

Work Session Room at City Hall  
Monday, March 3, 2025  
6 p.m.



William E. Dollar Municipal Building  
200 N. Fifth St.  
Garland, Texas

# GARLAND

## CITY OF GARLAND WORK SESSION OF THE CITY COUNCIL

The Garland City Council extends to all visitors a sincere welcome. We value your interest in our community and your participation in the meetings of this governing body. Visit [GarlandTX.gov/Council](http://GarlandTX.gov/Council) for a full list of meeting dates.

The Council Chambers at Garland City Hall is wheelchair accessible, and ADA parking is available on State Street as well as in the public parking garage behind City Hall. Persons who may need assistive listening devices or interpretation/translation services are asked to contact the City Secretary's Office at 972-205-2404 as soon as possible prior to the meeting so that we may do all we can to provide appropriate arrangements.

Garland City Council meetings are livestreamed and available on-demand at [GarlandTX.tv](http://GarlandTX.tv). They are also broadcast on Spectrum Channel 16, Frontier Channel 44 and AT&T Uverse Channel 99. Closed captioning is available for each in English and Spanish.

**NOTICE:** Pursuant to Section 551.127 of the Texas Government Code, one or more members of the City Council may attend this meeting by internet/video remote means. A quorum of the City Council, as well as the presiding officer, will be physically present at the above identified location. Members of the public that desire to make a public comment must attend the meeting in person.

### PUBLIC COMMENTS ON WORK SESSION ITEMS

Members of the audience may address the City Council on any Work Session item at the beginning of the meeting. Speakers are allowed three minutes each, grouped by agenda item and called in the order of the agenda. Anyone wishing to speak must fill out a speaker card (located at the entrance to the Council Chambers and on the visitor's side of the Work Session Room) and give it to the City Secretary before the Mayor calls the meeting to order. Speakers are limited to addressing items on the Work Session agenda only. Items on a Regular Meeting agenda should be addressed at the respective Regular Meeting. Items not currently on an agenda may be addressed during the citizen comments portion of any Regular Meeting.

### CONSIDER THE CONSENT AGENDA

Council may ask for discussion or further information on any item posted in the consent agenda of the next Regular Meeting. Council may also ask that an item on the consent agenda be pulled and considered for a vote separate from the consent agenda at the next Regular Meeting. All discussions or deliberations are limited to posted agenda items and may not include new or unposted subject matter.

### WRITTEN BRIEFINGS

Council may ask for discussion, further information, or give direction to staff on an item posted as a written briefing.

1. **Agreement for Real Property Contract of Sale Between The Owl Icehouse Garland LLC and the City of Garland Regarding Property Located at 519 State Street in the Downtown Historic Sub-district.**

*Council is requested to consider the approval of a Development Agreement and Real Property Contract of Sale between The Owl Icehouse Garland LLC and the City of Garland regarding property located at 519 State Street in the Downtown Historic Sub-district. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the March 4, 2025 Regular Meeting.*

## VERBAL BRIEFINGS

Council may ask for discussion, further information, or give direction to staff on an item posted as a verbal briefing.

### 2. Discuss Updates on the City-Initiated Rezoning Effort for South Garland

*Staff will provide updates to Council on the city-initiated rezoning effort for South Garland to encourage revitalization and urban mixed-use developments in the area.*

### 3. School Street Alley Petition Project

*Staff will brief Council on the School Street Alley Petition Project process. Unless otherwise directed by Council, the Determination of Necessity item will be scheduled for formal consideration at the March 4, 2025 Regular Meeting and a Public Hearing for Levying of Assessments will be scheduled at the March 18, 2025 Regular Meeting for the School Street Alley Petition Project.*

### 4. Public Safety Committee Report

*Councilmember Carissa Dutton, Chair of the Public Safety Committee, and staff will provide a committee report on the following items: School Traffic in Neighborhoods, Traffic Near Community Gathering Centers, and Public Safety Trends on Forest Lane. School Traffic Neighborhoods was referred by Deputy Mayor Pro Tem Lucht and seconded by Councilmember Dutton at the September 26, 2024 Work Session. Traffic Near Community Gathering Centers was referred by Councilmember Dutton and seconded by Deputy Mayor Pro Tem Lucht at the October 7, 2024 Work Session. Public Safety Trends on Forest Lane was referred by Councilmember Dutton and seconded by Councilmember Hedrick on February 12, 2025.*

## CONSIDER APPOINTMENTS TO BOARDS AND COMMISSIONS

Terms are usually staggered whereby at least half of the membership has previous experience. Members are appointed based on qualifications.

### 5. Councilmember B.J. Williams

- Jordan Cotton -TIF #2 South Board

## ANNOUNCE FUTURE AGENDA ITEMS

A Councilmember, with a second by another member or the Mayor alone, may ask that an item be placed on a future agenda of the City Council or of a committee of the City Council. No substantive discussion of that item will take place at this time.

## EXECUTIVE SESSION

### 6. Deliberate or discuss:

The City Council will adjourn into executive session pursuant to sections 551.071, 551.072, and 551.087 of the Texas Government Code to deliberate and discuss the following:

1. Certain commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in the downtown district of the City and with which the City is conducting economic development negotiations (551.087), including the possibility of the conveyance of real property (551.072), and attorney/client discussions related to the same (551.071).
2. A potential offer by the City of financial and other incentives to a business prospect and the receipt of commercial or financial information that the City has received from that same business prospect, which the City seeks to have locate within the City in the area of I-H 635 and Shiloh Road, and in the area of President George Bush Turnpike and Holford Road, and with which the City is conducting economic development negotiations (551.087); and attorney/client communications related to the same (551.071).
3. A potential offer by the City of financial and other incentives to a business prospect and the receipt of

commercial or financial information that the City has received from that same business prospect, which the City seeks to have locate within the City in the area of President George Bush Turnpike and Brand Road, and with which the City is conducting economic development negotiations (551.087); and attorney/client communications related to the same (551.071).

## ADJOURN

All Work Sessions of the Garland City Council are broadcast live on CGTV, Time Warner Cable Channel 16 and Frontier FIOS TV 44. Meetings are rebroadcast at 9 a.m. and 7 p.m. Tuesdays - Sundays. Live streaming and on-demand videos of the meetings are also available online at GarlandTX.tv. Copies of the meetings can be purchased through the City Secretary's Office (audio CDs are \$1 each and DVDs are \$3 each).

**NOTICE:** *The City Council may recess from the open session and convene in a closed executive session if the discussion of any of the listed agenda items concerns one or more of the following matters:*

1. *Pending/contemplated litigation, settlement offer(s), and matters concerning privileged and unprivileged client information deemed confidential by Rule 1.05 of the Texas Disciplinary Rules of Professional Conduct. Sec. 551.071, Tex. Gov't Code.*
2. *The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Sec. 551.072, Tex. Gov't Code.*
3. *A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Sec. 551.073, Tex. Gov't Code.*
4. *Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Sec. 551.074, Tex. Gov't Code.*
5. *The deployment, or specific occasions for implementation of security personnel or devices. Sec. 551.076, Tex. Gov't Code.*
6. *Discussions or deliberations regarding commercial or financial information that the City has received from a business prospect that the City seeks to have to locate, stay, or expand in or near the territory of the City and with which the City is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect of the sort described in this provision. Sec. 551.087, Tex. Gov't Code.*
7. *Discussions, deliberations, votes, or other final action on matters related to the City's competitive activity, including information that would, if disclosed, give advantage to competitors or prospective competitors and is reasonably related to one or more of the following categories of information:*
  - *generation unit specific and portfolio fixed and variable costs, including forecasts of those costs, capital improvement plans for generation units, and generation unit operating characteristics and outage scheduling;*
  - *bidding and pricing information for purchased power, generation, and fuel, and Electric Reliability Council of Texas bids, prices, offers, and related services and strategies;*
  - *effective fuel and purchased power agreements and fuel transportation arrangements and contracts;*
  - *risk management information, contracts, and strategies, including fuel hedging and storage;*
  - *plans, studies, proposals, and analyses for system improvements, additions, or sales, other than transmission and distribution system improvements inside the service area for which the public power utility is the sole certificated retail provider; and*
  - *customer billing, contract, and usage information, electric power pricing information, system load characteristics, and electric power marketing analyses and strategies. Sec. 551.086; Tex. Gov't Code; Sec. 552.133, Tex. Gov't Code]*

## Mission

We serve to grow public trust and a thriving Garland community, today and for the future.

## Vision

Garland will be an engaged and vibrant community that residents proudly call home.

### Strategic Focus Areas



Safe Community



Well-Maintained  
City Infrastructure



Reliable, Cost-Efficient  
Utility Services



Sound Governance  
and Finances



Vibrant Neighborhoods  
and Commercial Centers



Customer-Focused  
City Services



Growing  
Economic Base



Future-Focused  
City Organization



Enhanced Quality of  
Life through Amenities,  
Arts and Events



Commercially Thriving  
Downtown

Each year, the City Council reviews and updates its goals for the Garland community and City operations. City management uses these goals to guide operational priorities, decision-making and resource allocation.



**GARLAND**  
**CITY COUNCIL STAFF REPORT**

**City Council Work Session**

1.

**Meeting Date:** 03/03/2025

**Title:** Agreement for Real Property Contract of Sale Between The Owl Icehouse Garland LLC and the City of Garland Regarding Property Located at 519 State Street in the Downtown Historic Sub-district

**Submitted By:** Letecia McNatt, Assistant to the City Manager

**Strategic Focus Area:** Growing Economic Base  
Commercially Thriving Downtown  
Arts, and Events  
Vibrant Neighborhoods and  
Commercial Centers

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**Issue/Summary**

The City Council is asked to consider a Development Agreement for 519 State Street, which proposes the redevelopment of the historic property into The Owl Icehouse. The project aims to revitalize a long-standing, vacant site in Downtown Garland while maintaining its historical character. The proposed development includes a significant private investment, is expected to create new jobs, and generate additional sales revenue, contributing to Garland's economic growth.

**Background**

- 519 State Street has been vacant for several decades and presents an opportunity for redevelopment.
- The Owl Icehouse is envisioned as a modern gathering space, honoring historical character while introducing new dining and entertainment options.
- The project is led by The Owl Icehouse Garland LLC, with Don Day as the Managing Partner. This team has exemplary experience in historic preservation and community-oriented development, including successful projects in Downtown McKinney.

**Consideration / Recommendation**

Authorize the terms of the Development Agreement and Real Contract of Sale as presented, which will be formally considered by City Council at the March 4, 2025, Regular Meeting.

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**Attachments**

519 State St. Development Agreement  
519 State St. Contract of Sale

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## **ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT**

This Economic Development Incentive Agreement (“Agreement”) is made by and between the **City of Garland, a Texas home-rule municipality** (“City”), and **The Owl Icehouse, LLC, a Texas limited liability company**, its successors and assigns, (“Developer”) acting by and through their respective authorized officers. The City and Developer are referred to individually in this Agreement as a “Party” and together they are referred to as the “Parties.”

