Town Council Special Meeting

May 14, 2025
Town Hall
2121 Cross Timbers Road
Flower Mound, TX 75028

6:00 p.m.

There will be a public reception from 5:30 p.m. - 6 p.m. to congratulate Councilmembers Adam Schiestel and Brian Taylor on their reelection.

Comments regarding any agenda item can be sent to the Town Council by emailing towncouncil@flowermound.gov or by calling 972.874.6005 and leaving a message.

AGENDA

A. CALL TO ORDER

B. INVOCATION

C. PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG AND TO THE TEXAS FLAG

"Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."

D. PUBLIC COMMENT

The purpose of this item is to allow the public an opportunity to address the Town Council regarding any item on this agenda that is not a "Public Hearing." Issues regarding daily operational or administrative matters should first be dealt with by calling Town Hall at 972.874.6000 during business hours.

In accordance with the Texas Open Meetings Act, the Town Council is restricted from discussing or acting on items not listed on the agenda.

To speak to Council during public comment, please fill out a comment form (PDF).

- Speakers are limited to 3 minutes, a tone will sound at 30 seconds left and when time has expired, and times may be adjusted by the mayor
- Speakers must address their comments to the Town Council
- Please state your name and address when speaking

E. CONSENT ITEM(S)

This part of the agenda consists of non-controversial or "housekeeping" items required by law. Items may be removed from Consent by any council member by making such request prior to a motion and vote.

1. Minutes - 5/5 - Consider approval of the minutes from a regular meeting held on May 5, 2025.
2. Special Election Canvass - Consider approval of an ordinance canvassing the returns and declaring the results of a Special Election held on May 3, 2025, by the Town of Flower Mound, Texas.

F. ADMINISTER OATH OF OFFICE FOR REELECTED OFFICIALS; ISSUE CERTIFICATES OF ELECTION

1. Adam Schiestel, Place 1
2. Brian Taylor, Place 3

G. REMARKS FROM COUNCILMEMBERS ADAM SCHIESTEL AND BRIAN TAYLOR

H. CLOSED MEETING

The Town Council to convene into closed meeting pursuant to Texas Government Code Chapter 551, including, but not limited to, Sections 551.071, 551.074, for consultation with Town Attorney, and to discuss matters relating to personnel. The Town Council may convene in executive session to conduct a private consultation with its attorney on any legally posted agenda item, when the Town Council seeks the advice of its attorney about pending or contemplated litigation, a settlement offer, or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the provisions of Chapter 551, including the below-referenced items.

1. Discuss and consider election of Mayor Pro Tem; Deputy Mayor Pro Tem

I. RECONVENE TO SPECIAL MEETING

J. REGULAR ITEM

1. 1171 Commercial Chapter 380 - Public Hearing to consider approval of a Chapter 380 Agreement with 1171 Commercial, LLC for the economic development of Flower Mound, and authorization for the Mayor to execute same on behalf of Town.

K. ADJOURN

I do hereby certify that the Notice of Meeting was posted on the bulletin board at the Town Hall for the Town of Flower Mound, Texas, in a place convenient and readily accessible to the general public at all times and said Notice was also posted on the Town's website in accordance with GC Section 551.056 on the following date and time: May 9, 2025, at 5:15 p.m., at least 72 hours prior to the scheduled time of said meeting.

Theresa Scott, Town Secretary

The Flower Mound Town Hall and Jody Smith Hall are wheelchair accessible. Requests for accommodation or interpretive services must be made 48 hours prior to this meeting by contacting Town Hall at 972.874.6000. Additional time limits will be provided for members of the public that need to address the Town Council through a translator.

To preview upcoming items of business that may appear on future agendas click HERE.

Town Council Regular Meeting

May 5, 2025
Town Hall
2121 Cross Timbers Road
Flower Mound, TX 75028

6:00 p.m.

DRAFT MINUTES

A. CALL TO ORDER

Mayor Moore called the meeting to order at 6:00 p.m. with the following members present:
Cheryl Moore, Mayor
Ann Martin, Mayor Pro Tem
Adam Schiestel, Deputy Mayor Pro Tem
Chris Drew, Councilmember Place 2
Brian Taylor, Councilmember Place 3
Janvier Werner, Councilmember Place 4

constituting a quorum with the following members of the Town Staff participating:
Theresa Scott, Town Secretary
James W. Childers, Town Manager
Bryn Meredith, Town Attorney
Tommy Dalton, Assistant Town Manager
Tiffany Bruce, Assistant Town Manager/Town Engineer
Lexin Murphy, Director of Development Services
John Zagurski, Chief Financial Officer
JP Walton, Strategic Services Officer
Matt Hotelling, Assistant Director of Public Works/Transportation

B. INVOCATION

Chaplain Jerry Cole gave the invocation.

C. PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG AND TO THE TEXAS FLAG

"Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."

Garden Ridge Elementary students led the pledges.

D. PRESENTATION(S)

1. Hometown Hero Presentation - Ross Alan Bone
   Mayor Moore recited the proclamation and presented it to Ross Alan Bone
2. Apraxia Awareness Proclamation
   Mayor Moore recited the proclamation and presented it to Cooper Martin.
3. Proclamation for Economic Development Week
   Mayor Moore recited the proclamation and presented it to Ray Watson, Director of Economic Development.
4. Garden Ridge Elementary students to present project ideas for their school
   The Garden Ridge Elementary students gave a presentation regarding their ideas for the school after it closes.

E. PUBLIC COMMENT

The purpose of this item is to allow the public an opportunity to address the Town Council regarding any item on this agenda that is not a "Public Hearing." Issues regarding daily operational or administrative matters should first be dealt with by calling Town Hall at 972.874.6000 during business hours.

In accordance with the Texas Open Meetings Act, the Town Council is restricted from discussing or acting on items not listed on the agenda.

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- Speakers are limited to 3 minutes, a tone will sound at 30 seconds left and when time has expired, and times may be adjusted by the mayor
- Speakers must address their comments to the Town Council
- Please state your name and address when speaking

Names listed below don't necessarily reflect the order in which each person spoke and all addresses are located in Flower Mound unless otherwise indicated.

	Speaker name and address	Subject (as written on the form)
1.	Shriya and Bhumi Patel, 704 Inglewood Dr	Invitation for Walkathon
2.	Scott Langley, 800 Carter Ct	Prop A & Prop B

** Indicates person did not wish to speak*

F. ANNOUNCEMENTS

1. Announcements from the mayor and council members
   There were announcements from the Mayor or Councilmembers regarding:

   1. Flower Mound Art Festival
   2. Recognition of the Garden Ridge Elementary students for their presentation
   3. Election results
   4. Meals on Wheels

G. TOWN MANAGER'S REPORT

1. Capital Improvement Projects

2. Economic Development Projects

3. Organizational Updates
   Mr. Childers provided an update/report reqarding:

   - Cross Timbers/Sunset Trail drainage
   - Art center in the River Walk

H. FUTURE AGENDA ITEM(S)

The purpose of this item is to allow the Mayor and members of Council an opportunity to bring forward items they wish to discuss at a future meeting, with the understanding that a consensus of Council is needed in order for that item to be placed on a future agenda and in accordance with the Town Council Agenda Setting Policy (Ord. 65-15).

There were no future agenda item requests.

I. COORDINATION OF CALENDARS

Mayor Moore confirmed that all Councilmembers plan to be at the following meetings:

1. May 14 (Wednesday) - Special Meeting and Election Canvass

2. May 15 - Work Session

J. CONSENT ITEM(S)

This part of the agenda consists of non-controversial or "housekeeping" items required by law. Items may be removed from Consent by any council member by making such request prior to a motion and vote.

