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WHEREAS, the City of Dallas (“City”) recognizes the importance of its role in local economic development and the public purposes of fostering economic growth and prioritizing investment and economic progress for underserved areas with local job creation and equitable business development projects; and

WHEREAS, investment decisions made by business owners, developers, and property owners are often significantly influenced by a municipality’s ability to provide economic development incentives; and

WHEREAS, it is in the interest of the City to support and secure the development, establishment, expansion, and relocation of businesses within the City for the economic vitality and employment opportunities that these businesses bring for Dallas residents; and

WHEREAS, on November 7, 2006, Dallas voters approved a \$1.353 billion general obligation bond program for the City, of which \$41.4 million was included in Proposition 8 for the purpose of promoting economic development in the southern area of the city, and promoting economic development in other areas of the city in connection with transit oriented development, through planning, designing, constructing, improving, extending and expanding public street, utility and other infrastructure facilities, including the acquisition of land therefor, and through funding the City’s programs for economic development including the acquisition of improved and unimproved properties, the demolition of existing structures, making loans and grants of bond proceeds and otherwise providing assistance for private commercial, industrial, retail, residential and mixed-use development; and

WHEREAS, on May 14, 2014, the City Council authorized the designation of Tax Increment Reinvestment Zone Number Twenty in accordance with the Tax Increment Financing Act, as amended, V.T.C.A. Texas Tax Code, Chapter 311, by Resolution No. 14-0783; Ordinance 29340; and

WHEREAS, on November 7, 2017, Dallas voters approved a \$1.05 billion general obligation bond program for the City, of which \$55.4 million was included in Proposition I for the purpose of providing funds for promoting economic development throughout the city, through planning, designing, constructing, improving, extending, expanding public street, utility, and other infrastructure facilities, including the acquisition of land therefor; and through the City’s programs for economic development and housing including the acquisition of improved and unimproved properties, the demolition of existing structures, making grants of bond proceeds and otherwise providing assistance for private commercial, industrial, retail, residential and mixed-use development, neighborhood revitalization projects, and mixed income development; and

WHEREAS, on May 26, 2021, the City Council adopted an Economic Development Policy 2022-2032 (“Policy”) by Resolution No. 21-0927; and

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WHEREAS, on June 8, 2022, pursuant to Resolution No. 22-0901, effective for the period of July 1, 2022 through December 31, 2022, the City: (1) authorized the continuation of its Public/Private Partnership Program (“P/PPP”) – Guidelines and Criteria, which established guidelines and criteria for the use of City incentive programs for private development projects; and (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City of Dallas pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code, and (3) established appropriate guidelines and criteria governing tax abatement agreements to be entered into by City as required by the Property Redevelopment and Tax Abatement Act, as amended, (Texas Tax Code, Chapter 312); and

WHEREAS, over approximately eighteen months, the Office of Economic Development negotiated an economic development incentive agreement with Albertsons Companies, Inc., one of the largest food and drug retailers in the United States of America, to secure the commitment of a new full-service Tom Thumb grocery store (“Project”) in Tax Increment Reinvestment Zone Number Twenty in southern Dallas; and

WHEREAS, the Project is planned to consist of the new ground-up construction, finish-out, and operation of an approximately 50,000 square foot full-service grocery store (“Store”) on approximately 5 acres (“Property”) within the overall Reimagine Redbird mall redevelopment area located at the southwest corner of W. Camp Wisdom Road and S. Westmoreland Road; and

WHEREAS, Randall’s Food & Drugs LP, an affiliate of Albertsons Companies, Inc., will lease and operate the Store and will own nearly all of the business personal property in the Store; and

WHEREAS, Randall’s Beverage Company, Inc., also an affiliate of Albertsons Companies, Inc., will own the portion of the business personal property comprised of the beer and wine inventory; and

WHEREAS, on December 16, 2022, a Letter of Intent for the proposed economic development incentive agreement as described herein was executed by and between Albertsons Companies, Inc. and the City’s Director of the Office of Economic Development; and