### **ARTICLE I**

#### **RECITALS**

The City and Developer each acknowledge and agree that the following recitals are true and correct and that the same are incorporated herein and are a material part of this Agreement:

**WHEREAS**, the City desires to further the public interest and welfare and to induce the investment of private resources in productive business enterprises located in catalyst areas of the City in order to increase tax revenue for real property and business personal property within the City, and promote or develop new business enterprises; and

**WHEREAS**, Developer intends to repair, renovate and improve commercial space at 519 State Street to create a restaurant/entertainment space for the operation of a restaurant business, on a certain tract of land within the City of Garland, Dallas County, Texas (“Property”), being further described in Exhibit A, which is attached hereto and incorporated herein by reference for all purposes; and

**WHEREAS**, Developer intends to invest approximately **\$2,500,000.00** in new real property improvements and **\$600,000.00** in furniture, fixtures, and equipment at the Property (“Project”); and

**WHEREAS**, the Project will result in new economic development in the City, including serving as a catalyst for further, perhaps related development in the area; will increase tax revenues because of investments in real property, business personal property, and taxable sales within the City; and increases in the number of new jobs; and

**WHEREAS**, the Project will have a direct and positive economic benefit to the City; and

**WHEREAS**, the Developer has advised the City that a contributing factor of inducing the Developer to develop the Property is an agreement by the City to provide an economic development incentive to the Developer as set forth herein; and

**WHEREAS**, City wishes to provide incentives to Developer to assist in the economic development of the City; and

**WHEREAS**, the City has determined, based on information presented to it by the Developer, that making an economic development incentive grant to the Developer in accordance with this Agreement furthers the City's economic development goals and will: (i) promote the economic development objectives of the City; (ii) benefit the City and the City's inhabitants; and (iii) advance local economic development and stimulate business and commercial activity in the City; and

**WHEREAS**, City hereby finds that this Agreement embodies an eligible Program (defined below) and clearly promotes economic development in the City and, as such, meets the requisites under Chapter 380 of the Texas Local Government Code and further, is in the best interests of the City;

**NOW, THEREFORE**, the Developer and the City make and enter into this Agreement in consideration of the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by both the Developer and the City, and agree as follows:

## **ARTICLE II**

### **DEFINITIONS**

**Section 2.01. "Economic Development Incentive Payment Request"** has the meaning set forth in Section 4.02.

**Section 2.02. "Performance Rebate Period"** means the period of time, as more fully described in below Article III, during which Developer is eligible for Performance Rebate Payments.

**Section 2.03. "Performance Rebate Payments"** means the City's payments to Developer in the form of rebate payments for Qualified Hard Costs (as defined below) expended by Developer and for which a Performance Rebate Payment is requested by Developer in accordance with Article IV.

**Section 2.04. "Program"** means the economic development program for the Project established by the City pursuant to Texas Local Government Code Chapter 380 to promote economic development and stimulate business and commercial activity within the City as represented by the terms of this Agreement.

**Section 2.05. "Project"** has the meaning described in the Recitals to this Agreement.

**Section 2.06. "Property"** has the meaning described in the Recitals to this Agreement.

**Section 2.07. "Qualified Hard Costs"** means expenditures actually paid by Developer during the Performance Period for the improvement made to the Property.

### **ARTICLE III**

#### **COMMENCEMENT, COMPLETION AND OPERATION OF THE PROJECT**

**Section 3.01. Commencement of the Project.** Developer shall develop and construct an approximate 13,000 square foot restaurant on the Property with a minimum investment of **\$2,500,000.00** for real property improvements and approximately **\$600,00.00** in furniture, fixtures, and equipment.

**Section 3.02. Concept of the Project.** The Parties agree that the project shall be a family-oriented restaurant, with appeal to young families, and features affordable food with burgers, and Texas County cooking all made onsite. A more detailed concept of the Project is attached hereto as Exhibit B and incorporated herein by reference.

**Section 3.03. Commencement of Operation.** Developer shall substantially complete the demolition and build out of the Property on or before **June 1, 2026**, and Developer shall have obtained all necessary building permits and Certificates of Occupancy (or applicable equivalent) for the Property and commenced operation of a restaurant on the Property on or before said date.

**Section 3.04. Compliance with Prior Development Agreement.** The City has given Developer notice of that certain Disposition and Development Agreement of October 28, 2023 (“DDA”), entered into between the City and the prior owner of the Property. Developer acknowledges the DDA and agrees to comply with the terms therein related to the Project, including but not limited to the following:

- a. Developer’s architect shall meet with the Jones’ family architect, Ron Hobbs Architecture & Interior Design, to review design and construction plans.
- b. The City shall have the opportunity to establish a design team to work with Developer’s architect and make recommendations related to the concept and design of the Project.
- c. One representative of the Jones’ family shall be given the opportunity to serve as a member of the City’s design team to make recommendations consistent in keeping with the overall concept of the design to the extent that the City’s design team determines that the Jones’ family recommendation will enhance the appearance, appeal, or usability of the Facility or favorably impact construction costs, operating revenues and expenditures and overall maintenance costs.
- d. Once construction commences, the representative of the Jones’ family shall receive timely notice of, and be entitled to participate in regularly scheduled owner, architect, contractor (OAC) construction meetings between the City and Developer. However, although the Jones’ family representative may attend ad hoc meetings between the City and Developer, the City is not obligated to provide Seller notice of such meetings.



e. The development plans shall include a private dining room, or a small office space, in the building and Developer shall make this room available to Chad Jones twice per calendar month, during regular business hours, subject to availability, and in coordination with Developer.

f. The Jones' family shall be entitled to any materials from the building that are removed as part of construction. This would include the face brick from the front of the building and select wood from the interior demolition. To accommodate this provision and not interfere with demolition or construction activities on the Property, the Jones' family shall schedule and meet with a representative of the City Manager's Office and the Developer, to conduct a walk-through of the Property and identify any materials the Jones' family desires to retain during demolition of the Property prior to April 1, 2025. The City shall set aside the identified materials and deliver them to a location determined by the Seller within the City of Garland.

**Section 3.05. Dedication Plaque.** Developer agrees to placing an approximate 16" by 16" bronze plaque on the front of the building on one of the large endcap columns that details the history of the building as well as the Jones' family's association with the building.

**Section 3.06. Performance Period.** The Performance Rebate Period during which Developer is eligible to receive Performance Rebate Payments shall extend from the Effective Date of this Agreement through the date when the Project becomes operational, however under no circumstances shall the Performance Rebate Period extend past **December 31, 2026**.

**Section 3.07. Continued Operation of Business.** After Project becomes operational as a restaurant, Developer shall continuously lease, operate, maintain, and manage Project or make diligent commercial efforts to lease, operate, maintain and manage Project on the Property for use as one or more restaurants until at least **May 31, 2031**.

## **ARTICLE IV**

### **OBLIGATIONS OF THE CITY**

**Section 4.01. Conveyance of Real Property.**

- a. City agrees to convey the Property to Developer pursuant to the terms and conditions of that certain Contract of Sale between the Parties executed contemporaneously with this Agreement.
- b. In the event operations are not commenced (as described in above Section 3.03) by May 31, 2027, Developer agrees to convey the Property back to the City on or before June 30, 2027. Once conveyed, Developer, or its successor or assigns, shall have the right to remain on the Property for a term not to exceed 24-months, pursuant to a triple-net, fair market value lease.

**Section 4.02. Performance Rebate Payments.** Subject to the requirements and limitations of this Article, the other terms and conditions of this Agreement, and Developer's compliance with its obligations under this Agreement, the City shall make Performance Rebate Payments to Developer in accordance with this Article during the Performance Rebate Period:

- a. The City shall make rebate payments to Developer in an amount not to exceed **\$740,000.00** in total to reimburse Developer for a portion of the Qualified Hard Costs actually paid by Developer, which were expended for physical improvements which were actually made to the Property during the Performance Rebate Period. The first \$370,000.00 of Performance Rebate Payments may be drawn by Developer on a monthly basis for completed work associated with hard costs. Notwithstanding any other provision in this Agreement, under no circumstance shall the City's total obligation to Developer or any other entity as a result of this Agreement exceed **\$740,000.00**.
- b. The City shall hold, and not be obligated to make, the final Performance Rebate Payment of **\$370,000.00** to Developer until the Commencement of Operation (as described in above Section 3.03) and 30 consecutive business days of operating the Project as described herein.

**Section 4.03. Process for Payment.** Upon Commencement of Operations (as described in above Section 3.03), Developer may request a Performance Rebate Payment for an applicable Qualified Hard Cost by written application submitted to the City. The City shall not be required to make a Performance Rebate Payment for any applicable Qualified Hard Cost until:

- a. the Developer submits to the City a payment request (the "Economic Development Incentive Payment Request") together with all information required to verify Developer's material compliance with its obligations under this Agreement for City's rebate of the Qualifying Hard Cost; and
- b. funds are appropriated by the Garland City Council for the specific purpose of making a Performance Rebate Payment under this Agreement as part of the City's ordinary budget and appropriations approval process or through any subsequent appropriation.

Provided that the foregoing conditions have been satisfied and Developer is otherwise in compliance with this Agreement, the City shall pay Developer any Performance Rebate Payments due within thirty (30) days after the last to occur of the events in above subsections a. and b. of this Section 4.03.

## **ARTICLE V** **TERMINATION AND DEFAULT**

**Section 5.01. Events of Termination.** This Agreement terminates upon any one or more of the following:

a. by expiration of the Term; or

b. if a party materially defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within sixty (60) days after written notice thereof by the non-defaulting party unless a longer period is provided. Any default under this provision and right to recover any claims, refunds, rebates, damages and/or expenses shall survive the termination of the Agreement.

**Section 5.02. Effect of Termination/ Survival of Obligations.** The rights, responsibilities and liabilities of the parties under this Agreement shall be extinguished upon the applicable effective date of termination of this Agreement, except for any obligations or defaults(s) that existed prior to such termination or as otherwise provided herein and those liabilities and obligations shall survive the termination of this Agreement, including the refund provision, maintenance of records, and access thereto.