ACTION:	Adam Schiestel moved to approve Consent items 1 - 4 as presented in the agenda caption. Janvier Werner seconded the motion.
AYES:	Ann Martin, Adam Schiestel, Chris Drew, Brian Taylor, Janvier Werner
NAYS:	None
ABSTAIN:	None
RESULT:	5 : 0

1. Minutes - 4/21 - Consider approval of the minutes from a regular meeting held on April 21, 2025.

2. Red Oak Lane Water & Sanitary Sewer Line Replacement - Consider approval of Sanitary Sewer CCTV and Cleaning Services related to the Red Oak Lane Sewer Line Replacement project, to Insituform Technologies, LLC., utilizing The

Local Government Purchasing Cooperative Contract #730-24, administered through BuyBoard, in the amount of $161,980.60.

3. Northshore Park Playground Replacement - Consider approval of the purchase and installation of the 2024-2025 Playground Replacements project, for Northshore Park Playground, from We Build Fun, Inc., through the Texas Local Government Purchasing Cooperative, in the amount of $276,619.00.

4. SRO Agreement - Consider approval of an interlocal agreement between the Town of Flower Mound and Lewisville Independent School District (LISD) for School Resource Officers (SRO) for the 2025/2026 school year.

K. REGULAR ITEM(S)

1. Micromobility Devices and Bicycles Ordinance - Consider approval of the Micromobility Devices and Bicycles Ordinance, amending Chapter 58 by adding Article IV Micromobility Devices and Bicycles, and authorization for the Mayor to execute on behalf of the Town.

   Mr. Walton gave a presentation identifying or noting:

   - background information
   - rules for helmet usage, night-time, devices, and pedestrians
   - penalties
   - ordinance adoption timing

   and he responded to questions or comments from council regarding:

   - 35 mph speed clarification (streets/sidewalks)
   - dual ridership
   - training
   - course sign-up options
   - public outreach

   ORDINANCE NO. 15_25
   AN ORDINANCE OF THE TOWN OF FLOWER MOUND, TEXAS, AMENDING CHAPTER 58 "STREETS, SIDEWALKS, AND OTHER PUBLIC PLACES," OF THE CODE OF ORDINANCES, TOWN OF FLOWER MOUND, TEXAS BY ADDING ARTICLE IV, "MICROMOBILITY DEVICES AND BICYCLES," PROVIDING THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY CLAUSE FOR VIOLATIONS HEREOF; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR A PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

ACTION:	Ann Martin moved to approve K.1. as presented in the agenda caption. Chris Drew seconded the motion.
AYES:	Ann Martin, Adam Schiestel, Chris Drew, Brian Taylor, Janvier Werner
NAYS:	None
ABSTAIN:	None
RESULT:	5 : 0

2. MISC25-0001 - Grocery Store at Furst Ranch NE Corner - Consider a concept plan (MISC25-0001 – Grocery Store at Furst Ranch NE Corner) with a request for a deviation to computing parking and loading requirements pursuant to Section 82-73 of the Code of Ordinances. The property is generally located north of Cross Timbers Road and east of U.S. Highway 377. (PZ recommended approval by a vote of 5 to 0 at its April 28, 2025, meeting.)

Ms. Murphy gave a presentation identifying or noting:

- general and detailed location
- land use and zoning
- site photos
- conceptual site plan
- parking deviation request
- conceptual landscape plan
- character zone - minor amendment

and she responded to comments or questions from Council regarding:

- power line easement location

Applicant Presentation

Rebecca Frein, H.E.B; Jonathan Kirby, Kimberly Horn

Ms. Frein introduced herself and Mr. Kirby gave a presentation identifying or noting:

- concept and landscape plan

and he responded to questions or comments from council regarding:

- shared parking possibility
- timing for opening

ACTION:	Ann Martin moved to approve K.2. as presented in the agenda caption. Chris Drew seconded the motion.
AYES:	Ann Martin, Adam Schiestel, Chris Drew, Brian Taylor, Janvier Werner
NAYS:	None
ABSTAIN:	None
RESULT:	5 : 0

3. MPA25-0002 - Monarch & Dixon Thoroughfare Amendment - Public Hearing to consider an ordinance amending the Master Plan (MPA25-0002 - Monarch & Dixon Thoroughfare Amendment) to amend Section 7.0 - Thoroughfare Plan, of the Master Plan. Locations are generally located within the Monarch Development area and between Dixon Lane and Justin Road (FM 407). (Planning and Zoning recommended approval by a vote of 5 to 0 at the April, 28, 2025, meeting) (Transportation Commission recommended approval by a vote of 6 to 0 at the April 8, 2025, meeting)

Mr. Hotelling gave a presentation identifying or noting:

- current thoroughfare plan
- urban collector/Urban minor arterials - Monarch
- proposed thoroughfare plan
- proposed Monarch site plan
- vicinity map - Dixon to Justin
- current thoroughfare plan
- urban collector - Dixon
- proposed thoroughfare plan
- Transportation Commission input
- Planning & Zoning Commission input

and he responded to questions from Council regarding:

- future traffic signal
- 2499 future1 connection

ORDINANCE NO. 16_25
AN ORDINANCE OF THE TOWN OF FLOWER MOUND, TEXAS, AMENDING THE FLOWER MOUND 2001 MASTER PLAN BY AMENDING ORDINANCE NO. 24-01, WHICH ADOPTED THE MASTER PLAN, BY AMENDING APPENDIX, “THOROUGHFARE PLAN MAP,” OF SECTION 7.0, “THOROUGHFARE PLAN,” BY ADDING TWO SECTIONS OF URBAN MINOR ARTERIAL AND ONE SECTION OF URBAN COLLECTOR, GENERALLY LOCATED WITHIN THE MONARCH DEVELOPMENT, LOCATED EAST OF INTERSTATE 35W; BY ADDING ONE SECTION OF URBAN COLLECTOR BETWEEN WHYBURN DRIVE AND TARTAN TRAIL, LOCATED NORTH OF

DIXON LANE AND SOUTH OF THE JUSTIN ROAD (FM 407), SAID LOCATIONS BEING MORE FULLY DESCRIBED IN EXHIBITS “A” AND “B” ATTACHED HERETO; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

ACTION:	Ann Martin moved to approve K.3. as presented in the agenda caption. Chris Drew seconded the motion.
AYES:	Ann Martin, Adam Schiestel, Chris Drew, Brian Taylor, Janvier Werner
NAYS:	None
ABSTAIN:	None
RESULT:	5 : 0

L. BOARDS/COMMISSIONS

Discuss and consider resignations, appointments, evaluations, reassignments, discipline, or dismissals for the following boards or commissions: Animal Services Board, Capital Improvements Advisory Committee, Community Development Corporation, Cultural Arts Commission, Denton County Transportation Authority, Environmental Conservation Commission, Historical Commission, Parks Board, School Liaison Committee, SMARTGrowth Commission, Tax Increment Reinvestment Zone Number (TIRZ #1), Tax Increment Reinvestment Zone Number (TIRZ #2), Transportation Commission, and Veterans Liaison Board.

No action taken.

M. CLOSED MEETING

The Town Council to convene into closed meeting pursuant to Texas Government Code Chapter 551, including, but not limited to, Sections 551.071, 551.072, 551.074, and 551.087 for consultation with Town Attorney, and to discuss matters relating to real property, personnel, and economic development negotiations, as indicated below. The Town Council may convene in executive session to conduct a private consultation with its attorney on any legally posted agenda item, when the Town Council seeks the advice of its attorney about pending or contemplated litigation, a settlement offer, or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the provisions of Chapter 551, including the below-referenced items.

Mayor Moore announced that the Town Council is convening into a closed meeting at 7:07 p.m., pursuant to Texas Government Code Chapter 551, including, but not limited to, Sections 551.071, 551.072, 551.074, and 551.087.

1. Consultation with Town Attorney.

    a. Update regarding proposed Texas legislation

2. Discuss and consider purchase, exchange, lease or value of real property for parks, cultural arts, public safety, public rights-of-way, and/or other municipal purposes, including real property located north of FM 1171 and west of US 377, and all matters incident and related thereto.

