AGENDA

TIRZ #3 Board Meeting/Meeting of City Council

Tuesday, July 27, 2021 @ 6:15 PM

Anna ISD Board Room
201 E. 7th Street, Anna, TX 75409

The City Council of the City of Anna will meet at 6:15 PM, on July 27, 2021, at the Anna ISD Board Room, Located at 201 E. 7th Street, to consider the following items.

Welcome to the TIRZ #3 Board/City Council meeting. Please sign the Sign-In-Sheet as a record of attendance. If you wish to speak on an open-session agenda item, please fill out the Opinion/Speaker Registration Form and turn it in to the City Secretary before the meeting starts.

1. **Call to Order, Roll Call and Establishment of Quorum.**
2. **Neighbor Comments.**
   At this time, any person may address the City Council regarding an item on this meeting agenda that is not scheduled for public hearing. Also, at this time any person may address the City Council regarding an item that is not on this meeting agenda. Each person will be allowed up to 3 minutes to speak. No discussion or action may be taken at this meeting on items not listed on this agenda, other than to make statements of specific information in response to a citizen's inquiry or to recite existing policy in response to the inquiry.
3. **Individual Consideration Items.**
   a. Consider/Discuss/Action on a Resolution of the Board of Directors for Tax Increment Reinvestment Zone Number Three, City of Anna, Texas recommending approval of the final Reinvestment Zone Project Plan and Financing Plan to the City Council.
   b. Consider/Discuss/Action on approving a TIRZ No. 3 Agreement by and between the City of Anna, Texas, MM Anna 325, LLC, and Tax Increment Reinvestment Zone Number Three, City of Anna, Texas.
4. **Adjourn.**

This is to certify that I, Carrie L. Land, City Secretary, posted this Agenda on the City's website (www.annatexas.gov) and at a place readily accessible to the public at the Anna City Hall and on the City Hall bulletin board at or before 5:00 PM on 07/23/2021.

_____
Carrie L. Land, City Secretary

1. The Council may vote and/or act upon each of the items listed in this agenda.
2. The Council reserves the right to retire into executive session concerning any of the items listed on this agenda, whenever it is considered necessary and legally justified under the Open Meeting Act.
3. Persons with a disability who want to attend this meeting who may need assistance should contact the City Secretary at 972 924-3325 two working days prior to the meeting so that appropriate arrangements can be made.

Item No. 3.a.

City Council Agenda
Staff Report

Meeting Date: 7/27/2021
Staff Contact: Joey Grisham

AGENDA ITEM:

Consider/Discuss/Action on a Resolution of the Board of Directors for Tax Increment Reinvestment Zone Number Three, City of Anna, Texas recommending approval of the final Reinvestment Zone Project Plan and Financing Plan to the City Council.

SUMMARY:

This resolution approves the final project and financing plan, which is a requirement under Chapter 311 of the Texas Tax Code. A project and financing plan identifies what improvements are being made and how they will be paid for.

FINANCIAL IMPACT:

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing:

Goal 1: Growing Anna Economy

Goal 3: Sustainable Anna Community Through Planned Managed Growth

STAFF RECOMMENDATION:

Approve the resolution.

ATTACHMENTS:

1. Res 3.a.

APPROVALS:

Carrie Land, City Secretary — Created/Initiated - 7/23/2021
Jim Proce, City Manager — New -

CITY OF ANNA, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS FOR TAX INCREMENT REINVESTMENT ZONE NUMBER THREE, CITY OF ANNA, TEXAS RECOMMENDING APPROVAL OF THE FINAL REINVESTMENT ZONE PROJECT PLAN AND FINANCING PLAN TO THE CITY COUNCIL.

WHEREAS, the City of Anna, Texas (hereinafter referred to as the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (hereinafter referred to as the "Act"), may designate a geographic area within the extraterritorial jurisdiction of the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, on June 22, 2021, the City Council of the City (the "City Council") opened a public hearing in accordance with Section 311.003(c) of the Act and continued the public hearing to July 13, 2021, and which on July 13, 2021, the public hearing was reconvened and interested persons were allowed to speak for or against the creation of the Zone, the boundaries of the Zone, and the concept of tax increment financing, and owners of property in the proposed Zone were given a reasonable opportunity to protest the inclusion of their property in the Zone; and

WHEREAS, after all comments and evidence, both written and oral, were received by the City Council, the public hearing was closed on July 13, 2021; and

WHEREAS, on July 13, 2021, the City Council approved Ordinance No. 912-2021, establishing Tax Increment Reinvestment Zone Number Three, City of Anna, Texas (the "Zone"); and

WHEREAS, on July 27, 2021, the Board of Directors for Tax Increment Reinvestment Zone Number Three, City of Anna, Texas (the "Board"), met to consider and recommend to the City Council of the City the *Reinvestment Zone Number Three, City of Anna, Texas Final Project Plan and Financing Plan*, a copy of which is attached hereto as **Exhibit A** (herein after referred to as the "Final Project and Financing Plan"), should be adopted by City Council ordinance as the reinvestment zone project plan and financing plan for the Zone in accordance with Section 311.011 of the Act.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS FOR TAX INCREMENT REINVESTMENT ZONE NUMBER THREE, CITY OF ANNA, THAT:

SECTION 1. FINDINGS. Each and every one of the recitals, findings, and determinations contained in the preamble to this Resolution is incorporated into the body of this Resolution as if fully set forth herein and are hereby found and declared to be true and correct legislative findings and are adopted as part of this Resolution for all purposes.