## **ARTICLE VI**

### **ADDITIONAL AGREEMENTS AND OBLIGATIONS**

**Section 6.01. Indemnification.** TO THE FULLEST EXTENT ALLOWED BY TEXAS LAW, DEVELOPER AGREES TO INDEMNIFY AND HOLD HARMLESS THE CITY OF GARLAND, TEXAS AND ALL OF ITS PRESENT, FUTURE AND FORMER AGENTS, EMPLOYEES, OFFICIALS AND REPRESENTATIVES IN THEIR OFFICIAL, INDIVIDUAL AND REPRESENTATIVE CAPACITIES FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION, JUDGMENTS, LIENS AND EXPENSES (INCLUDING ATTORNEY'S FEES, WHETHER CONTRACTUAL OR STATUTORY), COSTS AND DAMAGES OF ANY CONCEIVABLE CHARACTER, DUE TO OR ARISING FROM DEVELOPER'S CONTRACTUAL OBLIGATIONS TO THIRD PARTIES, INJURIES TO PERSONS (INCLUDING DEATH), OR INJURIES TO PROPERTY (BOTH REAL AND PERSONAL) RESULTING FROM DEVELOPER'S PERFORMANCE OF THIS AGREEMENT.

## **ARTICLE VII**

### **PERSONAL LIABILITY OF PUBLIC OFFICIALS AND LIMITATIONS ON CITY OBLIGATIONS**

**Section 7.01. Personal Liability of Public Officials.** No employee or elected official of the City shall be personally responsible for any liability arising under this Agreement.

**Section 7.02. Limitations on City Obligations.** The Performance Rebate Payments made and any other financial obligation of the City hereunder shall be paid solely from lawfully available funds that have been budgeted and appropriated each year during the Term by the City as provided

in this Agreement. Under no circumstance shall the City's obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Consequently, notwithstanding any other provision of this Agreement, the City shall have no obligation or liability to pay any Performance Rebate Payments unless the City budgets and appropriates funds to make such payments during the City's fiscal year in which such payments are due. If the City fails to appropriate funds to make any Performance Rebate Payment(s), it shall immediately notify Developer of such non-appropriation and Developer may, at its sole option, terminate this Agreement, effective upon written notice to the City.

**Section 7.03. No Recourse.** Except for the right to terminate as provided in above Section 6.02, Developer shall have no recourse against the City for the City's failure to budget and appropriate funds during any fiscal year to meet the purposes and satisfy its obligations under this Agreement.

**Section 7.04. Source of Funds.** Performance Rebate Payments shall be made from annual appropriations only from such funds of the City as may be legally appropriated for the implementation of Article III, Section 52-a of the Texas Constitution, Chapter 380 of the Texas Local Government Code or any other economic development or financing programs authorized by Texas law or the home-rule powers of the City. Any Performance Rebate Payment to be made by the City to the Developer shall be limited as described in this Section and shall in no event exceed the amounts actually paid by Developer or Tenant for Qualified Hard Costs on the Project.

## **ARTICLE VIII**

### **INFORMATION REGARDING PERFORMANCE**

**Section 8.01. Information.** Subject to this Article VIII, Developer shall, at such times and in such form as the City may reasonably request from Developer, provide information concerning the performance of Developer's obligations under this Agreement.

**Section 8.02. Review of Developer's Records.** To the extent that the City has questions about the information supplied by Developer in any report, application, filing, or other document provided under this Agreement, the Parties will engage in good faith efforts to resolve such questions and, upon the City's reasonable request, Developer will furnish or make available for inspection documentation reasonably sufficient to verify the accuracy and completeness of the report, application, filing, certification or other information, and to demonstrate the manner in which such items or their contents were calculated or prepared. If, notwithstanding the good faith efforts of the Parties to resolve any questions concerning such items, the Parties are unable to resolve such issues, during the Term and for six (6) months thereafter, the City may examine and audit such books and records of Developer as are reasonably sufficient to verify the accuracy of such items. In the event the City's examination reveals a payment deficiency or discrepancy, the Parties will cooperate in good faith to address and resolve such deficiency or discrepancy. Information, documents, and materials provided by Developer shall be treated as described in below Section 8.04 of this Agreement. Notwithstanding the foregoing or any other provision of this Agreement, Developer shall not be required to disclose, permit the inspection of or

examination of, or discuss, any document, information or other matter that is not necessary to verify Developer's compliance with this Agreement and that (x) constitutes trade secrets or proprietary information, (y) in respect of which disclosure is prohibited by law or any binding agreement or (z) is subject to attorney-client, attorney work product or other privilege recognized under Texas law. Notwithstanding anything to the contrary herein, the City will not have the right to review, inspect or audit any of Developer's records for periods that are more than four years from the date of the review, inspection or audit.

**Section 8.03. Public Records; Confidentiality.** Developer acknowledges and agrees that this Agreement, Developer's Compliance Certificates, and certain other documents and filing related to this Agreement are or will be public records subject to disclosure (after redaction of information exempt from disclosure as described below) under the Texas Public Information Act. The Parties acknowledge and agree that the Public Information Act exempts from disclosure certain types of records, materials and information, including without limitation: records confidential by law, either constitutional, statutory or by judicial decision (Section 552.101 of the Texas Government Code); social security numbers (Section 552.117(a)(2) of the Texas Government Code); trade secrets and economic development project information (Sections 552.110 and 552.131 of the Texas Government Code); and proprietary commercial information (Section 552.110 of the Texas Government Code). The City will endeavor to use adequate safeguards, no less than those safeguards observed by the City for its own confidential information, to maintain the security and confidentiality of all materials, communications, data and information related to this Agreement or supplied by Developer in connection with this Agreement that may be subject to such exemptions from disclosure. Developer acknowledges that this Agreement constitutes public information and the materials, communications, data and information related to this Agreement may also constitute public information subject to disclosure under the Public Information Act and agrees that the City may disclose this Agreement, the Compliance Certificates and the portions of materials, communications, data and information related to this Agreement as required by law. The City will make reasonable efforts to (a) give Developer prior written notice of a request for public information (other than a request for copies of this Agreement or Compliance Certificates, which Developer agrees may be released without notice to Developer) in a reasonably practicable time period to allow Developer to seek a protective order or other appropriate remedy, (b) disclose only such information as is required under the applicable law, (c) cooperate with Developer in responding to any such records request (but there shall be no obligation for the City to independently request or join in any request for a ruling from the Attorney General, to engage or participate in litigation or to otherwise pursue any remedies sought by Developer with regard to asserted proprietary commercial or financial information or trade secrets). The City, without waiving its right to appeal an opinion or ruling under applicable procedures, will or may comply with any opinion or ruling of the Texas Attorney General or court order recommending or requiring redaction or withholding of information in response to a request for public information without further protest or appeal.

## **ARTICLE IX**

### **MISCELLANEOUS**

**Section 9.01. Rules of Construction.** The capitalized terms listed in this Agreement shall have the meanings set forth herein whenever the terms appear in this Agreement, whether in the singular or the plural or in the present or past tense. Other terms used in this Agreement shall have meanings as commonly used in the English language. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used herein in accordance with such recognized meanings. In addition, the following rules of interpretation shall apply:

- a. The masculine shall include the feminine and neuter.
- b. References to “Articles,” “Sections,” or “Exhibits” shall be to articles, sections, or exhibits of this Agreement.
- c. The Exhibits attached hereto are incorporated in and are intended to be part of this Agreement; provided that in the event of a conflict between the terms of any Exhibit and the terms of this Agreement, the terms of this Agreement shall take precedence.
- d. This Agreement was negotiated and prepared by both Parties with the advice and participation of counsel. The Parties have agreed to the wording of this Agreement and none of the provisions hereof shall be construed against one Party on the ground that such Party is the author of this Agreement or any part hereof.
- e. Unless expressly provided otherwise in this Agreement, (i) where the Agreement requires the consent, approval, or similar action by a Party, such consent or approval shall not be unreasonably withheld, conditioned or delayed, and (ii) wherever the Agreement gives a Party a right to determine, require, specify or take similar action with respect to a matter, such determination, requirement, specification or similar action shall be reasonable.
- f. Use of the words “include” or “including” or similar words shall be interpreted as “including but not limited to” or “including, without limitation.”
- g. The recitals to this Agreement are incorporated herein.

**Section 9.02. Force Majeure.** Unless otherwise provided, all obligations of Developer and City shall be subject to events of “force majeure” which shall mean any contingency or cause beyond the reasonable control of a party, as applicable, including, without limitations, acts of God or the public enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action or inaction (unless caused by negligence or omissions of such party), fires, explosions, floods, strikes, slowdowns or work stoppages, shortage of materials and labor. Notwithstanding any other provision to the contrary, calculations for Performance Rebate Payments

owed by the City are not subject to, and expressly excluded from, events of “force majeure.” Performance Rebate Payment amounts owed by the City shall be strictly calculated in accordance with the terms and conditions of Article IV, without regard to any event, contingency, or cause beyond the reasonable control of either Party.

**Section 9.03. Dispute Resolution and Step Negotiations.** (a) The Parties shall attempt in good faith to resolve all disputes arising out of or relating to this Agreement or any of the transactions contemplated hereby promptly by negotiation, as follows. Either Party may give the other Party written notice of any such dispute not resolved in the normal course of business. Executives of both Parties at levels one level above the Project personnel who have previously been involved in the dispute shall meet at a mutually acceptable time and place within ten days after delivery of such notice, and thereafter as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the dispute. If the matter has not been resolved within thirty days from the referral of the dispute to such executives, or if no meeting of such executives has taken place within fifteen days after such referral, either Party may initiate mediation as provided hereinafter. If a Party intends to be accompanied at a meeting by an attorney, the other Party shall be given at least three business days’ notice of such intention and may also be accompanied by an attorney. All negotiations pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations for purposes of the federal and state rules of evidence. Each Party will bear its own costs for this dispute resolution phase.

(b) In the event that any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby is not resolved in accordance with the procedures set forth in this Section 8.03, such dispute shall be submitted to non-binding mediation to a person mutually agreed by the Parties. The mediation may take place at a mutually agreed upon location. If the mediation process has not resolved the dispute within thirty days of the submission of the matter to mediation or within such longer period as the Parties may agree to, either Party may exercise all remedies available at law or in equity under this Agreement, including the initiation of court proceedings. Each Party will bear its own costs, and share equally in the costs of mediators, for this dispute resolution phase. If the mediation process has not resolved the dispute within thirty (30) days of the submission of the matter to mediation or within such longer period as the Parties may agree to, either Party may exercise all remedies available at law or in equity under this Agreement, including the initiation of Court Proceedings, subject to the limitations of this Agreement.

(c) Nothing in this Section shall preclude, or be construed to preclude, the resort by either Party to a court of competent jurisdiction solely for the purposes of securing a temporary or preliminary injunction or other relief to preserve the status quo or avoid irreparable harm. The Parties shall continue to perform each of their respective obligations under this Agreement during the pendency of any dispute; provided that this obligation shall not apply after the termination of this Agreement (except with respect to payments of amounts due and owing under this Agreement).