3. Discuss and consider resignations, appointments, evaluations, reassignments, discipline, or dismissals for the following boards or commissions: Board of Adjustment/Oil & Gas Board of Appeals, and Planning and Zoning Commission.

4. Discuss and consider economic development incentives, including retail centers, grocers, corporate relocation/expansion/retention, hospitality projects, health care facilities, construction of public improvements, requests for incentive-related proposals to develop real property, and Tax Increment Reinvestment Zone (TIRZ) #1, TIRZ #2, River Walk PID No. 1, Proposed PID, MMDs, and MUDs.

5. Update on the application process for the Town Secretary position.

The Town Council may convene in executive session to conduct a private consultation with its attorney on any legally posted agenda item, when the Town Council seeks the advice of its attorney about pending or contemplated litigation, a settlement offer, or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the provisions of Chapter 551, including the above referenced items.

N. RECONVENE

The Town Council reconvened into an open meeting at 9:09 p.m., to take no action on the above items.

O. ADJOURN

Mayor Moore adjourned the meeting at 9:10 p.m. and all were in favor.

TOWN OF FLOWER MOUND, TEXAS

____

CHERYL MOORE, MAYOR

ATTEST:

____

THERESA SCOTT, TOWN SECRETARY

TOWN COUNCIL
AGENDA E.2.
CONSENT ITEM(S)

DATE: May 14, 2025
FROM: Theresa Scott, Town Secretary
ITEM: **Consider approval of an ordinance canvassing the returns and declaring the results of a Special Election held on May 3, 2025, by the Town of Flower Mound, Texas.**

BACKGROUND: The General Election was canceled on March 3, 2025 (Ordinance No. 09-25). Councilmembers Adam Schiestel and Brian Taylor were unopposed and declared elected, so an election canvass is not applicable.

A Special Election was held on May 3, 2025, for the purpose of voters casting ballots on Election Day and during early voting on:

PROPOSITION A
"THE ISSUANCE OF $82,000,000 GENERAL OBLIGATION BONDS FOR PARK AND RECREATIONAL FACILITIES, INCLUDING TRAIL SYSTEMS, PARK AND SPORTS FIELDS AND THE COMMUNITY ACTIVITY CENTER, AND THE IMPOSITION OF A TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS."

PROPOSITION B
"THE ISSUANCE OF $30,000,000 GENERAL OBLIGATION BONDS FOR STREET IMPROVEMENTS AND THE IMPOSITION OF A TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS."

The purpose of this item is to approve an ordinance canvassing the returns and declaring the results of a Bond Election held on May 3, 2025 by the Town of Flower Mound, Texas.

BOARD REVIEW/CITIZEN FEEDBACK:

ALTERNATIVES: N/A

FISCAL IMPACT: N/A

LEGAL REVIEW: Kristen Savant with Norton Rose Fulbright has reviewed the ordinance as to form and legality.

ATTACHMENTS:
1. Canvass Ordinance
2. Denton County Cumulative 5.3.25
3. Tarrant County Cumulative 5.3.25

DRAFT MOTION: Move to approve as presented in the agenda caption.

TOWN OF FLOWER MOUND, TEXAS

ORDINANCE NO. ___25

AN ORDINANCE CANVASSING THE RETURNS AND DECLARING THE RESULTS OF A BOND ELECTION; AND RESOLVING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, on February 3, 2025, the Town Council (the *Council*) of the Town of Flower Mound, Texas (the *Town*) called an election to be held on May 3, 2025 for the purpose of determining whether the resident, qualified voters of the Town would authorize the issuance of general obligation bonds by the Town; and

WHEREAS, it is hereby found and determined that notice of the election was duly given in the form, manner and time required by law, and said election was in all respects legally held and conducted in accordance with applicable laws of the State of Texas and the proceedings calling and governing the holding of such election; and

WHEREAS, the Council hereby canvasses the returns of this election, at which there was submitted to all resident, qualified voters of the Town for their action thereupon, the following propositions:

PROPOSITION A

"THE ISSUANCE OF $82,000,000 GENERAL OBLIGATION BONDS FOR PARK AND RECREATIONAL FACILITIES, INCLUDING TRAIL SYSTEMS, PARK AND SPORTS FIELDS AND THE COMMUNITY ACTIVITY CENTER, AND THE IMPOSITION OF A TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS."

PROPOSITION B

"THE ISSUANCE OF $30,000,000 GENERAL OBLIGATION BONDS FOR STREET IMPROVEMENTS AND THE IMPOSITION OF A TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS."

WHEREAS, the Council has diligently inquired into the poll lists and the official election returns which were duly and lawfully made to the Council by the judges and clerks holding and conducting such election; the poll lists and the official election returns showing separately the votes cast in the election; and

WHEREAS, from these returns, this Council hereby finds that the following votes were cast in the election by voters who were resident, qualified voters of the Town:

PROPOSITION A

"THE ISSUANCE OF $82,000,000 GENERAL OBLIGATION BONDS FOR PARK AND RECREATIONAL FACILITIES, INCLUDING TRAIL SYSTEMS, PARK AND SPORTS FIELDS AND THE COMMUNITY ACTIVITY CENTER, AND THE IMPOSITION OF A TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS."

Denton County		
	For	Against
Early Votes	1,955	1,171
Absentee Votes	11	9
Election Day Votes	965	578
TOTAL	**2,931**	**1,758**

Tarrant County		
	For	Against
Early Votes	3	0
Absentee Votes	2	0
Election Day Votes	6	4
TOTAL	**11**	**4**

PROPOSITION B

"THE ISSUANCE OF $30,000,000 GENERAL OBLIGATION BONDS FOR STREET IMPROVEMENTS AND THE IMPOSITION OF A TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS."

Denton County		
	For	Against
Early Votes	2,285	844
Absentee Votes	14	6
Election Day Votes	1,069	472
TOTAL	**3,368**	**1,322**

Tarrant County		
	For	Against
Early Votes	3	0
Absentee Votes	1	1
Election Day Votes	7	3
TOTAL	**11**	**4**

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, THAT:

SECTION 1: The Council officially finds, determines, and declares that the election was duly and properly called, that proper legal notice of such election was duly given in the English language, the Spanish language and the Vietnamese language that proper election officers were duly appointed prior to the election, that the election was duly and legally held, that all resident, qualified voters of the Town were permitted to vote at the election, that due returns of the results of the election had been made and delivered, and that the Council has duly canvassed such returns, all in accordance with the laws of the State of Texas and of the United States of America, and the ordinance calling the election.

SECTION 2: A MAJORITY of the resident, qualified voters of the Town of Flower Mound, Texas voting in such election, having voted FOR the authorization and issuance of bonds $82,000,000 and the levy and pledge of the tax in payment thereof as provided in Proposition A, the Council hereby finds and determines that Proposition A passed at the election, that the election was duly called, that proper notice was given, and that the election was held in all aspects in conformity with the law.

SECTION 3: A MAJORITY of the resident, qualified voters of the Town of Flower Mound, Texas voting in such election, having voted FOR the authorization and issuance of bonds in the principal amount of $30,000,000 and the levy and pledge of the tax in payment thereof as provided in Proposition B, the Council hereby finds and determines that Proposition B passed at the election, that the election was duly called, that proper notice was given, and that the election was held in all aspects in conformity with the law.

SECTION 4: The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

SECTION 5: All resolutions and ordinances, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters resolved herein.

SECTION 6: This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 7: If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 8: It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 9: This Ordinance shall be in force and effect from and after its final passage and it is so resolved.

PASSED, ADOPTED, AND APPROVED on May 14, 2025, the date of the canvassing meeting.