WHEREAS, on January 25, 2023, the City Council adopted a revised Policy by Resolution No. 23-0220 to clarify action items for City staff, align the action items with ongoing plans, programs, policies, and other initiatives at the City, designate lead City departments to implement the action items, and consolidate and prioritize such action items; and

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WHEREAS, on January 25, 2023, in furtherance of the new Policy goals, the City Council also authorized a new Economic Development Incentive Policy ("Incentive Policy") effective for the period January 1, 2023 through December 31, 2024 by Resolution No. 23-0220; and

WHEREAS, the Project is located in a Texas Enterprise Zone and in the City's Tax Increment Reinvestment Zone Number Twenty; and

WHEREAS, according to the USDA Food Access Research Atlas, the Project is located in an area characterized as a food desert under all four USDA definitions; and

WHEREAS, the City finds that the Project will not be undertaken within the city without an offer of economic development incentives from the City; and

WHEREAS, the City finds that the Project will significantly advance the public purpose of economic development within the city; and

WHEREAS, on February 6, 2023, the Economic Development Committee was briefed in executive session regarding this Project; and

WHEREAS, the City desires to enter into an economic development incentive agreement with Randall's Food & Drugs LP and/or its affiliates, doing business as Tom Thumb, to include (1) a Chapter 380 economic development grant in an amount not to exceed \$5,200,000.00; (2) a Chapter 380 sales tax grant in an amount not to exceed \$600,000.00 over ten years; and (3) a business personal property tax abatement for a period of five years in an amount equal to the City's taxes assessed on 75 percent of the added taxable value of Grantee/BPP Owner's business personal property investment during the first five years of operation in consideration of a new full-service grocery store within City of Dallas Tax Increment Reinvestment Zone Number Twenty.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

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SECTION 1. That the City Manager is hereby authorized, upon approval as to form by the City Attorney, to execute an economic development incentive agreement with Randall's Food & Drugs LP and/or its affiliates ("Grantee/BPP Owner"), doing business as Tom Thumb, to include **(1)** a Chapter 380 economic development grant ("Grant") in an amount not to exceed \$5,200,000.00; **(2)** a Chapter 380 sales tax grant ("Sales Tax Grant") in an amount not to exceed \$600,000.00 over ten years; and **(3)** a business personal property tax abatement ("BPP Tax Abatement") for a period of five years in an amount equal to the City's taxes assessed on 75 percent of the added taxable value of Grantee/BPP Owner's business personal property investment during the first five years of operation in consideration of a new full-service grocery store ("Project") within City of Dallas Tax Increment Reinvestment Zone Number Twenty.

SECTION 2. That the findings of facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 3. That in order to reimburse and finance the authorized disbursements described herein from General Obligation bonds, the City intends to issue one or more commercial paper notes as part of its General Obligation Commercial Paper Notes Series 2017A, and Series 2017B, and use the proceeds thereof to reimburse the disbursements described herein.

SECTION 4. That, pursuant to Section 10 of this Resolution, the Chief Financial Officer is hereby authorized to disburse Grant funds in an amount not to exceed \$5,200,000.00 to Randall's Food & Drugs LP and/or its affiliates (Vendor No. VC27246) from the funding sources as listed and described below:

2006 General Obligation Bond Funds

Fund 1T52, Department ECO, Unit W985 Activity PRTU, Object 3016, Program PROJTURTL Encumbrance/Contract No.CX ECO-2023-00021451	\$1,220,000.00
Fund 2T52, Department ECO, Unit W986 Activity PRTU, Object 3016, Program PROJTURTL Encumbrance/Contract No.CX ECO-2023-00021451	\$80,000.00
Fund 6T52, Department ECO, Unit W987 Activity PRTU, Object 3016, Program PROJTURTL Encumbrance/Contract No.CX ECO-2023-00021451	\$30,000.00
Fund 7T52, Department ECO, Unit W971 Activity PRTU, Object 3016, Program PROJTURTL Encumbrance/Contract No. CX ECO-2023-00021451	\$137,210.74

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SECTION 4. *(continued)

Fund 8T52, Department ECO, Unit W988
Activity PRTU, Object 3016, Program PROJTURTL
Encumbrance/Contract No. CX ECO-2023-00021451 \$70,000.00