**Section 9.04. No Joint Venture.** It is acknowledged and agreed by the parties that the terms of this Agreement are not intended to and shall not be deemed to create a partnership or joint

venture among the parties. Neither party shall have any authority to act on behalf of the other party under any circumstances by virtue of this Agreement. Developer, in performing its obligations thereunder, is acting independently, and the City assumes no responsibilities or liabilities in connection therewith to third parties including Tennant, and Developer agrees to indemnify and hold City harmless therefrom. City, in performing its obligations hereunder, is acting independently, and the City assumes no responsibilities in connection therewith to third parties, specifically including any obligations to Tennant.

**Section 9.05. Jurisdiction and Venue.** City and Developer, to the fullest extent permitted by applicable law, irrevocably (i) submit to the exclusive jurisdiction of the district courts located in Dallas County, Texas and any appellate court thereof; (ii) waive any objection which either may have to the laying of venue of any proceedings brought in any such court and (iii) waive any claim that such proceedings have been brought in an inconvenient forum. Nothing in this provision shall prohibit a party from bringing an action to enforce a money judgment in any other jurisdiction where the courts of such jurisdiction have jurisdiction over the other party.

**Section 9.06. Accommodation of Financing Parties.** To facilitate Developer's obtaining of financing to construct and operate the Project, City shall make reasonable efforts to provide such consents to assignments, certifications, representations, information or other documents as may be reasonably requested by Developer or the Developer's financing parties in connection with the financing of the Project; provided that in responding to any such request, the City shall have no obligation to provide any consent, certification, representation, information or other document, or enter into any agreement, that materially adversely affects or unduly burdens the City. Developer shall reimburse, or shall cause the financing parties to reimburse, the City for the incremental, direct, and documented third party expenses (including, without limitation, the reasonable fees and expenses of outside counsel) incurred by the City in the preparation, negotiation, execution or delivery of any documents requested by Developer or the financing parties, and provided by the City.

**Section 9.07. Entire Agreement.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Section 9.08. Binding Effect; Successors and Assigns.** The terms and conditions of this Agreement are binding upon the successors and assigns of the parties hereto. This Agreement, or the right to receive grant payments, pursuant to this Agreement, may not be assigned, in whole or in part, without the express written consent of the City; not to be unreasonably withheld, conditioned or delayed; provided that Developer may, without the City's consent, assign this Agreement to a wholly-owned subsidiary or affiliate of Developer. However, without the City's consent, Developer may enter into a collateral assignment of this Agreement in connection with any financing of the Project. For purposes of this Agreement, performance by a successor or an affiliate of Developer, or performance by a party with whom Developer or its affiliates contract



shall be deemed to be performance by Developer.

**Section 9.09. Amendments.** No modifications or amendments to this Agreement shall be valid unless in writing and signed by a duly authorized signatory.

**Section 9.10. Severability.** In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, the Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof.

**Section 9.11. Notices.** All notices required to be given under this Agreement shall be in writing and shall be given by either party or its counsel in person, via an express mail service or via courier or via receipted facsimile transmission (but only if duplicate notice is also given via express mail service or via courier or via certified mail) or certified mail, return receipt requested, to the respective parties at the below addresses (or at such other address as a party may hereafter designate for itself by notice to the other party as required hereby). All notices given pursuant to this paragraph shall be deemed effective, as applicable, on the date such notice may be given in person, next business day following the date on which such communication is transferred via facsimile transmission, or as applicable, deposited with the express mail service, courier, or in the United States mails. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address.

If to City:

City of Garland  
Mr. Judson Rex  
City Manager  
Post Office Box 469002  
Garland, Texas 75046  
Phone: (972) 205-3800  
Fax: (972) 205-2474  
jrex@garlandtx.gov

With a required copy to:  
Mr. Brian England  
City Attorney  
200 North Fifth Street  
Fourth Floor  
Garland, Texas 75046  
Phone: (972) 205-2380  
Fax: (972) 205-2389  
bengland@garlandtx.gov

If to Developer:

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With a required copy to:

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**Section 9.12. Employment of Undocumented Workers.** During the term of this Agreement 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 amount of the Performance Rebate Payments and any other funds received by the Developer from the City as of the date of such violation within 120 business days after the date the Developer is notified by the City of such violation, plus interest at the rate of six percent compounded annually from the date of violation until paid.

**Section 9.13. Non-Collusion.** Developer represents and warrants that neither Developer nor anyone on Developer's behalf has given, made, promised or paid, nor offered to give, make, promise or pay any gift, bonus, commission, money or other consideration to any employee, agent, representative or official of the City as an inducement to or in order to obtain the benefits to be provided by the City under this Agreement.

**Section 9.14. Time of the Essence.** Time is of the essence in the performance of this Agreement. If any deadline contained herein ends on a Saturday, Sunday or a legal holiday recognized by the Texas Supreme Court, such deadline shall automatically be extended to the next day that is not a Saturday, Sunday or legal holiday.

**Section 9.15. Multiple Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall have the force and effect of any original, as of the Effective Date.

**Section 9.16. Default and Claw-Back.** (a) The City shall notify the Developer, in writing, of a default by the Developer in complying with the terms and provisions of this Agreement. In the event that the Developer has failed to cure the default(s) within thirty (30) days of receipt of the notice of default (or has failed to commence and diligently pursue such cure within such thirty (30) day period if cure cannot be completed within such thirty (30) day period), the Developer shall promptly reimburse the City for any Performance Rebate Payment received by Developer under this Agreement. Failure on the part of the City to exercise any right contained in this Agreement shall not constitute waiver of any right in the event of any subsequent default, and no waiver shall be effective unless in writing, executed by both the City and the Developer.

(b) In the event the Project does not remain operational through December 31, 2031, Developer shall promptly reimburse the City for any Performance Rebate Payment received by Developer under this Agreement.

**Section 9.17. Term.** The Term of this Agreement commences on the Effective Date and continues until December 31, 2031, unless sooner terminated by either Party in accordance with the terms of this Agreement, provided that any obligation of Developer to reimburse or repay the City for any obligation to the City otherwise arising under this Agreement shall survive the termination of this Agreement.

*[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK ]*

Executed and effective as of the \_\_\_\_ day of \_\_\_\_\_, 2025.

**DEVELOPER**

**The Owl Icehouse, LLC, a Texas limited liability company**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**CITY**

**City of Garland, Texas  
a home-rule municipality**

By: \_\_\_\_\_

Jusdon Rex,  
City Manager

**Exhibit A**  
**Property Legal Description**

Being Lot 1, Block 1, of Jones Downtown Addition, an Addition to the City of Garland, Texas, according to the plat thereof recorded in County Clerk Instrument No. 201300301208, of the Official Public Records of Dallas County, Texas ("Property").

**Exhibit B**  
**Concept Plan**

- The Owl Icehouse shall be developed within the city owned building located at 519 W. State Street.
- The current glass storefront of the building shall be removed and a new storefront shall be constructed at the first column line within the building to create an open patio adjacent to the existing City sidewalk. The open patio will be approximately 18 feet deep and will encompass approximately 1,600 square feet and will seat approximately 100 customers.
- Behind the open patio shall be the enclosed dining room, bar, a private dining area, an arcade area and a full-service kitchen that, combined, will encompass approximately 6,300 square feet and seat approximately 200 customers.
- The first floor shall include two staircases to the roof of the restaurant where, across the front of the building shall be located an approximate 3,000 square foot rooftop patio, to provide a clear line of sight for parents with children who may be playing on the playgrounds across the street.

## **CONTRACT OF SALE – REAL PROPERTY**

THIS CONTRACT OF SALE (“Contract”) is made and entered into as of the “Effective Date” (as hereinafter defined) by and between **CITY OF GARLAND, TEXAS**, a Texas home-rule municipality (“Seller”) and **The Owl Icehouse LLC**, a Texas limited liability company (“Buyer”).

For and in consideration of the mutual covenants and agreements contained in this Contract and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller agree as follows:

1. **PURCHASE AND SALE**: Seller agrees to sell and convey to Buyer, and Buyer agrees to buy from Seller, the Property (hereinafter defined) for the consideration and upon and subject to the terms, provisions and conditions hereinafter set forth. The “Property” shall mean real property commonly known as **519 State Street, Garland, Dallas County, Texas, and more particularly described as**

**Being Lot 1, Block 1, of Jones Downtown Addition, an Addition to the City of Garland, Texas, according to the plat thereof recorded in County Clerk Instrument No. 201300301208, of the Official Public Records of Dallas County, Texas ("Property"),**

together with all right, title and interest of Seller, if any, in and to (i) any and all improvements and buildings owned by Seller located on such Property (if any), (ii) any and all singular rights, benefits, privileges, easements, tenements, and appurtenances thereon and pertaining to the Property, including, without limitation, any right, title and interest of Seller in and to adjacent public roadways or public alleys, rights of ingress and egress and any reversionary interests thereto, and (iii) strips and gores between the Property and abutting properties.

2. **CONTRACT SALES PRICE**: The purchase price for the Property shall be **Seven hundred forty thousand and no/100 dollars (\$740,000.00)** (“Sales Price”), payable by Buyer in cash at Closing. “Payable in cash” shall mean by cashier’s check or certified check drawn on a national banking association acceptable to Seller, or by wire transfer of immediately available federal funds (“Immediately Available Funds”). Concurrently, with the execution of this Contract, and as additional consideration for this Contract, Seller and Buyer will execute a Disposition and Development Agreement, attached hereto as Exhibit “A” and incorporated herein for all purposes.

3. **EARNEST MONEY**: Within five (5) business days of the Effective Date, Buyer shall deliver this fully executed Contract to **Teresa Myers, Mutual Title LLC, 2611 N. Belt Line Rd., Ste. 162, Sunnyvale TX 75182, (214) 712-8151** (“Title Company”), as escrow agent, along with an amount equal to **Ten Thousand and 00/100 Dollars (\$10,000.00)** (by Immediately Available Funds) as earnest money, which funds shall be deposited and held by the Title Company in an interest-bearing account, such sum and the interest accrued thereon being hereafter referred to as “Earnest Money”. In the event the transaction contemplated by this Contract is closed, the Earnest Money will be applied in payment of the Sales Price to be paid at Closing. In the event the transaction contemplated by this Contract is not closed, the Earnest Money shall be disbursed in accordance with the provisions of this Contract. If Buyer does not timely deliver the Earnest

Money, or if the Title Company is not immediately able to obtain good funds in respect of the Earnest Money, Seller may, at its option, terminate this Contract. Upon request from the Title Company, Seller and Buyer will enter into such escrow agreement as Escrow Agent may reasonably request and will jointly and severally hold the Title Company harmless with respect to the performance of its duties as escrow agent, except to the extent caused by the gross negligence or willful misconduct of the Title Company.