TOWN OF FLOWER MOUND, TEXAS

____
Cheryl Moore, MAYOR

ATTEST:

____
Theresa Scott, TOWN SECRETARY

(TOWN SEAL)

Town of Flower Mound, Texas, Proposition A

Choice	Party	Absentee Voting		Early Voting		Election Day Voting		Total	
For		11	55.00%	1,955	62.54%	965	62.54%	2,931	62.51%
Against		9	45.00%	1,171	37.46%	578	37.46%	1,758	37.49%
	Cast Votes:	20	100.00%	3,126	100.00%	1,543	100.00%	4,689	100.00%
	Undervotes:	0		18		5		23	
	Overvotes:	0		0		1		1	

Town of Flower Mound, Texas, Proposition B

Choice	Party	Absentee Voting		Early Voting		Election Day Voting		Total	
For		14	70.00%	2,285	73.03%	1,069	69.37%	3,368	71.81%
Against		6	30.00%	844	26.97%	472	30.63%	1,322	28.19%
	Cast Votes:	20	100.00%	3,129	100.00%	1,541	100.00%	4,690	100.00%
	Undervotes:	0		15		8		23	
	Overvotes:	0		0		0		0	

*** End of report ***

COUNTY ELECTIONS ADMINISTRATOR · DENTON COUNTY, TEXAS

Frank Phillips

Tarrant County

Joint General and Special Elections

5/3/2025

Official Results

Registered Voters
15 of 791 = 1.90%

Town of Flower Mound Proposition A

Choice	Party	Absentee Voting		Early Voting		Election Day Voting		Total	
For		2	100.00%	3	100.00%	6	60.00%	11	73.33%
Against		0	0.00%	0	0.00%	4	40.00%	4	26.67%
	Cast Votes:	2	100.00%	3	100.00%	10	100.00%	15	100.00%
	Undervotes:	0		0		0		0	
	Overvotes:	0		0		0		0	

Town of Flower Mound Proposition B

Choice	Party	Absentee Voting		Early Voting		Election Day Voting		Total	
For		1	50.00%	3	100.00%	7	70.00%	11	73.33%
Against		1	50.00%	0	0.00%	3	30.00%	4	26.67%
	Cast Votes:	2	100.00%	3	100.00%	10	100.00%	15	100.00%
	Undervotes:	0		0		0		0	
	Overvotes:	0		0		0		0	

*** End of report ***

THE TOWN OF FLOWER MOUND TEXAS

TOWN COUNCIL
AGENDA J.1.
REGULAR ITEM

DATE: May 14, 2025

FROM: Ray Watson, Director of Economic Development

ITEM: **Public Hearing to consider approval of a Chapter 380 Agreement with 1171 Commercial, LLC for the economic development of Flower Mound, and authorization for the Mayor to execute same on behalf of Town.**

BACKGROUND: The purpose of this item is to consider approval of a Chapter 380 Agreement (Agreement) with 1171 Commercial, LLC (Furst Ranch). The Town Council amended Tax Increment Reinvestment Zone No. 2 (Zone) at their December 16, 2024, meeting to increase the Town's participation in the Zone from 50% to 80%. The Zone was initially created by Ordinance 47-23 on November 6, 2023, and the Final Project and Finance Plan (Final Plan) for the Zone was created by Ordinance 11-24 on March 18, 2024.

As part of that amendment to the Zone, the Town partnered with Denton County and the County's Office of Economic Development to identify economic development programs to attract development for the purpose of providing long-term economic benefits including, but not limited to, increased real property tax base and sales tax for all taxing units in the Zone.

The Town collaborated with the County to create an economic development fund and program (ED Program) for a defined area within the Zone designed to aid the financial success of the Zone, Town, and County. In this partnership with the County, the Town dedicated 30% of its 80% participation rate to the ED Program, leaving the remaining 50% dedicated to the previously identified infrastructure projects outlined in the Final Plan created by Ordinance 11-24.

This proposed Agreement is the legal mechanism that executes the ED Program outlined in the Zone. The Zone grants the TIRZ #2 Board all the powers of the Town under Chapter 380 of the Texas Local Government Code. The Agreement is consistent with the ED Program and runs with the term of the Zone (30 years). As outlined in the Zone's ED Program, the following must occur prior to grants being issued from the ED program:

1. The horizontal infrastructure necessary to serve the property to be incentivized must be constructed; and
2. The vertical and private infrastructure must be constructed; and
3. A certificate of occupancy for an end user that meets the eligibility requirements of the ED program must be issued.

In addition, the Agreement also outlines how the County's TIRZ increment is used in accordance with the Zone, and the County's participation agreement.

At the time of the packet posting, the draft agreement had not been finalized. The packet will be updated with the final draft agreement once it is finalized.

BOARD REVIEW/CITIZEN FEEDBACK: The TIRZ #2 Board will consider approval of this agreement during the May 14, 2025, meeting

ALTERNATIVES: N/A

FISCAL IMPACT: N/A

LEGAL REVIEW: Bryn Meredith, of Taylor, Olson, Adkins, Sralla, & Elam L.L.P., has reviewed the agreement as to form and legality.

ATTACHMENTS:
1. Draft Agreement

DRAFT MOTION: Move to approve as presented in the agenda caption.

CHAPTER 380 MASTER AGREEMENT
BETWEEN
THE TOWN OF FLOWER MOUND, THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER 2, AND 1171 COMMERCIAL, LLC

This Chapter 380 Agreement ("Agreement") is made and entered into by and between the Town of Flower Mound, Texas ("Town"), the Board of Directors of Reinvestment Zone Number 2, Town of Flower Mound (the "Board"), and 1171 Commercial, LLC (the "Developer") to be effective on May 14, 2025 (the "Effective Date"). The Town, the Board, and the Developer are individually referred to as a "Party" and collectively, the "Parties".

RECITALS

WHEREAS, the Reinvestment Zone Number Two, Town of Flower Mound, Texas (the "TIRZ") was created pursuant to Ordinance No. 47-23, adopted by the Town Council of the Town (the "Town Council") on November 6, 2023, pursuant to the Act; and

WHEREAS, the property to be developed includes 1,609 acres commonly known as Furst Ranch and is described by metes and bounds and depicted on **Exhibit A** attached hereto and made a part hereof for all purposes (the "Property"); and

WHEREAS, on March 18, 2024, pursuant to Ordinance No. 11-24, the Town Council approved the *Reinvestment Zone Number Two, Town of Flower Mound, Texas, Final Project and Finance Plan*; and

WHEREAS, on April 17, 2024, the Parties entered into the Furst Ranch Capital Improvement Agreement providing for TIRZ revenues in an amount equal to 50 percent of the ad valorem property taxes levied and collected by the Town for each year on the captured appraised value of the Property taxable by the Town to fund Capital Improvement Plan projects (the "TIRZ CIP Agreement"); and

WHEREAS, on December 16, 2024, pursuant to Ordinance No. 59-24, the Town Council approved the *Reinvestment Zone Number Two, Town of Flower Mound, Texas, Amended and Restated Final Project and Finance Plan* (the "Amended Plan," attached hereto as **Exhibit B**); and

WHEREAS, the Amended Plan provides for the collection of eighty percent (80%) of the Town's ad valorem tax increment attributable to the Property, based on the Town's tax rate each year and as authorized by law, for a period of thirty (30) years (the "Town TIRZ Increment"); and

WHEREAS, the Amended Plan provides for the collection of eighty percent (80%) of Denton County's ad valorem tax increment attributable to the Property, based on the County's tax rate each year and as authorized by law, for a period of thirty (30) years (the "County TIRZ Increment"); and

WHEREAS, the Town TIRZ Increment and the County TIRZ Increment will be deposited into a tax increment fund created by the Town and segregated from all other funds of the Town (the "TIRZ No. 2 Fund"); and

WHEREAS, in accordance with the Amended Plan, 80% of the County TIRZ Increment, after the prorated portion of Administrative Costs, will be deposited in a subaccount within the TIRZ No. 2 Fund (the "County Infrastructure Fund") and paid to the Developer in accordance with the Amended Plan and the County Participation Agreement; and

WHEREAS, in accordance with the Amended Plan, 50% of the Town TIRZ Increment, after the prorated portion of Administrative Costs, will be deposited in a subaccount within the TIRZ No. 2 Fund (the "Town Infrastructure Fund") and paid to the Developer in accordance with the Amended Plan and the TIRZ CIP Agreement; and

