract, LLC has selected Lancaster as the location for their newest warehouse-distribution facility; and

WHEREAS, White Tract, LLC has requested a grant for assistance with the costs of infrastructure improvements associated with the construction and finish out of an approximately 1,6000,000 square foot warehouse-distribution facility located on property owned by White Tract, LLC in Lancaster, Texas; and

WHEREAS, the Board of Directors of LEDC are responsible for the review and evaluation of Type A incentive applications; and

WHEREAS, the board of LEDC is also responsible for recommending Type A Incentive Grants to the Lancaster City Council for review and approval;

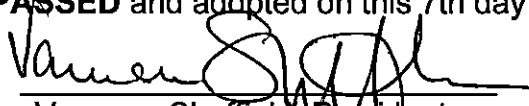
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LANCASTER ECONOMIC DEVELOPMENT CORPORATION:

SECTION 1. That the Board of Directors of the Lancaster Economic Development Corporation approves the resolution and Incentive Agreement which is attached hereto.

SECTION 2. That this resolution shall take effect immediately from and after its passage and it is so duly resolved.

DULY PASSED and adopted on this 7th day of June, 2016.

APPROVED:


Vanessa Sheffield, President

ATTEST:


Mayra A. Ortiz, Executive Secretary

**APPROVED
AS TO FORM:**

Robert E. Hager, City Attorney

INCENTIVE AGREEMENT

This Incentive Agreement (the "Agreement") is entered into by and between the Lancaster Economic Development Corporation, a non-profit corporation chartered by the State of Texas, acting by and through its Board of Directors (hereinafter referred to as the "LEDC") and White Tract, LLC, a Delaware limited liability company (hereinafter referred to as "the Company"), acting by and through its authorized officer, hereinafter referred to as ("the Company").

W I T N E S S E T H :

WHEREAS, the Lancaster Economic Development Corporation was established to promote enhanced business opportunities within the corporate limits of the City of Lancaster, Texas; and

WHEREAS, the LEDC recognizes the need to offer business incentives to develop real property within the City of Lancaster; and

WHEREAS, in order to maintain and enhance the economic and employment base within the City of Lancaster, it is in the best interests of the LEDC to enter into this Agreement in accordance with the terms provided herein; and

WHEREAS, the Company wishes to expand its operations as a viable economic project within the City thereby creating new business investment and new jobs in the City; and

WHEREAS, the Board of Directors of LEDC finds that the intended scope of the Project, hereinafter defined, is to construct and lease to tenants approximately 1,600,000 square feet of warehouse-distribution space on one hundred (100) acres in Lancaster owned by the company.

NOW THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, including the expansion of employment, the attraction of major investment within the City which contributes to the economic development of Lancaster, and to the enhancement of the tax base for the City, the parties agree as follows:

I. EFFECTIVE DATE; TERM OF AGREEMENT

This Agreement shall become effective upon the City Council of the City of Lancaster authorizing the LEDC to enter into an agreement with the Company and on the last date of execution of this Agreement by the LEDC and the Company, (Effective Date), and shall continue for a period of six months (6 months) following the issuance of a Certificate of Occupancy or the equivalent for the Improvements.

II. DEFINITIONS

Whenever used in this Agreement, the following term shall have the meaning ascribed to it:

"City" shall mean the City of Lancaster, Texas

"Company" shall mean White Tract, LLC.

"Event(s) of Force Majeure" shall mean any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or inaction, fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns or work stoppages.

"Improvements" shall mean the construction and finish out work necessary to commence operations in an approximately 1,600,000 square foot facility located on the Premises.

"Premises" shall mean the property described in **Exhibit A**, attached hereto and made a part hereof for all purposes.

"Project" shall mean the improvements and Related Infrastructure associated with the location, construction and finish out of the Company's approximately 1,600,000 square foot facility to be located on the Premises.

"Related Infrastructure" shall mean construction of the Improvements in accordance with all City development and building code requirements related to site preparation, water, wastewater, storm water, building construction etc. necessary to receive a City issue "Certificate of Occupancy" at completion of project activities.