Fund 9T52, Department ECO, Unit W990
Activity PRTU, Object 3016, Program PROJTURTL
Encumbrance/Contract No.CX ECO-2023-00021451 \$1,509.37

ECO (I) 2017 General Obligation Bond Fund

Fund 1V52, Department ECO, Unit VI16
Activity PRTU, Object 3016, Program EC17VI16,
Encumbrance/Contract No. CX ECO-2023-00021451 \$1,000,000.00

Fund 1V52, Department ECO, Unit VI17
Activity PRTU, Object 3016, Program EC17VI17,
Encumbrance/Contract No. CX ECO-2023-00021451 \$1,000,000.00

Public/Private Partnership Fund

Fund 0352, Department ECO, Unit W971,
Activity PRTU, Object 3016, Program PROJTURTL,
Encumbrance/Contract No.CX ECO-2023-00021451 \$1,661,279.89

Total amount not to exceed \$5,200,000.00

SECTION 5. That the Sales Tax Grant as described in Section 11 of this Resolution is subject to annual verification, audit, or other necessary procedures deemed appropriate by the City to verify the Sales Tax Receipts consummated at the Store. The Director of the City's Office of Economic Development, in consultation with the City's Chief Financial Officer and Budget Director, is authorized to make appropriate arrangements with Randall's Food & Drugs LP and/or its affiliates to meet the audit requirement to fulfill the purposes described herein.

SECTION 6. That the City Manager is hereby authorized to transfer funds up to \$60,000.00 per year (subject to annual appropriations) over ten (10) years for a total amount not to exceed \$600,000.00 (subject to annual appropriations) from the General Fund, Fund 0001, Department BMS, Unit 1991, Object 3690 to the Project Sales Tax Agreement Fund, Fund 0811, Department ECO, Unit W989, Revenue Source 9201 for the Sales Tax Grant in accordance with the terms and conditions of the economic development incentive agreement.

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SECTION 7. That, pursuant to terms and conditions of the economic development incentive agreement, the Chief Financial Officer is hereby authorized to disburse Sales Tax Grant funds to Randall's Food and Drugs LP and/or its affiliates, subject to future annual appropriations, in up to ten (10) Annual Sales Tax Grant Payments, each being an amount equal to the lesser of: (a) 75% of the Sales Tax Receipts received by the City from the Texas Comptroller's Office for a given year, or (b) \$60,000.00, for a cumulative total amount not to exceed \$600,000.00 from the Project Sales Tax Agreement Fund, Fund 0811, Department ECO, Unit W989, Activity PRTU, Object 3016, Encumbrance/Contract No.CX ECO-2023-00021451, Vendor No. VC27246.

SECTION 8. That the Project is planned to consist of the new ground-up construction, finish-out, and operation of an approximately 50,000 square foot full-service grocery store ("Store") on approximately 5 acres ("Property") within the overall Reimagine Redbird mall redevelopment area. At an estimated cost of \$13 million (excluding land acquisition of the Property), the owner/developer of the overall Reimagine Redbird Mall redevelopment project will perform all necessary site improvements (including grading, utilities, parking, lighting, landscaping), construct a turnkey building (including some finish-out), and deliver the turnkey building to be leased and operated for at least fifteen (15) years by the Grantee/BPP Owner. At an estimated cost of \$6 million, the Grantee/BPP Owner will perform some additional finish-out as well as install and own the furniture, fixtures, equipment, machinery, inventory, technology, and security system.

SECTION 9. That Randall's Food & Drugs LP, an affiliate of Albertsons Companies, Inc., will lease and operate the Store and will own nearly all of the business personal property in the Store. Randall's Beverage Company, Inc., also an affiliate of Albertsons Companies, Inc., will own the portion of the business personal property comprised of the beer and wine inventory.

SECTION 10. That the economic development incentive agreement shall include the following three components:

- 1) a Chapter 380 economic development grant ("Grant") in an amount not to exceed \$5,200,000.00 and payable in three installments.
- 2) a Chapter 380 sales tax grant ("Sales Tax Grant") in an amount not to exceed \$600,000.00 over ten (10) years.
- 3) a business personal property tax abatement ("BPP Tax Abatement") for a period of five (5) years in an amount equal to the City's taxes assessed on 75 percent (75%) of the added taxable value of the Grantee/BPP Owner's business personal property investment in the Store during the first five (5) years of operation.