WHEREAS, in accordance with the Amended Plan, 30% of the Town TIRZ Increment, after the prorated portion of Administrative Costs, will be deposited in a subaccount within the TIRZ No. 2 Fund (the "Economic Development Fund") and granted to the Developer in the form of a Chapter 380 Grant(s) in accordance with the Amended Plan and this Agreement; and

WHEREAS, in accordance with Article III, Chapter 52-a of the Texas Constitution and Chapter 380 of the Texas Local Government Code ("Chapter 380"), the Town recognizes the positive impact that the Development will bring to the Town, and that the Development will promote state and local economic development; stimulate business and commercial activity in the municipality; promote the development and diversification of the economy of the state; promote development and expansion of commerce in the state; and promote the elimination of unemployment or underemployment in the state. The provisions of this Agreement ensure that a public purpose is satisfied, and that the Town receives a benefit in return; and

WHEREAS, the Developer desires to improve and develop the Property as a residential and commercial development; and

WHEREAS, the Town recognizes the positive economic impact that development of the Property will have through the production of new jobs, the stimulation of commercial activity, and the additional ad valorem and sales and use tax revenue generated by the development of the Property; and

WHEREAS, the Town hereby establishes this Agreement as a program in accordance with Chapter 380 under which the Town has the authority to make grants of public funds for the purposes of promoting local economic development and stimulating business and commercial activity within the Town; and

WHEREAS, to ensure that the benefits the Town provides under this Agreement in the form of grants pursuant to Chapter 380 are consistent with Article III, Section 52-a of the Texas Constitution and Chapter 380, the Developer has agreed that certain performance standards must be satisfied as a condition to receiving the grants described in this Agreement, and as a result, the incentives will serve a legitimate public purpose and provide a clear public benefit in return; and

WHEREAS, the Town Council has found that economic development grants pursuant to

Chapter 380 ("Chapter 380 Grants") are for the public purposes of: (a) developing and diversifying the economy of the state; (b) eliminating unemployment and underemployment in the state; (c) developing or expanding commerce in the state; and (d) promoting economic development within the state; and

WHEREAS, the provisions of this Agreement ensure that a public purpose is satisfied, and that the Town receives a benefit in return; and

WHEREAS, the Town Council has determined that entering into this Agreement is in the best interest of the Town, and expects the Chapter 380 Grants to result in a benefit to the community with increased jobs and tax revenue; and

WHEREAS, the Parties have agreed this Agreement contains controls to ensure the public purpose of the Chapter 380 Grants is accomplished; and

WHEREAS, but for the Developer undertaking the development of the Property, the TIRZ would not generate sufficient TIRZ increment to provide the Chapter 380 Grants to the Developer as set forth in the Amended Plan and this Agreement; and

WHEREAS, pursuant to Section 311.010(h) of the Act, the TIRZ may establish and provide for the administration of one or more programs, including the Program, for the public purposes of developing and diversifying the economy of the zone, eliminating unemployment and underemployment in the zone, and developing or expanding transportation, business, and commercial activity in the zone, including programs to make grants and loans from the tax increment fund of the zone in an aggregate amount not to exceed the amount of the tax increment produced by the municipality and paid into the tax increment fund for the zone for activities that benefit the zone and stimulate business and commercial activity in the zone, and the TIRZ has all the powers of a municipality under Chapter 380; and

WHEREAS, capitalized terms used but not defined herein shall have the meanings given to them in the Amended Plan.

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement and for other good and valuable consideration the receipt and adequacy of which are acknowledged and agreed by the Parties, the Parties agree as follows:

ARTICLE I
DEFINITIONS

"Agreement," "Amended Plan," "Chapter 380," "Chapter 380 Grants," "County Infrastructure Fund," "County TIRZ Increment," "Developer," "Economic Development Fund," "Effective Date," "Property," "TIRZ," "TIRZ CIP Agreement," "TIRZ No. 2 Fund," "Town," "*Town Council,*" *"Town Infrastructure Fund,"* and "*Town TIRZ Increment,*" shall have the meanings set forth in the recitals.

"Eligible Projects" shall mean a project that meets the parameters set forth in **Exhibit C** of this Agreement and Exhibit I of the Amended Plan.

"*End User Recipient*" shall mean a person or an entity that constructs or operates an Eligible Project and receives a Chapter 380 Grant under Section 2.04 of this Agreement.

"*Impositions*" shall mean all taxes of any kind or impact fees assessed by the Town in compliance with Texas Local Government Code Chapter 395 and state law on the Developer or End User Recipient or any property or any business owned by the Developer within the Property.

ARTICLE II
CHAPTER 380 GRANTS AND COUNTY PARTICIPATION PROJECTS

Section 2.01 TIRZ No. 2 Fund. The TIRZ No. 2 Fund shall be allocated or dedicated as detailed in the Amended Plan. In accordance with the Amended Plan and this Agreement, 30% of the Town's collected revenue from its tax increment obtained from the Property shall be placed into the Economic Development Fund. Amounts in the TIRZ No. 2 Fund and subaccounts, including the Economic Development Fund, the Town Infrastructure Fund and the County Infrastructure Fund, shall not be comingled with other funds, and the TIRZ No. 2 Fund shall be separate and apart from all other Town tax increment reinvestment zone funds and subaccounts.

Section 2.02 TIRZ Fund Subaccount Allocation and Payment. For the purposes of this Agreement, the monies within the Economic Development Fund, the Town Infrastructure Fund and the County Infrastructure Fund shall be allocated as described in Section 12.2 of the Amended Plan for the following purposes:

(i) First, to pay pro-rata administrative expenses of the TIRZ [*See Amended Plan* Section 12.2(1)(a)].

(ii) Then, from the Economic Development Fund, in accordance with this Agreement, to pay the Chapter 380 Grants to the Developer or an End User Recipient, in accordance with the Amended Plan, until thirty (30) years has passed. Chapter 380 Grants not fully funded with proceeds from the Economic Development Fund in any year may roll over to following fiscal years, to be paid when funds are available. [*See Amended Plan* Section 12.2(1)(d)]

(iii) Then, from the Town Infrastructure Fund, in accordance with the TIRZ CIP Agreement, to reimburse the Developer for projects, in accordance with the Amended Plan, until thirty (30) years has passed. TIRZ CIP Agreement projects not fully funded with proceeds from the Town Infrastructure Fund or impact fees collected from the Property in any year may roll over to following fiscal years, to be paid when funds are available. [*See Amended Plan* Section 12.2(1)(b)]

(iv) Then, from the County Infrastructure Fund, in accordance with this Agreement, to reimburse the Developer for County projects, in accordance with the Amended Plan, until thirty (30) years has passed. County projects not fully funded with proceeds from the County Infrastructure Fund in any year may roll over to following fiscal years, to be paid when funds are available. [*See Amended Plan* Section 12.2(1)(c)]

Section 2.03 Developer Chapter 380 Program Prerequisites. In order to be eligible to receive the Chapter 380 Grants, the Developer or End User Recipient, as applicable, shall perform the following obligations:

(i) Construct, or cause to be constructed, the horizontal infrastructure necessary to serve the property to be incentivized; and

(ii) Construct, or cause to be constructed, the vertical infrastructure and private infrastructure to the standards set forth by the Town in the applicable planned development ordinances and necessary to serve the property to be incentivized (i.e., completion of a building for which a certificate of occupancy is issued under (iii) below and completion of private water and sewer improvements on the platted lot that will serve the building); and

(iii) Receive a Town issued certificate of occupancy for an entity that meets the requirements detailed on **Exhibit C** of this Agreement, which is consistent with Exhibit I of the Amended Plan.