III. PROVISIONS RELATING TO INCENTIVE AGREEMENT

White Tract, LLC Obligations:

- A. The Company will commence construction within twenty-four months (24 months) from the date of execution of this agreement on their approximately 1,600,000 square foot building located on approximately one hundred (100) acres owned by the Company in Lancaster, Texas as described in Exhibit A.
- B. The Premises and improvements constructed thereon at all times shall be used in a manner that is consistent with the City of Lancaster's Comprehensive Zoning Ordinance, as amended and other applicable ordinances.
- C. The Company agrees to provide, if requested by LEDC, any and all documentation necessary to confirm that the construction of the Project has met all agreement requirements in order for grant payment to be executed.

LEDC's Obligations:

- A. LEDC agrees to pay a grant to the Company in an amount not to exceed one hundred and fifty thousand dollars (\$150,000) to assist with the costs of infrastructure improvements associated with the construction of the Project. LEDC will issue payment of the grant within sixty (60) days of the Company receiving a final Certificate of Occupancy for the Improvements.
- B. Should actual square footage of constructed building be reduced from the originally planned one million six hundred thousand square feet (1,600,000), agreement will be amended to reflect a reduced grant amount calculated as follows:

Less than 1,600,000 to 1,000,000 square foot building = \$100,000 grant

Less than 1,000,000 to 750,000 square foot building = \$75,000 grant

Less than 750,000 to 500,000 square foot building = \$50,000 grant

Less than 500,000 square foot building = \$0 grant

- C. All grant of funds shall be made from available sales tax proceeds from the LEDC. If such funds are not available to cover the entirety of the grant set forth in (A) above, then any unpaid portion of such grant shall be paid to the Company as soon as funds become available from subsequent sales tax proceeds, together with interest on any unpaid amounts at the rate of eight percent (8%) per annum from the date due until paid. and, any grant made herein, is not pledged against future sales tax proceeds or the full faith and credit of LEDC or the City of Lancaster; except as provided herein.

IV.

DEFAULT; RECAPTURE OF GRANT FUNDS

- A. In the event the Company (i) fails to commence the Project within twenty four (24) months of the Effective Date, subject to Events of Forced Majeure, (ii) fails to complete the Project in accordance with this Agreement; or (iii) materially breaches any of the terms or conditions of this Agreement, then the Company, after the expiration of the notice and cure periods described in Paragraph IV (B) below, shall be in default of this Agreement. As liquidated damages in the event of such non-cured default, Company shall refund to LEDC all grants previously paid by LEDC to Company. The parties acknowledge that actual damages in the event of default termination would be speculative and difficult to determine. The parties further agree that the recapture of grant funds plus the cost of recovery including attorney fees due LEDC as a result of the Company's default under this Agreement, shall be the sole and exclusive remedy of LEDC and shall be recoverable against the Company, its successors and assigns and shall continue as a lien on the Premises.
- B. Upon breach by the Company, of any obligations under this Agreement, the LEDC shall notify the Company, in writing. The Company shall have ninety (90) days from receipt of the notice in which to cure any such default.

- C. If the Company fails to cure the default within the time provided as specified in Paragraph IV B) above, or, as such time period may be extended by written agreement of the parties, then the LEDC at its sole option and as its sole and exclusive remedy, shall have the right to terminate this Agreement, in which event neither party shall have any further rights or obligations under this Agreement, except for any that are specifically stated to survive termination.
- D. Upon the LEDC's election under the preceding paragraph, all incentives shall be repaid as set forth in paragraph IV(A), and shall become due and payable ninety (90) days after notice to the Company of a non-cured default. The LEDC shall have all remedies provided by law for the collection of the grant funds. The LEDC at its sole discretion has the option to provide a repayment schedule. The obligation of the Company, to repay the grant funds to LEDC in the event of default shall survive the termination of this Agreement.

V.

SUCCESSORS AND ASSIGNS

This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and assigns. This Agreement may be assigned only with the consent of the LEDC, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that no consent of the LEDC shall be required for an assignment of this Agreement in connection with a transfer of the Premises.