SECTION 11. That the Grant shall be payable in three (3) installments and subject to the following conditions:

SECTION 11. (continued)

- A. ("Grant Installment 1"): Grantee/BPP Owner shall be eligible for Grant Installment 1 in the amount of \$3,000,000.00, payable upon verification of all of the following:
- i. Construction of the site and building improvements has been completed in accordance with the mutually agreed upon recommendations of the Urban Design Peer Review Panel as required in Section 14.J of this Resolution, and final certificate of occupancy has been issued, and
 - ii. Store is open to the public and has commenced daily operations by April 30, 2026, and
 - iii. Minimum 90 permanent jobs (full-time or part-time) at the Store with a minimum 7-day hourly average wage for all Store employees of \$15 per hour ("Wage Requirement"). A minimum of 40% of the 90 jobs (36 jobs) shall be filled by residents of the city of Dallas, and a minimum of 40% of the full-time jobs shall be filled by residents of the city of Dallas (collectively, the "Local Hiring Requirement"). For purposes of this Resolution and the economic development incentive agreement, "7-day hourly average wage" is defined as the average hourly rate paid to hourly employees during a 7-day week, including premium pay for working Sundays and holidays, and does not include salaried employees, bonuses, or security.
- B. ("Grant Installment 2"): Grantee/BPP Owner shall be eligible for Grant Installment 2 in the amount of \$2,000,000.00, payable after the first full year (12 months after commencement of Store operation) and is further conditioned upon verification of the following terms:
- i. Minimum 95 permanent jobs (full-time or part-time) at the Store and ongoing compliance with the Wage Requirement and the Local Hiring Requirement, and
 - ii. Minimum gross sales of \$13,000,000.00 for the first full year of operation (unless Grantee/BPP Owner is not able to operate the Store due to Force Majeure during such year).
- C. ("Grant Installment 3"): Grantee/BPP Owner shall be eligible for Grant Installment 3 in the amount of \$200,000.00, payable after the second full year (24 months after commencement of Store operation) and is further conditioned upon verification of the following terms:
- i. Minimum 95 permanent jobs (full-time or part-time) at the Store and ongoing compliance with the Wage Requirement and the Local Hiring Requirement, and

SECTION 11. (continued)

- ii. Minimum gross sales of \$15,000,000.00 for the second full year of Store operation (unless Grantee/BPP Owner is not able to operate the Store due to Force Majeure during such year).

SECTION 12. That the Sales Tax Grant shall be in a cumulative total amount not to exceed \$600,000.00 over ten (10) year period. Grantee/BPP Owner shall be eligible for up to ten (10) "Annual Sales Tax Grant Payments," each being in an amount equal to the lesser of: (a) seventy-five percent (75%) of the Sales Tax Receipts received by the City from the Texas Comptroller's Office for a given year or (b) \$60,000.00. Each Annual Sales Tax Grant Payment shall not exceed \$60,000.00 per year. Each Annual Sales Tax Grant Payment shall be contingent upon Grantee/BPP Owner's completion of an annual compliance reporting and verification process (to be detailed in the incentive agreement) with the City and the State of Texas Comptroller's Office (including a Sales Tax Certificate). Any amount eligible for an Annual Sales Tax Payment but which is unpaid because the amount would cause the Annual Sales Tax Grant Payment to exceed \$60,000.00 in a given year may roll over as payment credit for future years so long as the total 10-year cumulative total amount paid does not exceed \$600,000.00. For purposes of this Resolution and the incentive agreement, the following terms have the meanings described below:

- A. "Consummated" shall have the same meaning assigned by Texas Tax Code Section 321.203, or its successor.
- B. "Sales Tax" shall mean the one percent (1%) sales tax imposed by the City for its general fund, pursuant to Chapter 321 of the Texas Tax Code on the sale of Taxable Items by Grantee/BPP Owner that are Consummated at the Store during the applicable Sales Tax Grant Period.
- C. "Sales Tax Certificate" shall mean a report provided by the State of Texas to the City in accordance with Texas Tax Code Section 321.3022 (or other applicable provision of the Texas Tax Code), which lists the amount of Sales Tax (including any refunds, credits or adjustments) remitted to the State of Texas for the sale of Taxable Items by the Grantee/BPP Owner that are Consummated at the Store, or if such report is not available, a certificate or other statement, containing such information in a form provided by the Grantee/BPP Owner reasonably acceptable to the City setting forth the total sale of Taxable Items Consummated at the Store and the Grantee/BPP Owner's collection of Sales Tax (including any refunds, credits, or adjustments) paid to the State of Texas, for the sale of Taxable Items by the Grantee/BPP Owner Consummated at the Store during the applicable Sales Tax Grant Period, and such other information as the City may reasonably request.
- D. "Sales Tax Grant Period" shall mean a period, during the term of the incentive agreement, beginning January 1 of the calendar year through and ending December 31 of the calendar year.

SECTION 12. (continued)

- E. "Sales Tax Receipts" shall mean the City's actual receipts from the State of Texas from Grantee/BPP Owner's collection of Sales Tax.
- F. "Taxable Items" shall mean both a "taxable item" and a "taxable service" as those terms are defined by Chapter 151 of the Texas Tax Code, as amended.

SECTION 13. That the BPP Tax Abatement shall be for a period of five (5) years in an amount equal to the City's taxes assessed on 75 percent (75%) of the added taxable value of the Grantee/BPP Owner's business personal property investment in the Store during the first five (5) years of operation. For purposes of this Resolution and the incentive agreement, the "added taxable value" of Grantee/BPP Owner's business personal property is the amount of the difference between the appraised value of the business personal property as shown on the tax rolls of the Dallas Central Appraisal District as of January 1, 2023 (with the understanding that no improvements have been constructed and there is currently no business personal property) and the appraised value of the business personal property as shown on such tax rolls as of January 1 of the year of calculation. The value of the business personal property shall be as finally determined by Dallas Central Appraisal District.

Pursuant to Section 11.43 of the Texas Tax Code, it shall be the responsibility of Grantee/BPP Owner to file an annual exemption application form with the Chief Appraisal of the Dallas Central Appraisal District throughout the term of the BPP Tax Abatement. In addition, Grantee/BPP Owner shall certify in a written annual report to the City (Director of the Office of Economic Development) by April 15 of each year throughout the term of the BPP Tax Abatement that Grantee/BPP Owner is in compliance with the incentive agreement. The exemption application form and certification report shall be submitted to the City (Director of the Office of Economic Development) for review and approval prior to submission of the exemption application form to the Dallas Central Appraisal District. Failure of Grantee/BPP Owner to obtain City approval for the annual exemption application form may result in the loss of the BPP Tax Abatement for the year. The exemption application form and form certification report will be attached to the incentive agreement for Grantee/BPP Owner's use.

SECTION 14. That the business personal property subject to the BPP Tax Abatement shall be located wholly on the Property (depicted as the hatched area) and located within the City's Tax Increment Reinvestment Zone Number Twenty as illustrated on the attached site map (**Exhibit A**).

SECTION 15. That the incentive agreement shall include the following specific terms and conditions:

SECTION 15. (continued)