(iv) Notwithstanding Chapter 3000 of the Texas Government Code, the Property to be incentivized shall be developed and maintained for the term of this Agreement in accordance with the architectural design standards set forth in Section 4 of Town Ordinance 48-22 for project MU21-0002 or other design standards approved by the Town through the site plan approval process. Any provision within Town Ordinance 48-22 or state law that suggests compliance with the architectural design standards is voluntary or discretionary shall not apply as compliance is hereby made to be mandatory.

(v) Must not be delinquent in the payment of Impositions.

Section 2.04 Chapter 380 Grants to be paid to the Developer or an End User Recipient. The Developer, or an End User Recipient, shall be eligible to receive Chapter 380 Grants in an amount designated by the Developer if the Developer prerequisites described in Section 2.04 of this Agreement are satisfied on the portion of the Property to be incentivized that meet the requirements detailed in **Exhibit C**. In order to receive a Chapter 380 Grant under this section, the Developer must provide, or cause to be provided to the Town, a written request for payment (the "Request for Payment") substantially in the form attached hereto as **Exhibit D-1**. This Agreement contemplates that the Developer will actively recruit End User Recipients and authorizes the Developer to engage in negotiations with them that involve Chapter 380 Grants and incentives. Any Request for Payment that designates an End User Recipient as a payee will require such payee to execute a joinder in the form described on the Request for Payment. Any Request for Payment that includes an End User Recipient not listed on **Exhibit C** requires Board approval.

Section 2.05 County TIRZ Increment to be paid to the Developer. The Developer shall be eligible to receive County Infrastructure Funds to reimburse County projects described in the Amended Plan, including parks, trails, public open space improvements and streets and related storm sewer not included on the Town's capital improvement plan. In order to receive reimbursement from the County Infrastructure Fund under this section, the Developer must provide, or cause to be provided to the Town, a Request for Payment substantially in the form attached hereto as **Exhibit D-2**.

Section 2.06 Request for Payment Procedures. Within thirty (30) days following receipt of any Request for Payment, the Town Manager shall either: (1) approve the Request for Payment and process it for payment, or (2) provide the Developer with written notification of disapproval of all or part of a Request for Payment, specifying the basis for any such disapproval. If the Request for Payment is denied by the Town Manager, the Developer may appeal the denial of the proposed end user to the Board. The decision of the Board denying an appeal on a Request for Payment is final. If the Town Manager takes no action within such thirty (30) day period, the Request for Payment shall be deemed approved. Each Request for Payment approved by the Town Manager or that are deemed approved shall be paid to the payee designated in the Request for Payment from the applicable TIRZ No. 2 Fund account within thirty (30) days of such approval provided sufficient funds are available in the applicable TIRZ No. 2 Fund account and the conditions to payment are satisfied. If there are insufficient funds available in the applicable TIRZ No. 2 Fund account to pay the approved Request for Payment, then the amount approved must be paid within sixty (60) days of the date funds are deposited into the applicable TIRZ No. 2 Fund account. Funds paid from the Economic Development Fund and the County Infrastructure Fund will be paid in the order that each Request for Payment is received and approved by the Town Manager or deemed approved. The approved Request for Payment of funds from the Economic Development Fund confirms the obligation for payment once the Developer prerequisites are satisfied, including the Town issuance of a certificate of occupancy for the entity described on the Request for Payment that meets the requirements detailed on Exhibit C of this Agreement. If on the payment date for any approved Request for Payment of funds from the Economic Development Fund the certificate of occupancy associated with the Request for Payment has been revoked or the end user described in the Request for Payment has suspended operations at the location identified in the Request for Payment then payments will be suspended and that Request for Payment will be terminated such that no future payments are owed under the Request for Payment for the non-compliant end user. If a Request for Payment is terminated before the fifth anniversary of the date the Town issued a certificate of occupancy for the End User Recipient described in the Request for Payment then the amounts previously paid and attributable to that end user will be deducted from amount requested for the next approved Request for Payment.

ARTICLE III
DEFAULT AND REMEDIES

Section 3.01 Default. For purposes of this Article III, if the Developer fails to comply with any of its obligations set forth in this Agreement, the Town shall notify the Developer in writing of the default. The Developer shall be given a reasonable timeframe to remedy the default, to be not less than thirty (30) days, except in the event public safety is at risk. If such default is not remedied within the specified timeframe, the Town, until such default is remedied, shall only be obligated to pay the portion of the Chapter 380 Grant that has been performed by the Developer up to and including the date of default. Upon the remedy of any default, the Developer shall be entitled to continue to receive the Chapter 380 Grants. Notwithstanding the foregoing, the Town shall have no obligation to provide notice of default for the Developer's failure to make a Request for Payment as set forth in Section 2.04 or Section 2.05.

Section 3.02 Remedies. IF A PARTY IS IN DEFAULT, THE AGGRIEVED PARTY MAY, AT ITS OPTION AND WITHOUT PREJUDICE TO ANY OTHER RIGHT OR REMEDY UNDER THIS AGREEMENT, SEEK ANY RELIEF AVAILABLE AT LAW OR IN EQUITY, INCLUDING, BUT NOT LIMITED TO, AN ACTION for SPECIFIC PERFORMANCE, NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL ENTITLE ANY PARTY TO TERMINATE THIS AGREEMENT OR LIMIT THE TERM OF THIS AGREEMENT.

ARTICLE IV
MISCELLANEOUS PROVISIONS

Section 4.01 Term. This Agreement shall be in force for thirty (30) years, in accordance with the Amended Plan.

Section 4.02 Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; and (c) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

Section 4.03 Successors and Assigns. Neither party may assign or transfer this Agreement, in whole or in part, without the prior written consent of the other party, except that Developer may assign this Agreement, in whole or in part, without consent to (a) wholly-owned subsidiary or parent company that controls, is controlled by, or is under common control with such party, provided that the assignee assumes all obligations under this Agreement; (b) an End User Recipient or (c) a lender in the form of a collateral assignment. For purposes of this Section, “Affiliate” shall mean only an entity that directly controls, is directly controlled by, or is under direct common control with the assigning party through the ownership of more than fifty percent (50%) of the voting securities or equity interest. Neither the Town nor the Board shall be required to become a party to any collateral assignment agreement. Upon such assignment, the Developer shall provide a copy of the assignment to the Board and Town within 15 days after the effective date of the assignment. The Board and Town shall not assign this Agreement. Other than a lender, an assignee under this section is considered a Party for the purposes of the rights and obligations assigned. Any attempted assignment in violation of this Section shall be null and void.

Section 4.04 Notices. Any notice, submittal, payment or instrument required or permitted by this Agreement to be given or delivered to any Party shall be deemed to have been received when personally delivered or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the Town:	Town of Flower Mound Attn: Town Manager 2121 Cross Timbers Road Flower Mound, Texas 75028
With a copy to:	Taylor Olson Adkins Sralla & Elam, LLP Attn: Bryn Meredith 6000 Western Place, Suite 200 Fort Worth, Texas 76107
To the Board:	Board of Directors Reinvestment Zone Number 2, Town of Flower Mound Attn: Chairman 2121 Cross Timbers Road Flower Mound, Texas 75028
With a copy to:	Taylor Olson Adkins Sralla & Elam, LLP Attn: Bryn Meredith 6000 Western Place, Suite 200 Fort Worth, Texas 76107
To the Developer:	1171 Commercial, LLC Attn: Jack D. Furst 2591 Lakeside Parkway, Suite 100 Flower Mound, Texas 75022
With a copy to:	Shupe Ventura, PLLC Attn: Misty Ventura 9406 Biscayne Boulevard Dallas, Texas 75218

Any Party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other Party.

Section 4.05 Interpretation. The Parties acknowledge that each has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

Section 4.06 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is necessary and required.

Section 4.07 Authority and Enforceability. The Town represents and warrants that this Agreement has been approved by official action of the Town Council in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the Town has been and is duly authorized to do so. The Board represents and warrants that this Agreement has been approved by official action of the Board in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the Board has been and is duly authorized to do so. The Developer represents and warrants that this Agreement has been approved by appropriate action of the Developer, and that the individual executing this Agreement on behalf of the Developer has been and is duly authorized to do so. Each Party respectively acknowledges and agrees that this Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.