SECTION 2. SUFFICIENCY. The Final Project and Financing Plan has been prepared by the Board and conforms with and satisfies all requirements set forth in Sections 311.011 of the Act. Specifically, the final reinvestment zone project plan includes, but is not limited to, (1) a description and map showing existing uses and conditions of real property in the Zone and proposed uses of that property, (2) any proposed changes of zoning ordinances, the master plan of the municipality, building codes, other municipal ordinances, and subdivision rules and regulations, if any, of the county, (3) a list of estimated nonproject costs, and (4) a statement of a method of relocating persons to be displaced, if any, as a result of implementing the plan. The final financing plan includes, but is not limited to, (1) a detailed list describing the estimated project costs of the Zone, including administrative expenses, (2) a statement listing the proposed kind, number, and location of all public works or public improvements to be financed by the Zone, (3) a finding that the plan is economically feasible and an economic study, (4) the estimated amount of bond indebtedness to be incurred, (5) the estimated time when related costs or monetary obligations are to be incurred, (6) a description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit anticipated to contribute tax increment to the Zone that levies taxes on real property in the Zone, (7) the current total appraised value of taxable real property in the Zone, (8) the estimated captured appraised valued of the Zone during each year of its existence, and (9) the duration of the Zone.

SECTION 3. FEASIBILITY. The Board finds that the Final Project and Financing Plan is feasible.

SECTION 4. RECOMMENDING FINAL PROJECT AND FINANCING PLAN. The Board hereby recommends to the City Council the Final Project and Financing Plan, a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes. The Board has prepared and adopted this Final Project and Financing Plan, and hereby recommend to the City Council that they approve the Final Project and Financing Plan as the reinvestment zone project plan and financing plan for the Zone.

SECTION 5. SEVERABILITY. If any section, article, paragraph, sentence, clause, phrase or word in this Resolution, or the application thereto to any persons or circumstances, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Resolution; and the Board hereby declares it would have passed such remaining portions of this Resolution despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 6. EFFECTIVE DATE. This Resolution shall become effective from and after its date of passage in accordance with law.

[Signature Page to Follow]

PASSED AND APPROVED BY THE BOARD OF DIRECTORS FOR TAX INCREMENT REINVESTMENT ZONE NUMBER THREE, CITY OF ANNA, THIS THE 27TH DAY OF JULY, 2021.

_____
Board Chairman

ATTEST:

_____
Carrie L. Land, City Secretary

Exhibit A
Final Reinvestment Zone Project Plan and Financing Plan

Item No. 3.b.

City Council Agenda
Staff Report

Meeting Date: 7/27/2021
Staff Contact: Joey Grisham

AGENDA ITEM:

Consider/Discuss/Action on approving a TIRZ No. 3 Agreement by and between the City of Anna, Texas, MM Anna 325, LLC, and Tax Increment Reinvestment Zone Number Three, City of Anna, Texas.

SUMMARY:

This agreement is made by and between the City of Anna, TIRZ #3 Board of Directors, and MM Anna 325, LLC.

FINANCIAL IMPACT:

STRATEGIC CONNECTIONS:

This item supports the City of Anna Strategic Plan, specifically advancing:

Goal 1: Growing Anna Economy

Goal 3: Sustainable Anna Community Through Planned Managed Growth

STAFF RECOMMENDATION:

Approve the agreement.

ATTACHMENTS:

1. TIRZ No. 3 Agreement clean 7.21.21

APPROVALS:

Carrie Land, City Secretary — Created/Initiated - 7/23/2021
Jim Proce, City Manager — New -

TIRZ NO. 3 AGREEMENT

This **TIRZ NO. 3 AGREEMENT** (the "Agreement") dated as of July 27, 2021 (the "Effective Date") is made by and between the **CITY OF ANNA, TEXAS** (the "City"), the **BOARD OF DIRECTORS** (the "Board") of TAX INCREMENT REINVESTMENT ZONE NUMBER THREE, CITY OF ANNA, TEXAS, and **MM ANNA 325, LLC**, a Texas limited liability company (the "Owner"), which together with the Board and the City are sometimes herein each referred to as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, capitalized terms used but not defined herein shall have the meanings given to them in the *Reinvestment Zone Number Three, City of Anna, Texas, Final Project and Financing Plan* dated as of July 27, 2021 (the "Final Plan"); and

WHEREAS, after providing the notices required by the Tax Increment Financing Act, Chapter 311, Texas Tax Code, as amended (the "Act") and by the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended (the "Open Meetings Act"), the City Council passed and approved Ordinance No. 912-2021 on July 13, 2021 (the "TIRZ Creation Ordinance"), designating a tax increment reinvestment zone known as *Reinvestment Zone Number Three, City of Anna, Texas* (the "Zone"); and

WHEREAS, the City will participate in the Zone by contributing a portion of the Tax Increment levied and collected by the City from the property within the Zone equal to fifty percent (50%) of City tax rate, which Tax Increment will be paid annually into the TIRZ Fund for a term of thirty years as set forth in the Final Plan; and