4. FEASIBILITY STUDY AND INSPECTION:

(a) Seller shall deliver to Buyer within thirty (30) days after the Effective Date any environmental reports pertaining to the Property currently in the possession of Seller ("Diligence Documents"), which Diligence Documents are provided for informational purposes only and shall not be relied upon by or certified to Buyer, and nothing in this Section shall constitute a representation or warranty as to the delivery, accuracy or completeness of any Diligence Documents described herein or otherwise in Seller's possession. Buyer, at its sole cost, liability, and expense, is granted the right to conduct engineering, market and economic feasibility studies of the Property, and/or a physical inspection of the Property, including studies or inspections to determine the existence of any environmental hazards or conditions (collectively, "Feasibility Study") during the period ("Feasibility Period") commencing on the Effective Date and ending at 5:00 p.m., Dallas, Texas time, on that date that is **Thirsty (30) days thereafter**. Parties may agree to extend the Feasibility Period in writing. Buyer or its designated agents may enter upon the Property for purposes of analysis or other tests and inspections which may be deemed necessary by Buyer for the Feasibility Study; provided however,

(b) If Buyer's inspections, investigations, studies or tests disclose the existence of any Hazardous Materials in, on or under the Land, then Buyer may either:

1. Terminate this Contract) by written notice to Seller prior to the expiration of the Feasibility Period, in which event the Earnest Money together with any accrued interest shall be paid or returned Buyer and thereafter this Contract shall terminate and neither party shall have any further obligation or liability to the other under this Contract; or
2. Waive, in writing, its objections to the existence of Hazardous Materials and proceed to closing without adjustment of the Purchase Price.

(c) If this Contract is not terminated in the manner and within the time provided in this Section 4, the condition provided in this Section 4 and any and all objections with respect to the Feasibility Study shall be deemed to have been satisfied and/or waived by Buyer for all purposes, and it shall be conclusively presumed that Buyer (i) has approved the Diligence Documents, any surveys obtained, and the condition of title and condition of the Property, (ii) has acknowledged and agreed that Buyer has been given adequate access to inspect the Property, (iii) has acknowledged that it has the full and complete knowledge necessary to purchase the Property, or has chosen not to obtain the full and complete knowledge, although provided with the opportunity by Seller, and (iv) has conducted, or had the opportunity to conduct, sufficient examination of the building, building envelope, building systems, building grounds, building components and surrounding conditions including but not limited to soils and the environmental condition of the



Property.

(d) The Feasibility Study shall be at Buyer's sole cost and expense. Buyer shall promptly restore the Property, at its sole cost and expense, to its original condition if damaged or changed due to the tests and inspections performed by Buyer, free of any mechanic's or materialman's liens or other encumbrances arising out of any of the inspections or tests. In the event that Buyer terminates this Contract pursuant to this Section 4, or this Contract is terminated due to a default of Buyer, Buyer shall provide Seller, at no cost to Seller, with a copy of the results of any tests and inspections made by Buyer, excluding any market and economic feasibility studies. **BUYER HEREBY INDEMNIFIES, DEFENDS AND HOLDS SELLER HARMLESS FROM ALL CLAIMS, LIABILITIES, DAMAGES, LOSSES, COSTS, EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES), ACTIONS AND CAUSES OF ACTION ARISING OUT OF OR IN ANY WAY RELATING TO THE FEASIBILITY STUDY PERFORMED BY BUYER, ITS AGENTS, CONTRACTORS, SERVANTS AND/OR EMPLOYEES. BUYER FURTHER WAIVES AND RELEASES ANY CLAIMS, DEMANDS, DAMAGES, ACTIONS, CAUSES OF ACTION OR OTHER REMEDIES OF ANY KIND WHATSOEVER AGAINST SELLER FOR PROPERTY DAMAGES OR BODILY AND/OR PERSONAL INJURIES TO BUYER, ITS AGENTS, CONTRACTORS, SERVANTS AND/OR EMPLOYEES ARISING OUT OF THE FEASIBILITY STUDY OR USE IN ANY MANNER OF THE PROPERTY, UNLESS DUE TO THE GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT OF SELLER, ITS AGENTS, EMPLOYEES AND/OR CONTRACTORS. NOTWITHSTANDING ANYTHING IN THIS CONTRACT TO THE CONTRARY, THE PROVISIONS OF THIS SECTION 4 SHALL SURVIVE THE CLOSING OR ANY TERMINATION OF THIS CONTRACT.**

(e) Buyer shall have the right to extend the Feasibility Period for one (1) period of thirty (30) days ("Extension Period") upon written notice to Seller and deposit into escrow with the Title Company prior to expiration of the Feasibility Period, the sum of **Ten Thousand and 00/100 Dollars (\$10,000.00)** ("Extension Payment"). The Extension Payment shall be deposited with the Title Company and become part of the Earnest Money. The Extension Payment shall be applicable to the Sales Price at Closing.

3. CLOSING: The closing of the sale of the Property to Buyer and consummation of the transaction(s) contemplated by this Contract ("Closing") shall take place at the offices of the Title Company in Sunnyvale, Texas on the date ("Closing Date") no later than ten (10) days after the expiration of the Feasibility Period unless such date is changed in writing by Seller and Buyer. However, notwithstanding anything in this Contract to the contrary, the Closing will be on or before April 30, 2025, unless Seller and Buyer agree to extend the Closing in writing.

(a) At the Closing, Seller shall deliver to Buyer, at Buyer's sole cost and expense, the following:

(i) a duly executed and acknowledged Special Warranty Deed ("Deed") in substantially the same form as shown on Exhibit "A" attached hereto and made a part hereof, conveying good and indefeasible title in fee simple to the Property, free and clear of any and all liens, encumbrances, easements, and assessments, except for the Permitted Exceptions (hereinafter defined) and any others approved by Buyer in writing;

(ii) possession of the Property, upon funding, and subject to the Permitted Exceptions existing at Closing;

(iii) a non-foreign affidavit as permitted by Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder;

(iv) evidence of Seller's capacity and authority for the closing of this transaction as may be reasonably required by the Title Company;

(v) such other documents as may be reasonably required to close this transaction, duly executed by Seller.

(b) At the Closing, Buyer shall perform and deliver to Seller, at Buyer's sole cost and expense, the following:

(i) the Sales Price in Immediately Available Funds;

(ii) evidence of Buyer's capacity and authority for the closing of the transaction contemplated herein; and

(iii) such other documents as may be reasonably required to close this transaction duly executed by Buyer.

(c) Seller shall pay all other closing costs, including without limitation, the cost of an owner policy of title insurance, any new or updated survey, recording fees, tax certificate fees, and all escrow fees and title charges.

(d) All ad valorem real estate taxes and assessments levied or assessed against the Property (including, without limitation, any rollback taxes) shall be prorated according to the calendar year as of the Closing Date, based on the most recent tax bill for the Property. Such prorations shall be adjusted after Closing, based upon the actual tax bill. This Section 5(e) shall survive Closing.

#### 4. TITLE APPROVAL:

(a) Title Commitment. Seller shall obtain, at Seller's sole cost and expense, and deliver copies to Seller, a Commitment for Title Insurance ("Commitment"), and legible copies of instruments referenced in the Commitment, within thirty (30) days after the Effective Date.

(b) Survey. Within fifteen (15) days after the Effective Date, Seller will provide Buyer a copy of Seller's most recent survey of the Property. If Seller's existing survey is not satisfactory to Buyer or the Title Company, then Buyer will obtain, and deliver a copy to Seller, a new or updated survey ("Survey") at Buyer's sole cost and expense within thirty (30) days after the Effective Date.

(c) Buyer's Objections. If Buyer has an objection to items disclosed in the Commitment or Survey, Buyer shall have thirty (30) days after receipt of the last of the Commitment and Survey ("Title Objection Deadline"), to give Seller written notice of its objections ("Title Objections"). Buyer will be deemed to have approved all matters reflected by

the Commitment and Survey to which Buyer has made no Title Objection by the Title Objection Deadline, and any exception to the Commitment or Survey not timely objected to by Buyer shall become a Permitted Exception, as set forth below.

(d) Seller's Cure. If Buyer gives timely written notice of any Title Objections, Seller shall have the opportunity, but not an obligation, for thirty (30) days from the date of Seller's receipt of the Title Objections to cure same. If Seller elects to cure a Title Objection, Seller will utilize reasonable diligence to cure such Title Objections, provided however, Seller shall have no obligation to expend any money, to incur any contractual or other obligations, or to institute any litigation in pursuing such efforts. If any Title Objection is not cured within such time period, Buyer shall elect prior to the end of the Feasibility Period as its sole and exclusive remedy to either (a) terminate this Contract, in which case the Earnest Money shall be refunded to Buyer, and neither party shall have any further rights or obligations pursuant to this Contract, other than as set forth herein with respect to rights or obligations which survive termination, or (b) waive the unsatisfied objection (which shall thereupon become a Permitted Exception) and proceed to Closing without reduction of the Sales Price.

(e) Permitted Exceptions. The phrase "Permitted Exceptions" shall mean (i) standard printed exceptions contained in the promulgated form of title policies in Texas; (ii) real estate taxes and assessments not yet due and payable, (iii) documents or agreements contemplated by the terms of this Contract, (iv) matters arising from acts of or at the direction of Buyer, its consultants or any of their respective agents, representatives or employees, and (v) those exceptions to title set forth in the Commitment, Deed, or Survey and which have been accepted or deemed accepted by Buyer. The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements will be amended to read "shortages in area" at the expense of Buyer.

(f) Mandatory Cure Items. Notwithstanding the foregoing and regardless of any applicable Title Objections, (i) Seller agrees to cure prior to or upon Closing any liens affecting the Property created by Seller, other than those created by or on behalf of Buyer, and (ii) voluntary conveyances of interests in the Property by Seller after the Effective Date ("Mandatory Cure Matters"). In no event shall the Mandatory Cure Matters be a Permitted Exception, and if Seller is unable to cure any Mandatory Cure Matters on or before the Closing, then Buyer shall be entitled, as Buyer's sole and exclusive remedy, to terminate this Contract upon written notice to Seller on or before the Closing Date, whereupon the Earnest Money and any and all Extension Payments (if applicable) shall be promptly delivered to Buyer, and all obligations and liabilities of the parties under this Contract shall be discharged and shall be null and void and of no further force or effect (except those that expressly survive the termination of this Contract).

5. BROKER'S FEE: Buyer and Seller represent and warrant to each other that no real estate commissions, finders' fees, or brokers' fees have been or will be incurred in connection with the sale of the Property by Seller to Buyer. Buyer and Seller shall indemnify, defend and hold each other harmless from any claim, liability, obligation, cost or expense (including reasonable attorneys' fees and expenses) for fees or commissions relating to Buyer's purchase of the Property asserted against either party by any broker or other person claiming by, through or under the indemnifying party or whose claim is based on the indemnifying party's acts. The provisions of this Section 5 shall survive the Closing or any termination of this Contract.