- A. Minimum Lease. Prior to or contemporaneously with City's execution of an incentive agreement, Grantee/BPP Owner shall execute a minimum 15-year lease with the developer of the overall Reimagine Redbird Mall redevelopment project to operate a full-service Tom Thumb grocery store of a minimum 45,000 square feet.
- B. Deadline for Execution of the Incentive Agreement. Subject to mutual agreement as to the terms, Grantee/BPP Owner shall execute the incentive agreement with the City by August 30, 2023.
- C. Minimum Private Investment by developer of the overall Reimagine Redbird Mall Redevelopment. Grantee/BPP Owner shall use commercially reasonable efforts to cause the developer of the overall Reimagine Redbird Mall Redevelopment (through execution of a lease agreement) to invest (and provide documentation evidencing) a minimum of \$12,000,000.00 in real property improvements by April 30, 2026, including site improvements and building improvements associated with the design, engineering, and construction (including hard and soft costs) of the new build-to-suit Store.
- D. Minimum Private Investment by Grantee/BPP Owner. Grantee/BPP Owner shall invest a minimum of \$5,000,000.00 in any combination of real property improvements (i.e. hard and soft construction costs for tenant finish-out paid directly by Grantee/BPP Owner and not part of the developer's investment described in Section 14.C above) and business personal property (i.e. furniture, fixtures, equipment, machinery, technology system, security system, inventory) by April 30, 2026, including all soft costs, fees, and labor for the installation thereof.
- E. Certificate of Occupancy. Grantee/BPP Owner shall obtain a final certificate of occupancy (or equivalent evidence of completion issued by the City) by July 31, 2026. City will not unreasonably withhold the issuance of the final certificate of occupancy (or equivalent evidence of completion issued by the City).
- F. Commencement of Operations. Grantee/BPP Owner shall open the full-service Tom Thumb grocery Store to the public and commence daily operations by April 30, 2026.

SECTION 15. (continued)

G. Ongoing Compliance. Beginning on the date of City's payment of Grant Installment 3, Grantee/BPP Owner shall maintain compliance with the following requirements ("Compliance Conditions"), subject to annual verification for an additional seven (7) years ("Compliance Period"):

- i. minimum total of 95 permanent jobs (full-time or part-time) and ongoing compliance with the Wage Requirement and the Local Hiring Requirement, and
- ii. minimum annual gross sales from the Store of \$15,000,000.00 (unless Grantee/BPP Owner is not able to operate the Store due to Force Majeure during such year).

H. Default or Failure to Maintain Store Operations during Compliance Period. If Grantee/BPP Owner is in default under the terms of the incentive agreement or permanently closes the Store during the Compliance Period for a continuous period of one-hundred eighty (180) days (for reasons other than casualty, condemnation, or Force Majeure) and Grantee/BPP Owner fails to cure the default or re-open the Store within ninety (90) days after written notice from the City, then Grantee/BPP Owner shall be required to repay the City the following amounts of the Grant: (i) for an uncured default, the amount of \$520,000.00 per year (prorated on a monthly basis for any partial years) for the remaining Compliance Period, or (ii) for a permanently closed Store, the amount of \$520,000.00 per year (prorated on a monthly basis for any partial years) for the period that the Store is closed during the Compliance Period.

If Grantee/BPP Owner is in default under the terms of the incentive agreement or permanently closes the Store during the Compliance Period for a continuous period of one-hundred (180) days (for reasons other than casualty, condemnation, or Force Majeure) and Grantee/BPP Owner fails to cure the default or re-open the Store within ninety (90) days after written notice from the City, then Grantee/BPP Owner shall cease to remain eligible for the Sales Tax Grant and the BPP Tax Abatement.

I. City Commitment to Grantee/BPP Owner. City agrees to not provide a financial incentive to another full-service grocery store within a two (2) mile radius of the Project for at least seven (7) years after the Project commences operations.

SECTION 15. (continued)

- J. Urban Design. The Urban Design Peer Review Panel ("UDPRP") is an independent group of professional designers selected by the City Manager with expertise in architecture, landscape architecture, engineering, and urban planning. Review by the UDPRP is required for this Project due to its location within the overall Reimagine Redbird Mall redevelopment area.

Prior to execution of the incentive agreement with the City for this Project, Grantee/BPP Owner shall undergo UDPRP review and respond to UDPRP comments to the satisfaction of the City's Planning and Urban Design Department ("PUD") staff. Grantee/BPP Owner agrees to engage with the UDPRP and PUD and endeavor to achieve a mutual agreement on all urban design issues. If Grantee/BPP Owner is unable to reach mutual agreement with UDPRP and PUD on all urban design issues, Grantee/BPP Owner will have the right to not execute the incentive agreement.

Prior to the submittal of construction plans to the City's Development Services Department as part of a building permit application, Grantee/BPP Owner shall submit (or use commercially reasonable efforts to cause the developer to submit) a set of the construction drawings to PUD for a final staff review to ensure that the Project will be constructed in substantial conformance with the conceptual plans accepted by PUD. PUD staff shall complete the final staff review of permit drawings within ten (10) business days of submission by Grantee/BPP Owner.