WHEREAS, the Zone encompasses approximately 109.402 acres of land located within the extraterritorial jurisdiction of the City, which land is more particularly described by metes and bounds and depicted on **Exhibit A** attached hereto (the "Property"); and

WHEREAS, the Property will be developed as the initial phase of a residential master planned community in accordance with the Sherley Tract Subdivision Improvement Agreement executed by and between the City, BFB ANA 40 Acres, LLC, and the Owner, effective as of June 9, 2020, as amended by that certain First Amended Sherley Tract Subdivision Improvement Agreement executed by and between the City and the Owner, effective July 14, 2020, and as may be amended (collectively, the "Subdivision Improvement Agreement"); and

WHEREAS, in addition to creating the Zone, the TIRZ Creation Ordinance appointed the initial members of the Board and approved the Preliminary Plan for the Zone in accordance with the Act; and

WHEREAS, following the Board's recommendation and approval of the Final Project and Financing Plan, the City Council will approve a Final Plan on July 27, 2021;

WHEREAS, the City has created the Sherley Tract Public Improvement District No. 2

(the "District"), the first development phase of which is coterminous with the Zone, and levied assessments in the District to finance or reimburse the cost of certain improvements (the "Authorized Improvements") benefitting the District pursuant to Sherley Tract Public Improvement District No. 2 Service and Assessment Plan dated as of July 27, 2021, as updated annually and amended from time to time (the "Service and Assessment Plan");

WHEREAS, the Service and Assessment Plan identifies the Property as "Improvement Area #1" of the District and has apportioned the cost of the portion of the Authorized Improvements benefitting Improvement Area #1 (the "Improvement Area #1 Projects") and has levied assessments (the "Improvement Area #1 Assessments") on the Property to finance or reimburse the cost of the Improvement Area #1 Projects; and

WHEREAS, the costs of the Improvement Area #1 Projects constitute Project Costs pursuant to the Final Plan; and

WHEREAS, the City and the Board have determined that it is in the best interest of the City and conforms to the Final Plan to use dollars in the TIRZ Fund, as they become available, to provide a credit towards a portion of the Improvement Area #1 Assessments.

NOW THEREFORE, for valuable consideration the receipt and adequacy of which are acknowledged, the Parties agree as follows:

ARTICLE I
REPRESENTATIONS

1.1 Representations of Board and City. The Board and the City hereby represent to the Owner that:

(A) As of the date of this Agreement, the Board and the City are duly authorized, created and existing in good standing under the laws of the State and are duly qualified and authorized to carry on the governmental functions contemplated by this Agreement.

(B) As of the date of this Agreement, the Board and the City have the power, authority and legal right to enter into and perform their obligations set forth in this Agreement and the execution, delivery and performance hereof: (i) have been duly authorized; (ii) will not violate any applicable judgment, order, law or regulation; and (iii) do not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any of their assets under any agreement or instrument to which the Board or the City are a party or by which they or their assets, may be bound or affected.

(C) The execution, delivery and performance of this Agreement by the Board and the City does not require the consent or approval of any person or entity which has not been obtained.

1.2 Representations of the Owner. The Owner hereby represents to the Board and the City that:

(A) The Owner is a Texas limited liability company duly authorized, created and existing in good standing under the laws of the State of Texas.

(B) The Owner has the power, authority and legal right to enter into and perform its obligations set forth in this Agreement, and the execution, delivery and performance hereof: (i) has been duly authorized; (ii) will not, to the best of its knowledge, violate any judgment, order, law or regulation applicable to the Owner; and (iii) does not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Owner, under any agreement or instrument to which the Owner is a party or by which the Owner or its assets may be bound or affected.

(C) The execution, delivery and performance of this Agreement by the Owner does not require the consent or approval of any person or entity which has not been obtained.

ARTICLE II
REIMBURSEMENT PAYMENT

2.1 Eligible Project Costs. All Project Costs are an eligible cost under the Act as such costs are identified in Appendix D attached to the Final Plan, as may be amended from time to time.

2.2 TIRZ Participation.

(A) Pursuant to the Final Plan, the Board agrees, subject to the conditions contained in this Agreement, to use dollars in the TIRZ Fund, as they become available, to provide a credit towards a portion of the Improvement Area #1 Assessments; provided, however, that the Board's obligation to use dollars in the TIRZ Fund for such purposes shall be limited to the TIRZ No. 3 Maximum Annual Credit Amount (as defined in the Service and Assessment Plan).

(B) It shall be the obligation of the Parties to pay the Project Costs annually as set forth in this Agreement and the Final Plan, until the expiration of the term of this Agreement pursuant to Section 5.10 hereof.

(C) The Owner shall submit a Certification for Payment to the City as set forth in that certain Sherley Tract Public Improvement District No. 2 Improvement Area #1 Construction, Funding and Acquisition Agreement between the Owner and the City, dated as of July 27, 2021 to verify actual Public Improvement Costs, and such documentation shall be available to the Board concerning the expenditure of funds for the Improvement Area #1 Projects and the development of the Property.