**6. LIMITATION OF SELLER'S REPRESENTATIONS AND WARRANTIES: EXCEPT AS OTHERWISE SPECIFICALLY STATED IN SECTION 12 OF THIS CONTRACT, AND EXCEPT FOR ANY WARRANTIES CONTAINED IN THE DEED TO BE DELIVERED BY SELLER AT THE CLOSING, SELLER HEREBY SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, OR CONCERNING (i) THE NATURE AND CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, AND THE SUITABILITY THEREOF AND OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY ELECT TO CONDUCT THEREON, AND THE EXISTENCE OF ANY ENVIRONMENTAL HAZARDS OR CONDITIONS THEREON (INCLUDING THE PRESENCE OF ASBESTOS) OR COMPLIANCE WITH ANY OR ALL APPLICABLE LAWS, RULES OR REGULATIONS; AND (ii) THE NATURE AND EXTENT OF ANY RIGHT-OF-WAY, LEASE, POSSESSION, LIEN, ENCUMBRANCE, LICENSE, RESERVATION, CONDITION OR OTHERWISE; AND (iii) THE COMPLIANCE OF THE PROPERTY OR ITS OPERATION IN COMPLIANCE WITH ANY LAWS, ORDINANCES, ORDERS, RULES OR REGULATIONS OF ANY GOVERNMENTAL OR QUASI-GOVERNMENTAL AUTHORITY HAVING JURISDICTION OVER THE PROPERTY OR ANY PORTION THEREOF. BUYER ACKNOWLEDGES THAT IT WILL INSPECT THE PROPERTY AND BUYER WILL RELY SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER. THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS," "WHERE IS" BASIS AND WITH ALL FAULTS, AND BUYER EXPRESSLY ACKNOWLEDGES THAT, IN CONSIDERATION OF THE AGREEMENTS OF SELLER HEREIN, EXCEPT AS OTHERWISE SPECIFIED IN SECTION 12 HEREIN, AND EXCEPT FOR ANY WARRANTIES CONTAINED IN THE DEED TO BE DELIVERED BY SELLER AT THE CLOSING, SELLER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR STATUTORY, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, TENANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IN RESPECT OF THE PROPERTY.**

The provisions of this Section 6 shall survive the Closing.

**7. DEFAULT:**

(a) Unless otherwise provided for herein, if the transaction contemplated hereby is not consummated by reason of Buyer's breach or other failure to timely perform all obligations and conditions to be performed by Buyer, and such breach or other failure is not due to default, breach and/or failure by Seller hereunder, then Seller may, as Seller's sole and exclusive remedy, terminate this Contract and receive the Earnest Money as liquidated damages. Buyer and Seller hereby agree that actual damages would be difficult or impossible to ascertain and such amount is a reasonable estimate of the damages for such breach or failure.

(b) If the transaction contemplated hereby is not consummated by reason of Seller's breach or other failure to timely perform all obligations and conditions to be performed by Seller,

such breach or other failure is not cured within ten (10) days of Seller's receipt of written notice of such breach from Buyer, and such breach or other failure is not due to default, breach and/or failure by Buyer hereunder, then Buyer may, as its sole and exclusive remedy, either (i) enforce specific performance of Seller's obligations hereunder, provided that Buyer asserts such claim for specific performance within thirty (30) days from the scheduled Closing Date, or (ii) terminate this Contract and receive the Earnest Money; provided, however, notwithstanding anything to the contrary contained in this Contract, under no circumstances shall Buyer be permitted or entitled to file a claim of lis pendens against the Property. Buyer hereby waives and releases to the greatest extent allowed by law all other claims, causes of action or remedies against Seller arising under or in connection with this Contract, and Seller shall not be liable to Buyer for any type of incidental, punitive, special, exemplary, reliance, indirect or consequential damages, regardless of the foreseeability of such damages. No trustee, beneficiary, director, officer, shareholder, employee, advisor, agent, attorney, or manager in or of Seller (each, a "Seller Party") has any personal liability, directly or indirectly, under this Contract. Buyer and Buyer's successors and assigns and all other interested parties are entitled only to, and shall only look to, Seller's interest in the Property (and the proceeds thereof) for the payment of any claim or for any performance, and Buyer waives all other rights relating thereto. These limitations are in addition to, and not in limitation of, any other Seller limitation of liability.

(c) Except as otherwise expressly provided in this Contract, the rights and remedies set forth in this Section 7 shall be the sole and exclusive remedies available to Seller and Buyer in the event of a breach or default by the other party of this Contract.

8. REPRESENTATIONS AND WARRANTIES OF SELLER: Seller hereby represents to Buyer, that to Seller's current actual knowledge, no special investigation or inquiry having been made:

(a) That the persons executing this Contract on behalf of Seller have full power and authority to execute this Contract, and to bind Seller to the terms hereof;

(b) With the exception of Seller, there are no parties in possession of any portion of the Property;

(c) Seller has, or on or before the Closing Date will have, the corporate power and authority to sell and convey the Property as provided in this Contract and to carry out Seller's obligations hereunder, and that all requisite corporate action necessary to authorize Seller to enter into this Contract and to carry out Seller's obligations hereunder has been, or on or before the Closing Date will have been taken;

(d) Seller has not received written notice of (i) any pending or threatened litigation which would materially and adversely affect the Property, or (ii) governmental proceeding which would materially and adversely affect the Property; and

(e) Seller is not a foreign person, as that term is defined in Section 1445 and 7701 of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

(f) If any representation or warranty above is known by Buyer prior to Closing to be

untrue and is not remedied by Seller prior to Closing, Buyer may as Buyer's sole and exclusive remedy, either (i) terminate this Contract whereupon the Earnest Money shall be refunded to Buyer, and neither party shall have any further rights or obligations pursuant to this Contract, other than as set forth herein with respect to rights or obligations which survive termination, or (ii) waive its objections and close the transaction. The foregoing representations and warranties shall not survive the Closing.

9. **CONDEMNATION:** If, prior to the Closing Date, Seller receives written notice that condemnation proceedings are being commenced against any material portion of the Property, then Seller shall promptly notify Buyer of such condemnation, and Buyer shall thereafter have, as its sole and exclusive remedy: (a) the option to terminate this Contract within three (3) business days following receipt of said notice by Seller of such event, in which case the parties shall have no further rights or obligations hereunder except as expressly provided herein, and the Earnest Money shall be returned to Buyer, or (b) if Buyer does not elect to terminate this Contract, this Contract shall remain in full force and effect, and in such event Seller shall assign to Buyer any and all condemnation proceeds of such condemnation of the Property, and Buyer shall take title to the Property with the assignment of such proceeds and subject to such condemnation of the Property without reduction of the Sales Price. If Buyer does not elect to terminate within said three (3) business day period following such notice by Seller, Buyer shall be deemed to have waived all rights to terminate pursuant to this Section 9 and this Contract shall remain in full force and effect.

10. **REPRESENTATIONS AND WARRANTIES OF BUYER:** Buyer represents and warrants to Seller, which representations and warranties shall be deemed made by Buyer to Seller as of the Effective Date and also as of the Closing Date:

(a) Buyer has the full right, power, and authority to purchase the Property as provided in this Contract and to carry out Buyer's obligations hereunder, and that all requisite action necessary to authorize Buyer to enter into this Contract and to carry out Buyer's obligations hereunder has been, or on or before the Closing Date will have been, taken.

(b) There are no actions, suits, claims or other proceedings pending or, to the best of Buyer's knowledge, contemplated or threatened against Buyer that could affect Buyer's ability to perform its obligations when and as required under the terms of this Contract.

(c) Buyer is not, and will not become, a person or entity with whom United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control, Department of the Treasury of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons list), or under any statute, executive order (including the September 24, 2002, Executive Order blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit or Support Terrorism) or other governmental action and is not and will not engage in any dealing or transaction or be otherwise associated with such persons or entities.

(d) Notwithstanding anything herein to the contrary, any breach by Buyer of any of the foregoing representations or warranties shall constitute a default by Buyer hereunder, and Seller may thereupon, at its option, terminate this Contract by giving written notice thereof, in which event the Earnest Money shall be paid to Seller as liquidated damages, and neither Buyer nor Seller

shall have any further rights or liabilities hereunder, except as otherwise provided herein.

11. MISCELLANEOUS:

(a) Any notice required or permitted to be delivered hereunder shall be in writing and shall be deemed received (i) when personally delivered, (ii) five (5) days after deposit in the United States mail, postage prepaid, registered or certified mail, return receipt requested, and properly addressed, (iii) when deposited with a nationally recognized overnight courier service, charges prepaid, and properly addressed for delivery on the next business day, or (iv) upon sending the e-mail to the applicable party's designated e-mail address if sent before the close of business, or the next day if sent by e-mail after the close of business; provided, however, that if a notice is sent by e-mail, the party sending the notice also must send, on the date that the e-mail is sent, a confirmation copy of the notice by one of the other methods set forth in this Section 13(a) (or else such e-mail notice is void). For purposes of this subsection, the addresses of each party shall be that set forth below the signature of such party hereto with a copy to the other addressees set forth below the signature of such party. Either party may change its address for notice from time to time by delivery of at least ten (10) days prior written notice of such change to the other party hereto in the manner prescribed herein.

(b) This Contract shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Dallas County, Texas .

(c) This Contract shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns.

(d) In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. Furthermore, in lieu of any such invalid, illegal or unenforceable provision there shall be automatically added to this Contract a provision as similar to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

(e) THIS CONTRACT CONSTITUTES THE FINAL AGREEMENT BETWEEN THE PARTIES. IT IS THE COMPLETE AND EXCLUSIVE EXPRESSION OF THE PARTIES' AGREEMENT ON THE MATTERS CONTAINED IN THIS CONTRACT. ALL PRIOR AND CONTEMPORANEOUS NEGOTIATIONS AND AGREEMENTS BETWEEN THE PARTIES ON THE MATTERS CONTAINED IN THIS CONTRACT ARE EXPRESSLY MERGED INTO AND SUPERSEDED BY THIS CONTRACT. THE PROVISIONS OF THIS CONTRACT MAY NOT BE EXPLAINED, SUPPLEMENTED, OR QUALIFIED THROUGH EVIDENCE OF TRADE USAGE OR A PRIOR COURSE OF DEALINGS. IN ENTERING INTO THIS CONTRACT, THE PARTIES HAVE NOT RELIED UPON ANY STATEMENT, REPRESENTATION, WARRANTY, OR AGREEMENT OF THE OTHER PARTY EXCEPT FOR THOSE EXPRESSLY CONTAINED IN THIS CONTRACT. THERE IS NO CONDITION PRECEDENT TO THE EFFECTIVENESS OF THIS CONTRACT OTHER THAN THOSE

EXPRESSLY STATED IN THIS CONTRACT.