Allowable minor modifications to the Project's design may include those required to comply with development regulations administered by the City's Development Services Department or other City departments, federal, state, and local laws, codes, and regulations. Prior to making any Project design changes that would be considered minor in nature, Grantee/BPP Owner shall notify the Director of the Office of Economic Development and submit proposed changes to the Director and PUD for review and approval.

- K. Local Hiring Plan and Action. For all permanent employment opportunities created by operation of the Project and prior to commencing any hiring activities, Grantee/BPP Owner shall submit to the City a written plan ("Local Hiring Plan") describing how Grantee/BPP Owner shall use and document commercially reasonable efforts to recruit and hire residents of the city of Dallas with a targeted focus on the southern sector of Dallas. At a minimum, the written plan shall describe how Grantee/BPP Owner will target local recruitment (and specifically target the City's southern sector, including, but not limited to, a minimum of two (2) job recruitment events to be held at the

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SECTION 15. (continued)

Reimagine Redbird mall site, at the Polk-Wisdom Library, or at other locations reasonably approved by Director of the Office of Economic Development) through local advertisement, community outreach, local engagement, participation in local job fairs, and/or coordination with local hiring sources. The Local Hiring Plan shall be subject to approval by the Director of the Office of Economic Development, which approval shall not to be unreasonably withheld, to ensure that employment opportunities are targeted to Dallas residents and that commercially reasonable efforts are made by Grantee/BPP Owner to promote the hiring of neighborhood residents for all new permanent jobs created by the Project. Within thirty (30) calendar days of the City's receipt of the Local Hiring Plan, the Director shall either (i) approve the Local Hiring Plan or (ii) in the event the Director disapproves the Local Hiring Plan, give written notification to the Grantee/BPP Owner of the Director's disapproval, specifying the reasons for such disapproval. Compliance with the Local Hiring Plan shall be a material requirement for the incentive agreement.

- L. Quarterly Reporting. Until the Grantee/BPP Owner has opened the Store to the public and commenced daily operations, Grantee/BPP Owner shall submit to the Director of the Office of Economic Development quarterly status reports for ongoing work on the Project, in the form to be attached to the incentive agreement. Such status reports shall be due within thirty (30) calendar days following the end of each calendar quarter.
- M. Annual Reporting. After Grant Installment 3 is earned by Grantee/BPP Owner and paid by City, Grantee/BPP Owner shall submit an annual compliance report to the Director of the Office of the Economic Development by April 15 of each year during the Compliance Period in the form attached to the incentive agreement.
- N. Minor Modifications. At Grantee/BPP Owner's written request, the Director of the Office of Economic Development may authorize an extension of the Project deadlines up to 6 months for just cause.
- O. Force Majeure. In the event the Project has been delayed because of Force Majeure, after being provided written notice by Grantee/BPP Owner, Grantee/BPP Owner shall have additional time to complete the Project, as may be required in the event of Force Majeure, defined herein, so long as Grantee/BPP Owner is diligently and faithfully pursuing completion of the Project, as reasonably determined by the Director of the Office of Economic

SECTION 15. (continued)

Development. Extension of Project deadlines due to force majeure shall not require City Council approval. "Force Majeure" shall mean any contingency or cause beyond the reasonable control of Grantee/BPP Owner, as reasonably determined by the Director including, without limitation, acts of nature or the public enemy, war, riot, civil commotion, insurrection, state, federal, or municipal government (including, without

limitation, timely issuance of permits need to complete the development of the Project), or de facto governmental action (unless caused by acts or omissions of Grantee/BPP Owner), fires, explosions, floods, pandemics, epidemics, or viral outbreaks other than the current pandemic, shortages in labor or materials, and strikes. In the event of Force Majeure, Grantee/BPP Owner shall be excused from doing or performing the same during such period of delay, so that the completion dates applicable to such performance shall be extended for a period equal to the period of time Grantee/BPP Owner was delayed.

SECTION 16. That this Resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.