VI.

NOTICES

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

White Tract, LLC to:

Mr. Ed Kepner
Senior Development Manager
Panattoni Development Company
10000 N. Central Expressway Suite 1450
Dallas, Texas 75231

LEDC to:

Ed Brady
Lancaster Economic Development Corporation
P.O. Box 940
Lancaster, Texas 75146

VII.
LEDC AUTHORIZATION

This Agreement was authorized by resolution of the LEDC and approved by its Board of Directors, authorizing its officer to execute this Agreement on behalf of the LEDC.

VIII.
SEVERABILITY

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

IX.
APPLICABLE LAW

THIS AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF TEXAS. Venue for any action under this Agreement shall be the State District Court of Dallas County, Texas. This Agreement is performable in Dallas County, Texas.

X.
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.

XI.
ENTIRE AGREEMENT

This Agreement embodies the complete agreement between the parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the parties here. The provisions of this Agreement are hereby declared covenants running with the Premises and are fully binding on all successors, heirs, and assigns of the Company who acquire any right, title, or interest in or to the Premises, or any part hereof, and such successors, heirs and assigns, agrees and covenants to abide by and fully perform any outstanding provisions of Company under this Agreement. While there is no obligation for the LEDC to fund future expansion, nothing herein precludes the Company or its successors, heirs or assigns from requesting further assistance on future projects.

XII.
RECORDATION OF AGREEMENT

A certified copy of this Agreement may be recorded in the Deed Records of Dallas County, Texas.

**XIII.
INCORPORATION OF RECITALS**

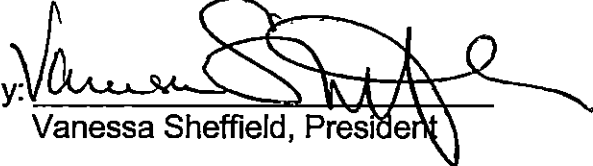
The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein a part of this Agreement.

**XIV.
EXHIBITS**

All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

EXECUTED in triplicate originals this the 7th day of June, 2016.

**LANCASTER ECONOMIC
DEVELOPMENT CORPORATION**

By: 
Vanessa Sheffield, President

WHITE TRACT, LLC

a Delaware limited liability company

By: White Tract PDC, LLC,
a Delaware limited liability company,
Managing Member

By: PDC Dallas LLC,
a Delaware limited liability company,
its Manager

By: _____
Ed Kepner
Senior Development Manager

EXHIBIT A

LEGAL DESCRIPTION

DESCRIPTION of a 99.493 acre tract of land situated in the Smith Elkins Survey, Abstract No. 430, Dallas County, Texas; said tract being part of a tract of land described in Special Warranty Deed with Vendor's Lien to White Property Co. No. 2, Ltd. recorded in Instrument No. 200600115509 of the Official Public Records of Dallas County, Texas and all of those tracts of land described in Special Warranty Deeds to Lancaster BLT I LLC recorded in Instrument No. 201400282641 and Instrument No. 201400282641 of said Official Public Records; said 99.493 acre tract being more particularly described as follows:

BEGINNING, at a 1/2-inch iron rod with "RSCT" cap found for corner in the southwest right-of-way line of North Dallas Avenue (State Highway No. 342) (a 120-foot wide right-of-way); said point being the northernmost corner of said White Property Co. No. 2, Ltd. tract and the easternmost corner of a tract of land described as "Tract 2" in Special Warranty Deed with Vendor's Lien to Shenadoah Properties, Inc. recorded in Instrument No. 200503589080 of said Official Public Records;

THENCE, in a southeasterly direction, along the said southwest line of North Dallas Avenue, the following two (2) calls:

South 27 degrees, 29 minutes, 14 seconds East, a distance of 686.88 feet to a "+" cut in concrete set at the beginning of a non-tangent curve to the right;