(D) The Board shall contribute the portion of the Tax Increment equal to fifty

percent (50%) of Captured Appraised Value collected in the Zone described herein and in the Final Plan, and the City shall deposit or cause to be deposited such Tax Increment into the TIRZ Fund. The City shall provide a credit towards a portion of the Improvement Area #1 Assessments from the TIRZ Fund, as dollars become available, for each Qualified Residential Parcel (as defined herein), subject to the TIRZ No. 3 Maximum Annual Credit Amount (as defined in the Service and Assessment Plan), on or before the date the Improvement Area #1 Assessments are due, as such date is identified in the Service and Assessment Plan, during the term of the Zone beginning in the year that the revenues in the TIRZ Fund are available to provide a credit to the Improvement Area #1 Assessments. A parcel in the Zone may have an Improvement Area #1 Assessment due regardless of whether a residential structure or structures are built or have yet to be built on that parcel. A parcel which has an assessment due is a qualified residential parcel (a "Qualified Residential Parcel"), and each Qualified Residential Parcel is identified in the Improvement Area #1 Assessment Roll attached as Exhibit E-1 to the Service Assessment Plan. For any and all Project Costs incurred but not credited towards a portion of the Improvement Area #1 Assessments on or before the due date of the Improvement Area #1 Assessments, interest shall accrue as set forth in the Service and Assessment Plan. Disbursements from the TIRZ Fund shall be made for the following purposes and in the following order of priority unless otherwise approved by the Parties:

> FIRST, to reimburse the City for Administrative Costs in accordance with the Final Plan; and
>
> SECOND, to provide a credit towards the annual portion of the Improvement Area #1 Assessment for each Qualified Residential Parcel in accordance with this Agreement and the Final Plan, subject to the TIRZ No. 3 Maximum Annual Credit Amount (as described in Section V of the Service and Assessment Plan).

The City shall maintain the TIRZ Fund as a segregated account which shall not be commingled with any other funds of the City. The TIRZ Fund shall be invested in the same manner as other municipal funds, and all interest earned shall be part of the TIRZ Fund.

(E) The City shall prepare and submit an annual report in accordance with the Act (the "Report") to the Board and to the Owner detailing: (i) the amount due to be provided as a credit to a portion of the Improvement Area #1 Assessments, and (ii) the amount of funds that are available to make such payment from the TIRZ Fund. The Owner shall review the Report and notify the Board in writing no later than fifteen (15) days from the receipt of the Report of acceptance of the Report or any deficiency found in the Report. The Board, the City and the Owner shall work cooperatively to mutually resolve any discrepancies or deficiencies in the Report within 30 days of receipt of the Report. During such time, the Owner shall be able to provide evidence demonstrating its compliance with this Agreement. If any discrepancy, deficiency or dispute remains after the expiration of the 30 days, the Parties agree to attend mediation within 90 days in an effort to resolve the dispute.

(F) Under no circumstance shall the City or the Board be obligated to pay Project Costs or provide a credit for a portion of the Improvement Area #1

Assessments for a Qualified Residential Parcel, unless there are funds net of the Administrative Costs in the TIRZ Fund to pay for Project Costs.

(G) Commencing on the Effective Date and continuing until the term of the Zone, the City shall not enter into any tax abatement agreements affecting property located within the Zone, and the City and Board shall not approve any amendment to the Final Plan, which would create a reimbursement out of TIRZ Fund that has priority over the use of monies in the TIRZ Fund to provide a credit towards a portion of the Improvement Area #1 Assessments under the terms of this Agreement. Specifically, and without limiting the generality of the foregoing, only the Administrative Costs shall have priority over payment by the Board of a portion of the Improvement Area #1 Assessments.

ARTICLE III
EVENTS OF DEFAULT

3.1 Events of Default. A non-performing Party shall be in "Default" under this Agreement if such Party fails to perform any duty or obligation under this Agreement and such failure is not cured within thirty (30) days after written notice from any other Party specifying the nature and the period of existence thereof and what action, if any, the non-defaulting Parties require or propose to require with respect to curing the default (or if the failure is not reasonably capable of being cured within thirty (30) days, the non-performing Party does not begin to cure within such 30-day period and thereafter continuously and diligently complete a cure at the earliest possible time).

ARTICLE IV
REMEDIES ON DEFAULT

4.1 Remedies. If a Party is in Default under this Agreement, the other Parties shall have available all remedies at law or in equity (including, but not limited to, injunctive relief and specific performance) except as follows: no Default shall: (i) relieve the Board from its obligation to use dollars from the TIRZ Fund to provide a credit towards a portion of the Improvement Area #1 Assessments; or (ii) relieve the City from its obligation to provide a credit towards a portion of the Improvement Area #1 Assessments from the dollars in the TIRZ Fund, as they become available, up to the Maximum Contribution as described herein.

ARTICLE V
GENERAL

5.1 Inspections, Audits. The Owner agrees to keep operating records related to construction of the Public Improvements and to any particular Public Improvement Cost for four (4) years after disbursements from the TIRZ Fund to pay Improvement Area #1 Assessments, or as may be required by the Board, the City, or by State and federal law or regulation. The Owner shall allow the City and/or the Board reasonable access to documents and records in the Owner's possession, custody or control that the City and/or the Board deem

necessary to assist the City and/or the Board in determining the Owner's compliance with this Agreement.

5.2 Personal Liability of Public Officials. To the extent permitted by State law, no director, officer, employee or agent of the Board or the City shall be personally responsible for any liability arising under or out of this Agreement.

