

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARROLLTON, TEXAS, AMENDING RESOLUTION NO. 4865 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SECOND AMENDED AND RESTATED DEVELOPMENT AGREEMENT BETWEEN THE CITY OF CARROLLTON, TEXAS AND TRINITY MILLS OFFICE I OWNER, LLC, FOR THE DEVELOPMENT OF OFFICE BUILDING I WITHIN TRINITY MILLS STATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Carrollton, Texas, (“City Council”) passed Resolution No. 4445 on November 17, 2020, amending Resolution No. 4378 adopted on April 7, 2020, regarding a proposed economic development agreement between the City of Carrollton, Texas (“City”) and Trinity Mills Office I Owner, LLC. (“Company”) establishing a program of grants, pursuant to Chapter 380 of the Texas Local Government Code, in order to promote local economic development and stimulate business and commercial activity within the City (“Agreement”); and

WHEREAS, the City Council subsequently approved Resolution No. 4865 on August 6, 2024, authorizing a First Amended and Restated Development Agreement and related Master Lease Agreement (“First Amended Agreement”) for Office Building I (“Building”) within Trinity Mills Station; and

WHEREAS, the First Amended Agreement provides funding of up to \$2,800,000 (“Tenant Incentives”) to support the successful lease-up and financial viability of Building through a program of grants; and

WHEREAS, the Company and City desire to amend the First Amended Agreement to extend certain project milestones, modify the structure of the Lease Guaranty, and revise certain Tenant Incentive provisions, while maintaining the existing Tenant Incentive allocation of \$2,800,000, the existing Lease Guaranty cap of \$14,525,000, and the Company’s repayment obligations to the City; and

WHEREAS, the City has been advised that continuation of the Lease Guaranty remains necessary to support financing and development of Building; and

WHEREAS, the Company has advised the City Council that without the revised Lease Guaranty and related financial support provided under a Second Amended and Restated Development Agreement and related Master Lease Agreement (“Second Amended Agreement”), the proposed office development would not be financially feasible under current market conditions; and

WHEREAS, the City Council finds that development of Building remains consistent with the City’s economic development objectives, transit-oriented development goals, and long-term vision for Trinity Mills Station; and

WHEREAS, as consideration to the City as steward of public funds, the Company has agreed to provide certain incentives and benefits to the City and its citizens as set forth in the Second Amended Agreement; and

WHEREAS, the Company shall develop a Class A Office Building on the land in accordance with the terms of the Second Amended Agreement; and

WHEREAS, Company shall construct a six-story Class A Office Building consisting of approximately 125,000 square feet of office space and approximately 10,000 square feet of ground-floor retail space; and

WHEREAS, Trinity Mills Office I Owner, LLC shall commence construction of the Class A Office Building on or before December 31, 2026.

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

Section 1

All of the above premises are found to be true and correct legislative and factual findings of the City Council, and they are hereby approved, ratified, and incorporated into the body of this Resolution as if copied in their entirety.

Section 2

The City Manager is hereby authorized to negotiate and execute the Second Amended Agreement with Trinity Mills Office I Owner, LLC, and a Master Lease Agreement with the Company's lender, for the purpose of developing a Class 'A' Office Building in the Trinity Mills Station within the Trinity Mills Transit Center District. The Second Amended Agreement will include a monthly rental rate that shall be an amount equal to the difference between (a) the monthly debt service due to the Company's lender for such month, and (b) the rental income received from other tenants pursuant to tenant leases for such month (excluding NNN payments from the tenants, such as taxes, insurance, utilities, etc.). Such amount shall be paid in monthly installments, which may vary from month to month provided, however in no event shall the rent payment by the City exceed the sum of up to \$14,525,000 in the aggregate during the term of the Second Amended Agreement.

Section 3

Except as modified herein, the terms of Resolution 4865 remain in effect.

Section 4

This Resolution shall take effect upon passage.

DULY PASSED AND APPROVED by the City Council of the City of Carrollton, Texas this 23rd day of June 2026.

CITY OF CARROLLTON, TEXAS

ATTEST:

Chloe Sawatzky, City Secretary

APPROVED AS TO FORM:

Meredith Ladd, City Attorney

Steve Babick, Mayor

APPROVED AS TO CONTENT:

Jenny Zeifelder,
Director of Economic Development