Along said curve to the right, having a central angle of 05 degrees, 31 minutes, 14 seconds, a radius of 3,760.24 feet, a chord bearing and distance of South 24 degrees, 32 minutes, 18 seconds East, 362.17 feet, an arc distance of 362.31 feet to a point at the end of said curve; said point being the northernmost corner of Lot 1-A, Block B, Cedar Valley Industrial Park, Section One, an addition to the City of Lancaster, Texas according to the plat recorded in Volume 96211, Page 970 of the Deed Records of Dallas County, Texas;

THENCE, South 59 degrees, 07 minutes, 31 seconds West, departing the said southwest line of North Dallas Avenue and along the northwest line of said Lot 1-A and Lot 2-A, Block B of said Cedar Valley Industrial Park, Section One, a distance of 1,004.35 feet to a 1/2-inch iron rod with "A&W SURV 4888" cap found for the westernmost corner of said Lot 2-A;

THENCE, South 31 degrees, 45 minutes, 17 seconds East, along the southwest line of said Lot 2-A, a distance of 90.40 feet to a 1/2-inch iron rod found for corner in the terminus of Capital Drive (a 60-foot wide right-of-way);

THENCE, South 59 degrees, 12 minutes, 36 seconds West, departing the said southwest line of Lot 2-A and along the said terminus of Capital Drive, at a distance of 60.00 feet passing the southwest right-of-way line of said Capital Drive and the northernmost corner of Lot 1A, Block C of said Cedar Valley Industrial Park, Section 1, an addition to the City of Lancaster, Texas according to the plat recorded in Volume 87076, Page 1503 of said Deed Records, continuing along the northwest line of said Lot 1A and Lot 1B, Block C of said Cedar Valley Industrial Park, Section 1, in all a total distance of 361.51 feet to a 1/2-inch iron rod with "PACHECO KOCH" cap set for the westernmost corner of said Lot 1B;

THENCE, North 31 degrees, 07 minutes, 09 seconds West, a distance of 71.95 feet to a 1/2-inch iron rod with "PACHECO KOCH" cap set for corner;

THENCE, South 58 degrees, 57 minutes, 44 seconds West, a distance of 2,179.53 feet to a 1/2-inch iron rod with "PACHECO KOCH" cap set for corner in the northeast right-of-way line of Dizzy Dean Drive (a variable width right-of-way, 42.5 feet wide at this point);

THENCE, North 31 degrees, 02 minutes, 16 seconds West, along the said northeast line of Dizzy Dean Drive, at a distance of 829.52 feet passing a 5/8-inch iron rod with "Wycoskie Mcinnis" cap found in the terminus of said Dizzy Dean Drive at the easternmost corner of a tract of land described as "Tract 3" in Special Warranty Deed to Starpeach Texas LP recorded in Instrument No. 201100223618 of said Official Public Records, continuing along the northeast line of said Starpeach Texas LP tract in all a total distance of 1,033.89 feet to a point for corner in the centerline of Floyd Branch; said point being the southernmost corner of Lancaster Gardens Addition, an addition to the City of Lancaster, Texas according to the plat recorded in Volume 12, Page 295 of the Map Records of Dallas County, Texas; THENCE, in a northeasterly direction, departing the said northeast line of the Starpeach Texas LP tract and along the said centerline of Floyd Branch, the southeast line of said Lancaster Gardens Addition, the southeast line of Taylor Bros. Addition, an addition to the City of Lancaster, Texas according to the plat recorded in Volume 32, Page 243 of said Map Records, the southeast line of Taylor Bros. Addition, an addition to the City of Lancaster, Texas according to the plat recorded in Volume 43, Page 73 of said Map Records, and the southeast line of 2nd Installment Taylor Bros. Addition, an addition to the City of Lancaster, Texas according to the plat recorded in Volume 35, Page 109 of said Map Records, the following twenty three (23) calls:

North 55 degrees, 03 minutes, 37 seconds East, a distance of 135.66 feet to a point for corner;

North 43 degrees, 23 minutes, 48 seconds East, a distance of 77.35 feet to a point for corner;

North 38 degrees, 04 minutes, 59 seconds East, a distance of 76.51 feet to a point for corner;

North 47 degrees, 18 minutes, 40 seconds East, a distance of 167.14 feet to a point for corner;