Section 4.08 Governmental Functions; Waivers of Immunity. Nothing in this Agreement is intended to delegate or impair the performance by the Town of its governmental functions, and the Town waives any claim or defense that any provision of this Agreement is unenforceable on the grounds that it constitutes an impermissible delegation or impairment of the Town's performance of its governmental functions. The Town waives its governmental immunity from suit and immunity from liability as to any action brought by the Developer because this Agreement is a contract subject to Texas Local Government Code Chapter 271, Subchapter I.

Section 4.09 Severability. This Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the Parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

Section 4.10 Applicable Law; Venue. This Agreement is entered into pursuant to, and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Denton County. Exclusive venue for any action related to, arising out of, or brought in connection with this Agreement shall be in the Denton County State District Court.

Section 4.11 Non-Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except in writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

Section 4.12 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.

Section 4.13 Complete Agreement. This Agreement and the TIRZ CIP Agreement embody the entire agreements between the Parties related to the use of TIRZ revenue and cannot be varied or terminated except as set forth in this Agreement or the TIRZ CIP Agreement, or by written agreement of the Town, the Board, and the Developer expressly amending the terms of this Agreement or the TIRZ CIP Agreement.

Section 4.14 Consideration. This Agreement is executed by the Parties without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

Section 4.15 Chapter 380 Reporting. The Town agrees to timely report this Agreement to the State Comptroller in accordance with Section 403.0246 of the Texas Government Code and Chapter 380 of the Texas Local Government Code.

Section 4.16 Form 1295. Submitted herewith is a completed Form 1295 generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The Town agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after receipt of such form. The Parties understand and agree that, with the exception of information identifying the Town and the contract identification number, neither the Town nor its consultant are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Developer; and, neither the Town nor its consultant are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Developer; and, neither the Town nor its consultants have verified such information.

Section 4.17 Public Information. Notwithstanding any other provision to the contrary in this Agreement, all information, documents, and communications relating to this Agreement may be subject to the Texas Public Information Act and any opinion of the Texas Attorney General or a court of competent jurisdiction relating to the Texas Public Information Act. The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Agreement and, to the extent such requirements apply to this Agreement, the Developer agrees that this Agreement may be terminated if the Developer knowingly or intentionally fails to comply with a requirement of that subchapter, if applicable, and the Developer fails to cure the violation on or before the 10th business day after the date the Town provides notice to Developer of noncompliance with Subchapter J, Chapter 552. To the extent Section 552.372, Texas Government Code applies to this Agreement, Developer is required to preserve all contracting information related to this Agreement as provided by the records retention requirements applicable to the Town for the duration of this Agreement; promptly provide to the Town any contracting information related to this Agreement that is in the custody or possession of the Developer on request of the Town; and on completion of the Agreement, either provide at no cost to the Town all contracting information related to the contract that is in the custody or possession of the entity or preserve the contracting information related to the contract as provided by the records retention requirements applicable to the Town.

Section 4.18 Employment of Undocumented Workers. The Developer agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C. Section 1324a(f), the Developer shall repay the incentives granted herein within 120 days after the date the Developer is notified by the Town of such violation, plus interest at the rate of six percent (6%) compounded annually from the date of violation until paid. Pursuant to Section 2264.101(c), Texas Government Code, a business is not liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee of the business, or by a person with whom the business contracts.

Section 4.19 Texas Government Code Verifications. The Developer verifies and certifies that it does not and during the duration of this Agreement will not:

(i) do business with Iran, Sudan, or a foreign terrorist organization, as defined in Texas Government Code Chapter 2270, as amended;

(ii) boycott Israel as that term is defined in Texas Government Code Section 808.001 and Chapter 2271, as amended;

(iii) discriminate against a firearm entity or firearm trade association as defined in Texas Government Code Chapter 2274, as amended;

(iv) operate as a foreign owned or controlled company in connection with a critical infrastructure project as defined in Texas Government Code Chapter 2275, as amended; or

(v) boycott energy companies as defined in Texas Government Code Section 809.001 and Chapter 2276, as amended.

Section 4.20 Developer Indemnification. In the event of any litigation by an End User Recipient challenging the validity or enforceability of this Agreement containing a claim arising from an allegation occurring in whole or in part during the five (5) year period beginning on the date the Town issues that End User Receipt a certificate of occupancy and ending five years after the date the Town issued that End User Receipt a certificate of occupancy, the Developer agrees to indemnify the Town or the Board, as applicable, for its reasonable attorneys' fees and costs spent on defending the validity or enforceability of this Agreement as applied to End User

Recipient plaintiff. The Developer shall reimburse the Town or the Board for any Chapter 380 Grant payments that are made by the Town or the Board to the Developer, if such payments are deemed by a court with final non-appealable jurisdiction to be illegal or a violation of state or federal law. This Section shall survive the termination of this Agreement.

[SIGNATURE PAGES FOLLOW]

EXECUTED BY THE PARTIES TO BE EFFECTIVE ON THE EFFECTIVE DATE:

Executed this ______ day of _________________________, 2025.

TOWN OF FLOWER MOUND

By: ___________________________
Name: Cheryl Moore
Title: Mayor

ATTEST:

____
Theresa Scott, TOWN SECRETARY

DEVELOPER:

1171 COMMERCIAL, LLC

By: ______________________________
Name: Jack D. Furst
Its: President

STATE OF TEXAS §
§
COUNTY OF ___________ §

This instrument was acknowledged before me on the ____ day of _______________, 2025, by Jack D. Furst, Vice President of 1171 Commercial LLC, of behalf of said company.

____
Notary Public, State of Texas

EXHIBIT A
MAP OF THE PROPERTY

EXHIBIT B
AMENDED PROJECT AND FINANCING PLAN TIRZ NO. 2

EXHIBIT C
ECONOMIC DEVELOPMENT PROGRAM PROJECTS

1) Upscale Specialty Retailers

Such retail and restaurant uses that are typically categorized as "Class A" including, but not limited to, Upscale Specialty Retailers such as, but not limited to, Apple Store, Lululemon, Anthropologie, Crate and Barrel, Williams Sonoma, Pottery Barn, and REI, and generally found in high-end projects such as The Shops at Legacy or Legacy West in Plano, Texas, Southlake Town Square in Southlake, Texas, Highland Park Village, Dallas, Texas, or comparable high-end projects elsewhere.

2) Specialty and Gourmet Grocers

Regional or neighborhood grocery stores that provide an upscale grocery experience, including, but not limited to, Central Market, Trader Joe's, and H-E-B, or other high-quality Specialty and Gourmet Grocers.

3) Quality Wholesale and Lifestyle Essential Store

A retail or wholesale store that typically sells a higher-end variety of upscale products for home, health, personal care, groceries, electronics and auto. These stores are usually 125,000-150,000 square feet in size and most wholesale are membership only. This category includes, but is not limited to, Costco, Target and BJ's Wholesale.

4) Upscale Restaurant

Any restaurant that focuses on quality food and a refined atmosphere and offers full table service with a premium menu. Examples include, but are not limited to, Capital Grille, Truluck's, Bob's Steak and Chop House, Texas de Brazil, Al Biernet's, Del Frisco's Grille and Perry's Steak House. Upscale Restaurant explicitly excludes casual dining, fast casual dining, and fast-food restaurant, with or without a drive-thru.

5) Super Retail Store

Large-scale, high-volume retail stores specializing in furniture, home goods, or sporting goods that attract shoppers from a wide geographic region, including, but not limited to IKEA, Scheels, Bass Pro Shop, Cabela's, and NFM.

6) Shopping Center

A multi-tenant, multi-building shopping center consisting of buildings comprising a minimum of 250,000 square feet for retail, office, medical office, personal service, and restaurant uses, as those terms are defined in the Town's Code of Ordinances or uses otherwise allowed within the Town's Mixed-Use Transition – Major Roadway character zone of the Town's Mixed Used Zoning District Regulations. To be eligible, the combined building square footage of the Shopping Center must include uses from the Economic

Development Program Projects that comprise of at least fifty percent (50%) of the Shopping Center square footage.