5.3 Notices. Any notice required or contemplated by this Agreement shall be in writing and shall be deemed given and received: (i) when delivered (with evidence of delivery) by a nationally recognized delivery service (e.g., FedEx or UPS) to the address shown below whether or not signed for by the individual to whose attention the notice is addressed; or (ii) three business days after deposited with the US Postal Service, CERTIFIED MAIL, RETURN RECEIPT REQUESTED, for delivery to the address shown below whether or not signed for by the individual to whose attention the notice is addressed.

To the City:	Attn: City Manager City of Anna, Texas 111 N. Powell Parkway Anna, Texas 75409
With a copy to:	Attn: Clark McCoy Wolfe, Tidwell & McCoy, LLP 2591 Dallas Parkway, Suite 300 Frisco, Texas 75034
To Owner:	Attn: Mehrdad Moayedi Attn: MM Anna 325, LLC 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: Robert Miklos Miklos Cinclair, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234

Each Party may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this Section shall be deemed to be given when so mailed, any notice so sent by facsimile transmission shall be deemed to be given when such transmission is sent, and any communication so delivered in person shall be deemed to be given when receipted for by, or actually received by, the addressee.

5.4 Amendments and Waivers. Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is signed by the Board, the Owner, and the City. No course of dealing on the part of any Party, nor any failure or delay by any Party with respect to exercising any right, power or privilege of a Party under this Agreement shall operate

as a waiver thereof, except as otherwise provided in this Section.

5.5 Invalidity. In the event that any of the provisions contained in this Agreement shall be held unenforceable in any respect, such unenforceability shall not affect any other provision of this Agreement.

5.6 Successors and Assigns. All covenants and agreements contained by or on behalf of the Parties in this Agreement shall bind their successors and assigns and shall inure to the benefit of the Owner and its successors and assigns. This Agreement and the right to reimbursement set forth herein may be assigned, from time to time and in whole or in part, by the Owner to any person or entity. The assignment must be in writing and must obligate the assignee to be bound by this Agreement. A copy of the assignment shall be given to the City within 30 days after its effective date; however, City consent to the assignment is not required. Upon any such assignment and notice to the City, the Owner shall not be released from performing the duties or obligations that are assigned and that arise after the effective date or the date that the City receives notice of the assignment, whichever later occurs; further, the Owner is not released from any liabilities that arose prior to the effective date or date of notice to the City, whichever later occurs, unless the City and the Board agree. The Owner's right under this Agreement are a personal obligation and do not constitute a covenant running with the land.

5.7 Exhibits, Titles of Articles, Sections and Subsections. All titles or headings are only for the convenience of the Parties and shall not be construed to have any effect or meaning as to the agreement between the Parties hereto. Any reference herein to a Section or Subsection shall be considered a reference to such Section or Subsection of this Agreement unless otherwise stated. Any reference herein to an exhibit shall be considered a reference to the applicable exhibit attached hereto unless otherwise stated.

5.8 Construction. This Agreement is a contract made under and shall be construed in accordance with and governed by the laws of the United States of America and the State of Texas, as such laws are now in effect.

5.9 Entire Agreement. This written Agreement represents the final agreement between the Parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the Parties. There are no unwritten oral agreements between the Parties.

5.10 Term. This Agreement shall be in force and effect from the Effective Date for a term expiring on the expiration of the Zone on December 31, 2052.

5.11 Venue for Performance or Litigation. This Agreement is performable only in Collin County, Texas. Venue for any action affecting this Agreement shall lie in Collin County.

5.12 Approval by the Parties. Whenever this Agreement requires or permits approval or consent to be hereafter given by any of the Parties, the Parties agree that such approval or

consent shall not be unreasonably withheld, conditioned or delayed.

5.13 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

5.14 Severability and Legal Construction. If a court of competent jurisdiction finds any provision of this Agreement to be invalid, illegal, or unenforceable as to any person of circumstance, such finding shall not render that provision invalid, illegal or unenforceable as to any other persons or circumstances. It is the intention and agreement of the Parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the Parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same object of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid, or unenforceable provision.)

[EXECUTION PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed on the Effective Date.

TIRZ NO. 3 BOARD:

TAX INCREMENT REINVESTMENT ZONE NUMBER THREE, CITY OF ANNA, TEXAS

By:_____
Chairman

ATTEST:

_____
Carrie L. Land, City Secretary

CITY:

CITY OF ANNA, TEXAS

By:_____
Nate Pike, Mayor

ATTEST:

_____
Carrie L. Land, City Secretary

[SEAL]

OWNER:

MM Anna 325, LLC,
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

EXHIBIT A
Property Description and Depiction

109.402 ACRES

TRACT 1 (65.070 ACRES)

BEING THAT CERTAIN TRACT OF LAND SITUATED IN THE J. KINCADE SURVEY, ABSTRACT NUMBER 509, THE J. BOYLE SURVEY, ABSTRACT NUMBER 105, THE J. ROBERTS SURVEY, ABSTRACT NUMBER 760, THE J. ELLET SURVEY, ABSTRACT NUMBER 296, AND THE W. RATTAN SURVEY, ABSTRACT NUMBER 752, COLLIN COUNTY, TEXAS, BEING A PORTION OF THAT TRACT OF LAND DESCRIBED IN DEED TO MM ANNA 325, LLC TRACT 1 RECORDED IN INSTRUMENT NUMBER 20190411000386110 OF THE OFFICIAL PUBLIC RECORDS OF COLLIN COUNTY, TEXAS (O.P.R.C.C.T.) AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY SOUTHWEST CORNER OF SAID TRACT OF LAND TO MM ANNA 325, LLC BEING IN THE NORTH LINE OF THAT TRACT OF LAND DESCRIBED BY DEED TO CADG HURRICANE CREEK, LLC RECORDED IN INSTRUMENT NUMBER 201505290000631020 OF SAID O.P.R.C.C.T.;