North 44 degrees, 46 minutes, 00 seconds East, a distance of 153.82 feet to a point for corner;

North 46 degrees, 37 minutes, 54 seconds East, a distance of 106.95 feet to a point for corner;

North 41 degrees, 32 minutes, 39 seconds East, a distance of 80.98 feet to a point for corner;

North 49 degrees, 23 minutes, 49 seconds East, a distance of 76.78 feet to a point for corner;

North 43 degrees, 02 minutes, 19 seconds East, a distance of 215.65 feet to a point for corner;

North 52 degrees, 10 minutes, 54 seconds East, a distance of 278.40 feet to a point for corner;

North 69 degrees, 01 minutes, 01 seconds East, a distance of 95.86 feet to a point for corner;

North 57 degrees, 37 minutes, 37 seconds East, a distance of 138.36 feet to a point for corner;

South 77 degrees, 34 minutes, 37 seconds East, a distance of 131.50 feet to a point for corner;

North 78 degrees, 41 minutes, 53 seconds East, a distance of 51.89 feet to a point for corner;

North 47 degrees, 02 minutes, 08 seconds East, a distance of 40.40 feet to a point for corner;

North 13 degrees, 55 minutes, 21 seconds West, a distance of 77.05 feet to a point for corner;

North 50 degrees, 27 minutes, 16 seconds East, a distance of 122.92 feet to a point for corner;

North 39 degrees, 44 minutes, 04 seconds East, a distance of 86.41 feet to a point for corner;

North 56 degrees, 43 minutes, 17 seconds East, a distance of 134.37 feet to a point for corner;

North 48 degrees, 16 minutes, 13 seconds East, a distance of 189.06 feet to a point for corner;

North 48 degrees, 19 minutes, 29 seconds East, a distance of 136.04 feet to a point for corner;

North 22 degrees, 00 minutes, 31 seconds East, a distance of 98.89 feet to a point for corner;

North 57 degrees, 10 minutes, 34 seconds East, a distance of 66.07 feet to a point for corner in the southwest line of a tract of land described in Warranty Deed to Cherry Valley Church of Christ recorded in Volume 90166, Page 434 of said Deed Records;

THENCE, South 28 degrees, 38 minutes, 48 seconds East, departing the said centerline of Floyd Branch and the said southeast line of 2nd Installment Taylor Bros. Addition, and along the southwest line of said Cherry Valley Church of Christ tract, a distance of 321.28 feet to a 1/2-inch iron rod with "PACHECO KOCH" cap set for the southernmost corner of said Cherry Valley Church of Christ tract;

THENCE, North 62 degrees, 40 minutes, 02 seconds East, along the said southeast line of the Cherry Valley Church of Christ tract and the southeast line of said Shenadoah Properties, Inc., a distance of 1,065.01 feet to the POINT OF BEGINNING;

CONTAINING: 4,333,937 square feet or 99.493 acres of land, more or less

SAVE AND EXCEPT:

DESCRIPTION of a 0.992 acre tract of land situated in the Smith Elkins Survey, Abstract No. 430, Dallas County, Texas; said tract being part of that tract of land described in Trustee's Deed to Juanita Smith Alexander recorded in Volume 92094, Page 1453 of the Deed Records of Dallas County, Texas; said 0.992 acre tract being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found in the southwest right-of-way line of N. Dallas Avenue (State Highway No. 342) (a 120-foot wide right-of-way); said point being the northernmost corner of a tract of land described in Warranty Deed to Clarence L. Smith, Jr., recorded in Volume 84082, Page 675 of said Deed Records;

THENCE South 62 degrees 34 minutes 06 seconds West, departing the said southwest line of N. Dallas Avenue and along the northwest line of said Smith tract, a distance of 400.33 feet to a 1/2-inch iron rod found for corner in a northeast line of a tract of land described in Special Warranty Deed with Vendor's Lien to White Property Co. No., 2, Ltd. recorded in Instrument No. 200600115509 of the Official Public Records of Dallas County, Texas;