7) <u>Class A Office Space</u>

High-quality office projects designed to attract professional businesses and corporate tenants, and regional and national headquarters, offering premier amenities, advanced technology infrastructure, and high-end finishes that align with Class A office buildings in Denton and Collin Counties, Texas.

8) <u>Upscale Hospitality</u>

A full-service hotel or lodging use rated "Upper Upscale" or better by the Smith Travel Research report, commonly referred to as the STAR report.

9) <u>Entertainment District</u>

A type of arts district with a high concentration of theatres, both live and digital, performing arts venues, cultural attractions (museums, galleries and other cultural institutions), which includes retail space with experiential entertainment such as Chicken and Pickle, interactive gaming and specialty restaurants.

10) <u>Recreation Facilities</u>

Public buildings and grounds for community entertainment, relaxation, social activity and other leisure activities. These can be both indoor or outdoor and may include stages. amphitheaters, botanical gardens, and waterparks are a few examples.

In the event of a dispute regarding whether a particular use meets one of the above definitions, such determination shall be reviewed and determined by the Board, or their designee.

EXHIBIT D-1
REQUEST FOR PAYMENT FROM ECONOMC DEVELOPMENT FUND

The undersigned is an agent for _________ (the "Requestor") and requests payment from the Economic Development Fund of Reinvestment Zone Number Two, Town of Flower Mound, Texas ("TIRZ No. 2") from the Town of Flower Mound, Texas (the "Town") in the amount of $________________ for a [NAME OF END USER], to be located with Furst Ranch at [STREET ADDRESS OR LOT AND BLOCK OR EXHIBIT DEPICTING LOCATION] which is an Economic Development Program project described on Exhibit I of the Amended Plan (the "Chapter 380 Grant"). All capitalized terms not otherwise defined herein shall have the meaning given to such term in that certain Flower Mound TIRZ No. 2 Chapter 380 Agreement, entered into as of May 14, 2025, by and between the Town, the Board of Directors for TIRZ No. 2 (the "Board"), and 1171 Commercial, LLC (the "Agreement").

In connection to the above referenced payment, the Requestor represents and warrants to the Town as follows:

1. The undersigned is a duly authorized officer of the Requestor, is qualified to execute this Request for Payment on behalf of the Requestor and is knowledgeable as to the matters set forth herein.

2. The Chapter 380 Grant requested has been determined by the Town Administrator or his/her designee to be compliant with the Economic Development Program set forth in the Amended Plan.

3. The Chapter 380 Grant requested has not been the subject of any prior payment request submitted to the Town or, if previously requested, no disbursement was made with respect thereto.

4. The Town is hereby instructed to provide the Chapter 380 Grant to the following payee(s) upon satisfaction of the following obligations set forth in Section 3.12 of the Amended Plan:

    a. Construct the horizontal infrastructure necessary to serve the property to be incentivized; and

    b. Construct the vertical infrastructure and private infrastructure to the standards set forth by the Town in the applicable planned development ordinances and necessary to serve the property to be incentivized; and

    c. Receive a Town issued certificate of occupancy for an entity that meets the requirements detailed on Exhibit I of the Amended Plan.

Payee(s)	Wiring Instructions

[REQUESTOR SIGNATURE BLOCK]

By:____________________________

Name:__________________________

Title:___________________________

Date:___________________________

JOINDER AGREEMENT (required when Payee is an End User Recipient):

1. End User Recipient is [described on Exhibit C of the Agreement] [has been approved by the Board]: [business name and legal entity owning the business].

2. TIRZ No. 2 location: [street address or lot and block or exhibit with depiction]

Payee is not a party to the Agreement and hereby acknowledges that the End User Recipient has received and reviewed a copy of the Agreement. End User Recipient hereby acknowledges, agrees, and confirms that, by execution of this Request for Payment and Joinder Agreement, the End User Recipient shall be deemed a "party" to the Agreement. The End User Recipient hereby ratifies, as of the date hereof, and agrees to be bound by, all of the applicable terms, provisions and conditions contained in the Agreement with respect to the Chapter 380 Grant, to the same effect as if it were an original Party to the Agreement.

[END USER RECIPIENT SIGNATURE BLOCK]

By:____________________________

Name:__________________________

Title:___________________________

Date:___________________________

APPROVAL OF REQUEST FOR PAYMENT

The Town Manager or his/her designee is receipt of the attached Request for Payment, acknowledge such Request for Payment, and finds the Request for Payment to be in order. After reviewing the Request for Payment, the Town Manager or his/her designee approves the Chapter 380 Grant requested in the attached Request for Payment and authorizes and directs payment of the amount set forth in the Request for Payment from the appropriate account within the TIRZ No. 2 Fund in accordance with the Amended Plan. The Town Manager or his/her designee approval of the Payment Request is conditioned upon the availability of funds in the appropriate account within the TIRZ No. 2 Fund and the satisfaction of the obligations set forth in Section 3.12 of the Amended Plan.

TOWN OF FLOWER MOUND, TEXAS

By:____________________________

Name:__________________________

Title:___________________________

[ZONE REPRESENTATIVE SIGNATURE BLOCK]

By:____________________________

Name:__________________________

Title:___________________________

Date Request for Payment is submitted: ____

Date Request for Payment is approved or deemed approved: __________________________

Date the Town issues the certificate of occupancy: __________________________________

Date the Town revokes the certificate of occupancy: _________________________________

Date end user terminates operations: ____

EXHIBIT D-2
REQUEST FOR PAYMENT FROM THE COUNTY INFRASTRUCTURE FUND

The undersigned is an agent for _______ (the "Requestor") and requests payment from the Economic Development Fund of Reinvestment Zone Number Two, Town of Flower Mound, Texas ("TIRZ No. 2") from the Town of Flower Mound, Texas (the "Town") in the amount of $________________ for _____________ (the "TIRZ Payment"). All capitalized terms not otherwise defined herein shall have the meaning given to such term in that certain Flower Mound TIRZ No. 2 Chapter 380 Agreement, entered into as of May 14, 2025, by and between the Town, the Board of Directors for TIRZ No. 2 (the "Board"), and 1171 Commercial, LLC (the "Agreement").

In connection to the above referenced payment, the Requestor represents and warrants to the Town as follows:

1. The undersigned is a duly authorized officer of the Requestor, is qualified to execute this Request for Payment on behalf of the Requestor and is knowledgeable as to the matters set forth herein.

2. The TIRZ Payment requested has been determined by the Town Manager or his/her designee to be compliant with the Amended Plan and the County Participation Agreement.

3. The TIRZ Payment requested has not been the subject of any prior payment request submitted to the Town or, if previously requested, no disbursement was made with respect thereto.

4. The Town is hereby instructed to provide the TIRZ Payment to the following payee(s):

Payee(s)	**Wiring Instructions**

[REQUESTOR SIGNATURE BLOCK]

By:____________________________

Name:__________________________

Title:___________________________

Date:___________________________

APPROVAL OF REQUEST FOR PAYMENT

The Town Manager or his/her designee is receipt of the attached Request for Payment, acknowledge such Request for Payment, and finds the Request for Payment to be in order. After reviewing the Request for Payment, the Town Manager or his/her designee approves the TIRZ Payment requested in the attached Request for Payment and authorizes and directs payment of the amount set forth in the Request for Payment from the appropriate account within the TIRZ No. 2 Fund in accordance with the Amended Plan. The Town Manager or his/her designee approval of the Payment Request is conditioned upon the availability of funds in the appropriate account within the TIRZ No. 2 Fund and the satisfaction of the obligations set forth in the Amended Plan and the County Participation Agreement.

TOWN OF FLOWER MOUND, TEXAS

By:___________________________

Name:_________________________

Title:__________________________