THENCE N 00° 42' 12" W, 287.34 FEET WITH THE COMMON LINE OF SAID CADG TRACT AND SAID MM ANNA 325 TRACT;

N 89° 17' 48" E, 110.00 FEET;

N 00° 42' 12" W, 31.43 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 302.23 FEET, THROUGH A CENTRAL ANGLE OF 32° 59' 01", HAVING A RADIUS OF 525.00 FEET, AND A LONG CHORD WHICH BEARS N 15° 47' 19" E, 298.07 FEET;

N 32° 16' 49" E, 45.65 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 7.44 FEET, THROUGH A CENTRAL ANGLE OF 00° 30' 48", HAVING A RADIUS OF 830.00 FEET, AND A LONG CHORD WHICH BEARS N 57° 58' 35" W, 7.44 FEET;

N 57° 43' 11" W, 162.85 FEET;

S 32° 16' 50" W, 605.17 FEET;

THENCE S 88° 18' 50" W, 111.81 FEET TO THE NORTH LINE OF SAID CADG TRACT;

THENCE DEPARTING SAID NORTH LINE OVER AND ACROSS SAID MM ANNA 325 TRACT THE FOLLOWING BEARINGS AND DISTANCES:

N 45° 08' 58" W, 366.07 FEET TO THE BEGINNING OF A CURVE TO THE LEFT;

WITH SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 520.46 FEET, THROUGH A CENTRAL ANGLE OF 22° 45' 50", HAVING A RADIUS OF 1309.97 FEET, AND A LONG CHORD WHICH BEARS N 40° 23' 55" E, 517.04 FEET;

N 60° 58' 59" W, 120.00 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 923.67 FEET, THROUGH A CENTRAL ANGLE OF 44° 28' 21", HAVING A RADIUS OF 1190.00 FEET, AND A LONG CHORD WHICH BEARS S 51° 15' 12" W, 900.66 FEET;

S 16° 30' 37" E, 120.00 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 27.21 FEET, THROUGH A CENTRAL ANGLE OF 01° 11' 24", HAVING A RADIUS OF 1310.00 FEET, AND A LONG CHORD WHICH BEARS S 74° 05' 05" W, 27.21 FEET;

S 31° 32' 06" W, 43.31 FEET;

S 12° 15' 52" E, 4.77 FEET TO THE NORTH LINE OF SAID CADG TRACT;

THENCE S 89° 05' 29" W, 95.27 FEET;

THENCE DEPARTING SAID NORTH LINE OVER AND ACROSS SAID TRACT OF LAND TO MM ANNA 325, LLC THE FOLLOWING BEARINGS AND DISTANCES:

N 56° 03' 28" W, 23.94 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 27.22 FEET, THROUGH A CENTRAL ANGLE OF 01° 11' 26", HAVING A RADIUS OF 1310.00 FEET, AND A LONG CHORD WHICH BEARS S 81° 23' 55" W, 27.22 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE.

N 08° 00' 22" W, 120.00 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 147.41 FEET, THROUGH A CENTRAL ANGLE OF 07° 05' 51", HAVING A RADIUS OF 1190.00 FEET, AND A LONG CHORD WHICH BEARS S 85° 32' 34" W, 147.31 FEET;

S 89° 05' 29" W, 1,229.11 FEET;

N 45° 54' 31" W, 42.43 FEET;

N 00° 54' 31" W, 48.75 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 139.73 FEET, THROUGH A CENTRAL ANGLE OF 12° 07' 49", HAVING A RADIUS OF 660.00 FEET, AND A LONG CHORD WHICH BEARS N 05° 09' 24" E, 139.47 FEET;

N 11° 13' 18" E, 45.96 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 101.09 FEET, THROUGH A CENTRAL ANGLE OF 07° 14' 23", HAVING A RADIUS OF 800.00 FEET, AND A LONG CHORD WHICH BEARS N 14° 50' 30" E, 101.02 FEET;

N 20° 08' 12" E, 50.00 FEET;

N 21° 08' 00" E, 138.53 FEET TO THE BEGINNING OF A CURVE TO THE LEFT;

WITH SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 304.73 FEET, THROUGH A CENTRAL ANGLE OF 27° 42' 51", HAVING A RADIUS OF 630.00 FEET, AND A LONG CHORD WHICH BEARS N 07° 16' 34" E, 301.77 FEET;

N 83° 25' 09" E, 130.00 FEET TO THE BEGINNING OF A CURVE TO THE LEFT;

WITH SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 32.75 FEET, THROUGH A CENTRAL ANGLE OF 02° 28' 08", HAVING A RADIUS OF 760.00 FEET, AND A LONG CHORD WHICH BEARS N 07° 48' 55" W, 32.75 FEET;