(f) The parties may amend this Contract only by a written agreement of the parties that identifies itself as an amendment to this Contract.

(g) Time is of the essence with this Contract.

(h) Words of any gender used in this Contract shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

(i) The parties may execute this Contract in one or more identical counterparts, all of which when taken together will constitute one and the same instrument. The signatures of all of the parties need not appear on the same counterpart, and delivery of an executed counterpart signature page by e-mail is as effective as executing and delivering this Agreement in the presence of the other parties to this Agreement.

(j) Intentionally Deleted.

(k) The parties hereto acknowledge that the parties and their respective counsel have each reviewed and revised this Contract, and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Contract or any amendments or exhibits hereto.

(l) Whenever any determination is to be made or action to be taken on a date specified in this Contract, if such date shall fall upon a Saturday, Sunday or holiday observed by federal savings banks in the State of Texas, the date for such determination or action shall be extended to the first business day immediately thereafter.

(m) Except as to those obligations which specifically survive the Closing, all of Seller's other obligations hereunder shall merge with the Deed.

12. ASSIGNMENT: Buyer may not assign this Contract to any party or entity, without Seller's prior written consent, which consent may be withheld in Seller's sole and absolute discretion. Notwithstanding anything in this Section 12 to the contrary, Buyer may assign this Contract without Seller's consent to: (i) any entity controlling, controlled by or under common control with Buyer; and (ii) any successor or newly created entity in the event of a merger or consolidation involving Buyer; provided, however, that in the event of such an assignment, Buyer shall not be relieved of its obligations hereunder. Buyer shall notify Seller of any assignment no later than ten (10) business days prior to the Closing Date. Seller reserves the unilateral right, exercisable in Seller's sole discretion at any time prior to the Closing Date without the necessity of obtaining Buyer's consent, to convey the Property to an affiliate of Seller ("Permitted Assignee"). The Permitted Assignee shall expressly assume in writing all of Seller's duties and obligations under this Contract, and the original party designated as the Seller shall thereafter be released from all duties and obligations hereunder. Buyer agrees to close the transaction contemplated herein with the Permitted Assignee, subject to the terms and conditions of this Contract.

13. NONREFUNDABLE CONSIDERATION: Notwithstanding anything seemingly to the



contrary contained herein, if the Earnest Money is returned to Buyer for any reason other than due to Seller's default hereunder, the sum of \$100.00 shall be retained by Seller as independent consideration ("Independent Consideration") for Seller's agreement to sell the Property to Buyer in accordance with the terms and conditions provided herein. The Independent Consideration shall be applied against the Sales Price at Closing.

14. **WAIVER OF CONSUMER RIGHTS:** BUYER, AFTER CONSULTATION WITH AN ATTORNEY OF ITS OWN SELECTION (WHICH COUNSEL WAS NOT DIRECTLY OR INDIRECTLY IDENTIFIED, SUGGESTED OR SELECTED BY SELLER OR ANY AGENT OF SELLER) HEREBY VOLUNTARILY WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES - CONSUMER PROTECTION ACT (SECTION 17.41, *ET SEQ.*, BUSINESS AND COMMERCE CODE), A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. BUYER HEREBY ACKNOWLEDGES TO SELLER THAT BUYER AND SELLER ARE NOT IN A SIGNIFICANTLY DISPARATE BARGAINING POSITION.

15. **NOTICE REGARDING POSSIBLE LIABILITY FOR ADDITIONAL TAXES:** If for the current ad valorem tax year, the taxable value of the Property is determined by a special appraisal method that allows for appraisal of the Property at less than its market value, the person to whom the land is transferred may not be allowed to qualify the Property for that special appraisal in a subsequent year, and the Property may then be appraised at its full market value. In addition, the transfer of the Property or a subsequent change in the use of the Property may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in use of the Property. The taxable value of the Property and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the Property is located.

16. **TENANTS:** Seller must relocate any tenants of the Property at its sole cost, expense, and liability prior to Closing.

17. **EFFECTIVE DATE:** The "Effective Date" of this Contract shall be the date an original of this Contract (or original counterparts of this Contract) are executed by both Seller and Buyer.

18. **WAIVER OF JURY TRIAL:** EACH PARTY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ITS RIGHT TO A TRIAL BY JURY TO THE EXTENT PERMITTED BY LAW IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS CONTRACT AND THE TRANSACTIONS IT CONTEMPLATES. THIS WAIVER APPLIES TO ANY ACTION OR OTHER LEGAL PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE. EACH PARTY ACKNOWLEDGES THAT IT HAS RECEIVED THE ADVICE OF COMPETENT COUNSEL.

*[Signature page to follow]*

**IN WITNESS WHEREOF**, the parties have executed this Contract to be effective as of the Effective Date.

**BUYER:**

**THE OWL ICEHOUSE, LLC**

By: \_\_\_\_\_

Name:

Title:

Email:

Date: \_\_\_\_\_, 2025

Address:

110 E. Louisiana Street  
McKinney, TX 75069

**SELLER:**

**CITY OF GARLAND, TEXAS**

By: \_\_\_\_\_

Name: Judson Rex

Title: City Manager

Date: \_\_\_\_\_, 2025

Address:

PO Box 469002  
Garland, Texas  
Attention: Jud Rex  
jrex@garlandtx.gov

TITLE COMPANY:

Receipt of \$10,000.00 Earnest Money is  
acknowledged in the form of

\_\_\_\_\_

**MUTUAL TITLE COMPANY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_, 20\_\_

**EXHIBITS:**

Exhibit "A" - Disposition and Development Agreement  
Exhibit "B" - Special Warranty Deed

**EXHIBIT “B”**  
**(DEED)**

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

**SPECIAL WARRANTY DEED**

That **CITY OF GARLAND, TEXAS**, a Texas home-rule municipality (“Grantor”), for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration paid to Grantor by THE OWL ICEHOUSE, LLC, a Texas limited liability company (“Grantee”), whose address is 110 E. Louisiana Street, McKinney, TX 75069, the receipt of which is hereby acknowledged, has GRANTED, SOLD AND CONVEYED, and by these presents does GRANT, SELL AND CONVEY unto Grantee, all of the real property in Dallas County, Texas, which is more particularly described on **Exhibit “A”** attached hereto and made a part hereof for all purposes, together with all right, title and interest of Seller, if any, in and to (i) any and all improvements and buildings owned by Seller located on such Property (if any), (ii) any and all singular rights, benefits, privileges, easements, tenements, and appurtenances thereon and pertaining to the Property, including, without limitation, any right, title and interest of Seller in and to adjacent public roadways or public alleys, rights of ingress and egress and any reversionary interests thereto, and (iii) strips and gores between the Property and abutting properties., (collectively, “Property”).

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Grantee, and Grantee’s successors and assigns forever; and Grantor does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the Property unto Grantee, and Grantee’s successors and assigns, against every person whomsoever lawfully claiming or to claim the Property or any part thereof, by, through or under Grantor, but not otherwise.

Effective as of the \_\_\_\_ day of \_\_\_\_\_, 2025.

**GRANTOR:**

**CITY OF GARLAND, TEXAS**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ACKNOWLEDGMENT:**

STATE OF TEXAS       §  
                                  §  
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the County and State aforesaid, on this day personally appeared **Scott LeMay**, known to me to be the person whose name is subscribed to the foregoing instrument for and as mayor of **CITY OF GARLAND, TEXAS**; and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said company, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this \_\_\_\_ day of \_\_\_\_\_, 2025.

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Notary Public in and for Dallas County, Texas

**EXHIBIT "A" TO DEED**  
**(Legal Description)**

Being Lot 1, Block 1, of Jones Downtown Addition, an Addition to the City of Garland, Texas, according to the plat thereof recorded in County Clerk Instrument No. 201300301208, of the Official Public Records of Dallas County, Texas.



**GARLAND**  
**CITY COUNCIL STAFF REPORT**

**City Council Work Session**

**2.**

**Meeting Date:** 03/03/2025

**Title:** Discuss Updates on the City-Initiated Rezoning Effort for South Garland

**Submitted By:** Nabila Nur, Planning and Development Director

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**Issue/Summary**

Discuss updates on the city-initiated rezoning efforts for South Garland.

**Background**

Staff will brief Council on the city-initiated rezoning effort for South Garland to encourage revitalization and urban mixed-use developments in the area.

**Consideration / Recommendation**

Information only.

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**GARLAND**  
**CITY COUNCIL STAFF REPORT**

**City Council Work Session**

**3.**

**Meeting Date:** 03/03/2025  
**Title:** School Street Alley Project  
**Submitted By:** Michael Polocek, Engineering Director  
**Strategic Focus Area:** Well-Maintained City Infrastructure  
Vibrant Neighborhoods and  
Commercial Centers  
Customer-Focused City Services

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**Issue/Summary**

Michael Polocek, Director of Engineering, will provide a verbal briefing to explain the Alley Petition Program process to Council. Council is requested to consider a Determination of Necessity by Minute Action and order a Public Hearing for the Levying of Assessments for the School Street Alley Petition project.

**Background**

Per City Ordinance Article V, Street Improvements and Assessments, Sections 31.75 -- 31.78, Property owners, whose residences abut unimproved alleys, may apply, petition and participate in the paving of the unimproved alley. See Attachment "A".

Three residential property owners along School Street applied and initiated the School Street Alley Improvement Project, through the circulation of a petition. Pursuant to the Code of Ordinances Section 31.75, fifty-one (51%) percent of the property owners or owners of at least fifty-one (51%) percent of the abutting frontage must sign the petition in order for Staff to present the project to Council for consideration. All three (3) owners (100%) signed the petition. See Attachment "B". At the time, the petition indicated the assessment amount for each property to be thirty-three percent (33%) of the opinion of probable cost (OPC), including engineering design and contingencies. This is per Code of Ordinances Section 31.76 (B) (2).

According to the City Charter, an assessment may not exceed the enhanced value of the property. Generally, the enhanced value is determined by an independent licensed appraiser, hired by the City. The City hired BBG Real Estate Services, an independent appraiser, to determine the enhanced value of the School Street properties. The assessments will be determined at a public hearing to be held on March 18, 2025.

A Determination of Necessity is required, whereby Council declares the necessity and authorizes the improvement, initiating the project and leading to levying of paving assessments. The determination does not obligate the City to any further action. Final action and assessments will be determined at the close of the public hearing on March 18, 2025.

Notices have been published and mailed pursuant to the Texas Transportation Code for the public hearing to be held March 18, 2025.

**Consideration / Recommendation**

Council discussion. Unless otherwise directed by Council, a Determination of Necessity by Minute Action will be included on the March 4, 2025 Regular Session and a Public Hearing, including a Resolution for the Levying of Assessments, will be included on the March 18, 2025 Regular Session. A CIP Budget Amendment will be brought forward to City Council for consideration at a later date to formally appropriate \$200,000 for the Petition Alley Program anticipated to be expended in 2025. Interest Earnings will be used to fund the project in 2025 if approved.