THENCE North 27 degrees 29 minutes 57 seconds West, along the said northeast line of the White Property tract, a distance of 108.13 feet to a point of corner; said point being an ell corner of said White Property tract;

THENCE North 62 degrees 37 minutes 16 seconds East, along a southeast line of said White Property tract, a distance of 400.35 feet to a point for corner in the said southwest line of N. Dallas Avenue; said point being an east corner of said White Property tract;

THENCE 27 degrees 29 minutes 14 seconds East, along the said southeast line of N. Dallas Avenue, a distance of 107.76 feet to the POINT OF BEGINNING;

CONTAINING 43,215 square feet or 0.992 acres of land, more or less.

FURTHER SAVE AND EXCEPT:

DESCRIPTION OF a 2.493 acre tract of land situated in the Smith Elkins Survey, Abstract

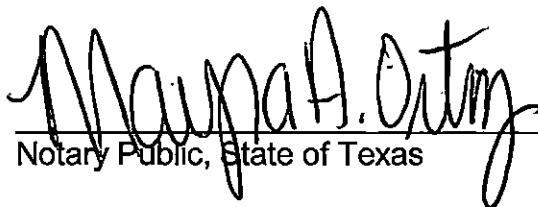
No. 430, Dallas County, Texas; said tract being all of that tract of land described in Warranty Deed to Clarence L. Smith, Jr. recorded in Volume 84082, Page 675 of the Deed Records of Dallas County, Texas; said 2.493 acre tract being more particularly described as follows: BEGINNING at a point in the southwest right-of-way line of N. Dallas Avenue (State Highway No. 342) (a 120-foot wide right-of-way), said point being the easternmost corner of said Smith tract and a north corner of a tract of land described in Special Warranty Deed with Vendor's Lien to White Property Co. No. 2 Ltd. recorded in Instrument No. 200600115509 of the Official Public Records of Dallas County, Texas; from said point a 1/2-inch iron rod found bears North 54 degrees 18 minutes East, a distance of 0.3 feet; THENCE South 59 degrees 12 minutes 06 seconds West, departing the said southwest line of N. Dallas Avenue and along a northwest line of said White Property tract, a distance of 400.75 feet to a 1/2-inch iron rod for the southernmost corner of said Smith tract; THENCE North 27 degrees 29 minutes 57 seconds West, along a northeast line of said White Property tract, a distance of 283.06 feet to a 1/2-inch rod found for the westernmost corner of said Smith tract; THENCE North 62 degrees 37 minutes 16 seconds East, departing the said northeast line of the White Property tract, a distance of 400.33 feet to a point for corner in the said southwest line of N. Dallas Avenue; said point being the northernmost corner of said Smith tract; THENCE in a southeasterly direction, along the said southwest line of N. Dallas Avenue, the following two (2) calls: South 27 degrees 29 minutes 14 seconds East, a distance of 232.50 feet to a point at the beginning of a non-tangent curve to the right; Along said curve to the right, having a central angle of 00 degrees 24 minutes 42 seconds, a radius of 3,760.24 feet, a chord bearing and distance of South 27 degrees 05 minutes 34 seconds East, 27.03 feet, an arc distance of 27.03 feet to the POINT OF BEGINNING; CONTAINING 108,594 square feet or 2.493 acres of land, more or less.

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Vanessa Sheffield, President of the Lancaster Economic Development Corporation, a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

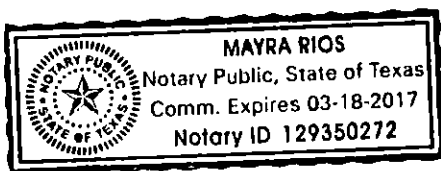
GIVEN UNDER MY HAND SEAL OF OFFICE this the 7th day of June, 2016.



Notary Public, State of Texas

My Commission Expires:

March 18, 2017



ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of California, on this day personally appeared Ed Kepner of White Tract, LLC, a Delaware Limited Liability Company, known to me to be the person and agent whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the ____ day of _____, 2016.

Notary Public, State of Texas

My Commission Expires