N 80° 57' 01" E, 50.00 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 20.00 FEET, THROUGH A CENTRAL ANGLE OF 01° 24' 53", HAVING A RADIUS OF 810.00 FEET, AND A LONG CHORD WHICH BEARS S 08° 20' 32" E, 20.00 FEET;

N 83° 35' 40" E, 67.70 FEET;

S 87° 45' 57" E, 468.26 FEET;

S 87° 55' 48" E, 10.60 FEET;

N 01° 44' 03" E, 20.00 FEET;

S 88° 15' 57" E, 50.00 FEET;

S 01° 44' 03" W, 23.48 FEET;

N 89° 15' 16" E, 160.00 FEET;

N 84° 17' 59" E, 91.31 FEET;

N 81° 10' 42" E, 54.72 FEET;

N 75° 20' 06" E, 60.71 FEET;

N 70° 47' 30" E, 41.34 FEET;

N 66° 36' 18" E, 49.56 FEET;

N 61° 16' 50" E, 59.24 FEET;

N 56° 58' 45" E, 50.71 FEET;

N 55° 47' 22" E, 49.81 FEET;

N 58° 06' 52" E, 47.94 FEET;

N 57° 16' 20" E, 66.93 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 32.90 FEET, THROUGH A CENTRAL ANGLE OF 01° 34' 15", HAVING A RADIUS OF 1200.00 FEET, AND A LONG CHORD WHICH BEARS N 28° 47' 28" W, 32.90 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE.

N 61° 59' 39" E, 50.00 FEET TO THE BEGINNING OF A CURVE TO THE LEFT;

WITH SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 45.85 FEET, THROUGH A CENTRAL ANGLE OF 02° 17' 04", HAVING A RADIUS OF 1150.00 FEET, AND A LONG CHORD WHICH BEARS S 29° 08' 53" E, 45.85 FEET;

N 59° 42' 35" E, 120.15 FEET TO THE BEGINNING OF A CURVE TO THE LEFT;

WITH SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 434.10 FEET, THROUGH A CENTRAL ANGLE OF 24° 08' 52", HAVING A RADIUS OF 1,030.00 FEET, AND A LONG CHORD WHICH BEARS S 42° 21' 09" E, 430.90 FEET;

S 54° 25' 35" E, 89.54 FEET;

N 24° 51' 49" E, 70.52 FEET;

S 64° 05' 47" E, 100.01 FEET;

S 65° 13' 30" E, 75.00 FEET;

N 69° 45' 54" E, 42.43 FEET;

N 24° 45' 54" E, 22.77 FEET;

S 65° 14' 06" E, 120.00 FEET;

S 24° 45' 54" W, 23.65 FEET;

S 19° 10' 53" E, 43.20 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 96.46 FEET, THROUGH A CENTRAL ANGLE OF 05° 31' 37", HAVING A RADIUS OF 1000.00 FEET, AND A LONG CHORD WHICH BEARS S 59° 58' 35" E, 96.43 FEET;

N 24° 45' 54" E, 31.64 FEET;

S 58° 13' 31" E, 50.38 FEET;

S 24° 45' 54" W, 33.83 FEET;

S 55° 20' 20" E, 104.47 FEET;

S 57° 43' 11" E, 272.85 FEET TO THE BEGINNING OF A CURVE TO THE LEFT;

WITH SAID CURVE TO THE LEFT, THROUGH 33° 03' 57", 444.37 FEET HAVING A RADIUS OF 770.00 FEET, AND A LONG CHORD WHICH BEARS S 74° 15' 09" E, 438.23 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 49.91 FEET, THROUGH A CENTRAL ANGLE OF 07° 37' 35", HAVING A RADIUS OF 375.00 FEET, AND A LONG CHORD WHICH BEARS N 07° 38' 20" E, 49.88 FEET;

S 78° 32' 52" E, 50.00 FEET TO THE BEGINNING OF A CURVE TO THE LEFT;

WITH SAID CURVE TO THE LEFT, THROUGH 06° 37' 24", 37.57 FEET HAVING A RADIUS OF 325.00 FEET, AND A LONG CHORD WHICH BEARS S 08° 08' 26" W, 37.55 FEET TO THE BEGINNING OF A CURVE TO THE LEFT;

WITH SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 71.20 FEET, THROUGH A CENTRAL ANGLE OF 05° 17' 53", HAVING A RADIUS OF 770.00 FEET, AND A LONG CHORD WHICH BEARS N 82° 48' 59" E, 71.18 FEET;

N 80° 10' 03" E, 330.53 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 56.36 FEET, THROUGH A CENTRAL ANGLE OF 03° 06' 19", HAVING A RADIUS OF 1,040.00 FEET, AND A LONG CHORD WHICH BEARS N 04° 30' 13" W, 56.36 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE.

N 87° 02' 56" E, 80.00 FEET TO THE BEGINNING OF A CURVE TO THE LEFT;

WITH SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 191.58 FEET, THROUGH A CENTRAL ANGLE OF 11° 26' 03", HAVING A RADIUS OF 960.00 FEET, AND A LONG CHORD WHICH BEARS S 08° 40' 05" E, 191.26 FEET;

S 14° 23' 07" E, 121.17 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 100.60 FEET, THROUGH A CENTRAL ANGLE OF 12° 23' 42", HAVING A RADIUS OF 465.00 FEET, AND A LONG CHORD WHICH BEARS S 08° 11' 16" E, 100.40 FEET;

S 01° 59' 25" E, 283.25 FEET;

THENCE S 89° 04' 42" W, 1264.39 FEET TO THE POINT OF BEGINNING AND CONTAINING 2,834,457 SQUARE FEET OR 65.070 ACRES MORE OR LESS;

TRACT 2 (44.332 ACRES)

BEING THAT CERTAIN TRACT OF LAND SITUATED IN THE J. KINCADE SURVEY, ABSTRACT NUMBER 509, THE J. BOYLE SURVEY, ABSTRACT NUMBER 105, THE J. ROBERTS SURVEY, ABSTRACT NUMBER 760, THE J. ELLET SURVEY, ABSTRACT NUMBER 296, AND THE W. RATTAN SURVEY, ABSTRACT NUMBER 752, COLLIN COUNTY, TEXAS, BEING A PORTION OF THAT TRACT OF LAND DESCRIBED IN DEED TO MM ANNA 325, LLC TRACT 1 RECORDED IN INSTRUMENT NUMBER 20190411000386110 OF THE OFFICIAL PUBLIC RECORDS OF COLLIN COUNTY, TEXAS (O.P.R.C.C.T.) AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY SOUTHWEST CORNER IN PLAT TO URBAN CROSSING RECORDED IN INSTURMENT NUMBER 20131227010003710 OF THE PLAT RECORDS OF COLLIN COUNTY, TEXAS (P.R.C.C.T.) AND BEING IN THE NORTH LINE OF SAID MM ANNA 325 TRACT;

THENCE FOLLOWING THE SOUTH LINE OF SAID URBAN CROSSING TRACT AND THE NORTH LINE OF SAID MM ANNA 325 TRACT THE FOLLOWING BEARINGS AND DISTANCES:

S 89° 47' 13" E, 602.59 FEET;

N 88° 59' 00" E, 461.54 FEET;

THENCE DEPARTING SAID COMMON LINE OVER AND ACROSS SAID MM ANNA 325 TRACT THE FOLLOWING BEARINGS AND DISTANCES:

S 01° 10' 22" E, 231.65 FEET TO THE BEGINNING OF A CURVE TO THE LEFT;

WITH SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 1,023.35 FEET, THROUGH A CENTRAL ANGLE OF 31° 31' 24", HAVING A RADIUS OF 1860.00 FEET, AND A LONG CHORD WHICH BEARS S 40° 31' 36" W, 1010.49 FEET;

S 24° 45' 54" W, 220.34 FEET;

S 24° 45' 54" W, 22.77 FEET;

S 69° 45' 54" W, 42.43 FEET;

N 65° 13' 30" W, 75.00 FEET;

N 64° 05' 47" W, 100.01 FEET;

S 24° 51' 49" W, 70.52 FEET;

N 54° 25' 35" W , 89.54 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 434.10 FEET, THROUGH A CENTRAL ANGLE OF 24° 08' 52", HAVING A RADIUS OF 1030.00 FEET, AND A LONG CHORD WHICH BEARS N 42° 21' 09" W, 430.90 FEET;

S 59° 42' 35" W, 120.15 FEET TO THE BEGINNING OF A CURVFE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 45.85 FEET, THROUGH A CENTRAL ANGLE OF 02° 17' 04", HAVING A RADIUS OF 1150.00 FEET, AND A LONG CHORD WHICH BEARS N 29° 08' 53" W, 45.85 FEET;

S 61° 59' 39" W, 50.00 FEET TO THE BEGINNING OF A CURVE TO THE LEFT;

WITH SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 32.90 FEET, THROUGH A CENTRAL ANGLE OF 01° 34' 15", HAVING A RADIUS OF 1200.00 FEET, AND A LONG CHORD WHICH BEARS S 28° 47' 28" E, 32.90 FEET;

S 57° 16' 20" W, 66.93 FEET;

S 58° 06' 52" W, 47.94 FEET;

S 55° 47' 22" W, 49.81 FEET;

S 56° 58' 45" W, 50.71 FEET;

S 61° 16' 50" W, 59.24 FEET;

S 66° 36' 18" W, 49.56 FEET;

S 70° 47' 30" W, 41.34 FEET;

S 75° 20' 06" W, 60.71 FEET;

S 81° 10' 42" W, 54.72 FEET;

S 84° 17' 59" W, 91.31 FEET;

S 89° 15' 16" W, 160.00 FEET;

N 01° 44' 03" E, 23.48 FEET;

N 01° 44' 03" E, 104.07 FEET;

S 88° 15' 57" E, 10.50 FEET;

N 01° 44' 03" E, 50.00 FEET;

N 88° 15' 57" W, 109.33 FEET;

N 01° 44' 03" E, 130.00 FEET;

N 00° 53' 08" E, 401.03 FEET;

N 68° 31' 37" E, 311.47 FEET;

N 27° 44' 36" E, 271.58 FEET;

N 78° 55' 21" E, 359.52 FEET;

N 89° 19' 48" E, 60.00 FEET;

N 89° 19' 48" E, 369.75 FEET TO THE WEST LINE OF SAID URBAN CROSSING;

THENCE S 00° 05' 05" E, 5.70 FEET TO THE POINT OF BEGINNING AND CONTAINING 1,931,085 SQUARE FEET OR 44.332 ACRES MORE OR LESS.