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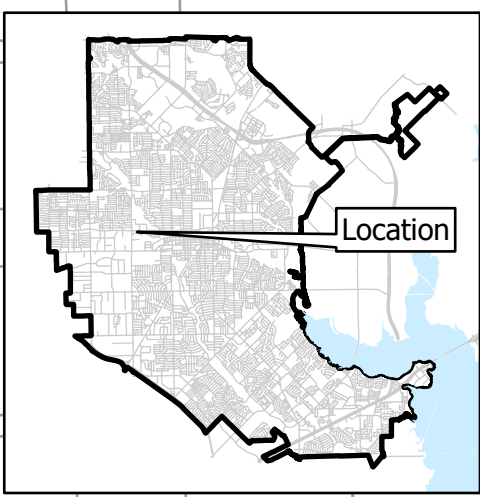
**Attachments**

School Street Location Map  
Alley Petition  
Chapter 31, Article 5 of the Code of Ordinances

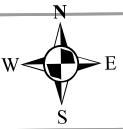
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Location



CLARA BARTON BLVD

WALNUT ST

SHILOH RD

409 SCHOOL ST

405 SCHOOL ST

401 SCHOOL ST

SCHOOL ST

COLLEGE AVE

JARRELL CIR

Parcels  
Project Location

### SCHOOL STREET ALLEY LOCATION MAP

Scale: NTS  
Date: 02/04/2025  
Drawn: OS  
File: School Street Alley  
Location Map



## SCHOOL STREET ALLEY PETITION

Signature of property owners only:

<u>Monalisa A. Matta</u> Signature	<u>Monalisa Matta</u> Name (Type or Print)	<u>401 School St.</u> Address	<u>80</u> Frontage	<u>\$10,224.00</u> *Prelim. Assessment
<u>Julio Quiroz</u> Signature	<u>Julio Quiroz</u> Name (Type or Print)	<u>405 School St.</u> Address	<u>62.5</u> Frontage	<u>\$7,987.00</u> *Prelim. Assessment
<u>Yesenia Morales</u> Signature	<u>Yesenia Morales</u> Name (Type or Print)	<u>409 School St.</u> Address	<u>62.5</u> Frontage	<u>\$7,987.00</u> *Prelim. Assessment
<b>Total Assessments:</b>				<b>\$26,198.00</b>

\* Final assessment may vary based on actual design and construction costs. Assessment may be paid in full at the end construction OR Property owners opting to pay the assessments described in this Article V in installments shall make said payments in accordance with the following schedule (property owner's share/monthly payments): (1) \$2,000.00-\$2,999.99: 36 equal monthly payments; (2) \$3,000.00-\$3,999.99: 48 equal monthly payments; (3) \$4,000.00 or more: 60 equal monthly payments. (Ordinance 7052, sec. 16, adopted

## ARTICLE V STREET IMPROVEMENTS AND ASSESSMENTS

### § 31.75. Street improvement and paving assessments.

Assessments for street improvements shall be made pursuant to article XVI of the Charter and chapter 313, V.T.C.A., Transportation Code, as amended, and may be initiated by either of the following methods:

- (1) Initiation by property owner. Upon the application of one or more property owners, the Director of Engineering shall provide the applicant with a petition form to be circulated by the applicant among the other owners of property abutting the proposed improvements. If the petition is returned to the Director of Engineering and signed by either at least fifty-one percent (51%) of the abutting property owners or the owners of at least fifty-one percent (51%) of the abutting frontage, then the Director of Engineering may approach the City Council with an estimate of the cost of such improvements and request the initiation of a street or alley improvement project. The City Council may then determine the necessity for, and order, the proposed improvements. Improvement projects consisting of streets and alleys may be initiated by petition only in block-length segments. Improvement projects consisting of sidewalks or curbs and gutters separate from an improvement project to a street may be initiated by petition in smaller segments.
- (2) Initiation by City. Upon the presentation of a proposed improvement project, including an estimate of the cost of such improvements, by the Director of Engineering, the City Council may determine the necessity for, and order, the proposed improvements.

(Ordinance 4389, sec. 1, adopted 12/19/89; Ordinance 7052, sec. 13, adopted 5/7/19)

### § 31.76. Cost sharing policy; limitations.

- (A) The City shall share in the costs of the improvements with the owners of the abutting property as provided in subsection (B) below. In this section, “developed residential a property” shall mean any abutting residential property, including duplexes and townhomes, but excluding other developments, including but not limited to, any otherwise qualifying residential property being used primarily as a house of worship, a school, or a commercial business.
- (B) Abutting property and the owners thereof shall be assessed the following share of the cost of the improvements as follows:
  - (1) Street improvements (type of improvement/share of costs (per linear foot of improvements)):
    - (a) Developed residential property:
      - (i) Improvements initiated by petition under section 31.75(1):
        - A. Front: 33%.
        - B. Side: 16%.
        - C. Rear: 7%.

(ii) Improvements initiated by city under section 31.75(2): No assessment.

(b) Property other than developed residential property: 33%.

(2) Alley improvements (share of costs (per linear foot of improvements)): 33%.  
(Ordinance 4389, sec. 1, adopted 12/19/89; Ordinance 7052, sec. 14, adopted 5/7/19)

**§ 31.77. Payment of assessments.**

Assessments shall be due and payable upon final inspection and acceptance of the improvements by the City. Assessments may be paid in whole or in installment payments in accordance with the schedule set forth in Section 31.78. Installment payments shall include both principle and interest at an interest rate not to exceed the maximum rate allowed by state law.  
(Ordinance 4389, sec. 1, adopted 12/19/89; Ordinance 7052, sec. 15, adopted 5/7/19)

**§ 31.78. Schedule of installment payments.**

Property owners opting to pay the assessments described in this Article V in installments shall make said payments in accordance with the following schedule (property owner's share/monthly payments):

(1) \$2,000.00–\$2,999.99: 36 equal monthly payments.

(2) \$3,000.00–\$3,999.99: 48 equal monthly payments.

(3) \$4,000.00 or more: 60 equal monthly payments.  
(Ordinance 7052, sec. 16, adopted 5/7/19)

**§ 31.79. through § 31.89. (Reserved)**



**GARLAND**  
**CITY COUNCIL STAFF REPORT**

**City Council Work Session**

**4.**

**Meeting Date:** 03/03/2025  
**Title:** Public Safety Committee Report  
**Submitted By:** Letecia McNatt, Assistant to the City Manager  
**Strategic Focus Area:** Safe Community  
Future-Focused City Organization

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**Issue/Summary**

Councilmember Carissa Dutton, Chair of the Public Safety Committee, and staff will provide a committee report on the following items: School Traffic in Neighborhoods, Traffic Near Community Gathering Centers, and Public Safety Trends on Forest Lane. School Traffic in Neighborhoods was referred by Deputy Mayor Pro Tem Lucht and seconded by Councilmember Dutton at the September 26, 2024, Work Session. Traffic Near Community Gathering Centers was referred by Councilmember Dutton and seconded by Deputy Mayor Pro Tem Lucht at the October 7, 2024, Work Session. Public Safety Trends on Forest Lane was referred by Councilmember Dutton and seconded by Councilmember Hedrick on February 12, 2025.

**Background**

The briefing will provide City Council with updates concerning Public Safety Committee agenda items recently discussed.

**Consideration / Recommendation**

Unless otherwise directed by Council, these items will be marked as complete on the Public Safety Committee Pending Items List.

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**GARLAND**  
**CITY COUNCIL STAFF REPORT**

**City Council Work Session**

**5.**

**Meeting Date:** 03/03/2025

**Title:** Boards and Commissions Appointment

**Submitted By:** Jennifer Stubbs, City Secretary

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**Issue/Summary**

**Councilmember B.J. Williams**

- Jordan Cotton -TIF #2 South Board

**Background**

N/A

**Consideration / Recommendation**

Approval of the appointment as presented.

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**Attachments**

Jordan Cotton

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## Application for City of Garland Boards and Commissions

First Name:	Jordan	Last Name:	Cotton
Address:	218 Xavier Dr.	Apt./Suite:	
City:	Garland	State:	TX
		Zip Code:	75043
Phone (preferred):		Phone (alt):	
Dallas County Voter Registration Number (or Date of Birth):			
Have you ever been convicted of a Class A Misdemeanor or a Felony (Yes or No)?			
No			
Length of Garland residency (in years)?		5 - 10 years	Length of Garland residency (in years)?
		10+ years	
Email address:			
Do you use, or have you ever used, any of the following:			
<input type="checkbox"/> Facebook <input type="checkbox"/> Twitter <input type="checkbox"/> Instagram <input type="checkbox"/> LinkedIn <input type="checkbox"/> Nextdoor <input type="checkbox"/> TikTok			
Please list up to three Boards and Commission in order of interest (see complete list on pages 3-4):			
1 <sup>st</sup>	Garland Cultural Arts Commission	2 <sup>nd</sup> Choice:	Parks and Recreation Board
		3 <sup>rd</sup> Choice:	Animal Services Committee
Please list any experience that qualifies you to serve in the areas you have indicated.			
I have worked in Hospitality and Tourism, for the past 12 years and in food and beverage. I bring heavy knowledge and expertise in these areas. For the past 15 years I have worked in the areas arts and culture and am represented by a well known talent agency. I have two children that attend Garland ISD schools and act as a active parent.			
If you have previously served on a City Board or Commission, please specify and list dates of service.			
N/A			
List civic or community projects with which you have been involved.			
N/A			
What is your educational background?			
Dallas Community Colleges, Louisiana State University, KD Acting Studio			
Referred by:		District:	4





## Disclosure Form

### For Ordinance Boards and Commission Applicants

First Name:  Last Name:

Title:

Spouse:

Minor Children or Dependents:

1. Identify by name and address each business entity in which you, your spouse or any of your minor children or dependents have a substantial interest.

**Business entity:** Means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust or any other entity recognized by law.

**Substantial interest means:** (a) the ownership of 10 percent or more of the voting stock or shares of the business entity; (b) the ownership of either 10 percent or more or \$5,000 or more of the fair market value of the business entity; or (c) funds received from the business entity exceed 10 percent of the recipient's gross income for the previous year.

2. Identify (by street address, legal or lot and block description) all real property located within Garland owned by you through beneficial ownership, partnership, joint ownership or through corporate ownership of corporation in which you have an interest of one percent or more. You must also include all real property leased by you or held by you with a right of first refusal.

Return completed Boards and Commissions Application and Disclosure Form to:

City of Garland  
City Secretary's Office  
PO Box 469002  
Garland, TX 75046-9002

Signature:  Date: