

DSV 60

RESOLUTION NO. 2020-01-07

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, RATIFYING THE TERMS AND CONDITIONS OF AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BY AND BETWEEN THE LANCASTER ECONOMIC DEVELOPMENT CORPORATION (LEDC) AND DSV REAL ESTATE DALLAS, INC., AND AUTHORIZING THE LEDC TO ENTER INTO A FORMAL AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, DSV Real Estate Dallas, Inc. is establishing a combined distribution and office facility within the City of Lancaster, Texas; and

WHEREAS, pursuant to Lancaster Economic Development Corporation (hereinafter "LEDC") Resolution 2019-02 which was passed and approved on the 12th of December, 2019 by the Board of Directors of the LEDC, offering an incentive grant to DSV Real Estate Dallas, Inc.; and

WHEREAS, the City of Lancaster and LEDC recognize the importance of their continued role in economic development in the community of Lancaster, and

WHEREAS, the City of Lancaster and LEDC are authorized by state law to issue grants in order to promote local economic development by stimulating the local economy, and

WHEREAS, An Economic Development Performance Agreement containing the terms of the grant of incentives from the LEDC is appropriate

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

SECTION 1. The City Council of the City of Lancaster, Texas ratifies the December 12, 2019 actions of the Board of Directors of the LEDC approving the Performance Agreement by and between DSV Real Estate Dallas, Inc. and the Economic Development Corporation.

SECTION 2. The City Council authorizes the LEDC to enter into a Performance Agreement with DSV Real Estate Dallas Inc.

SECTION 3. This Resolution shall take effect immediately from and after the date of passage and is so resolved.

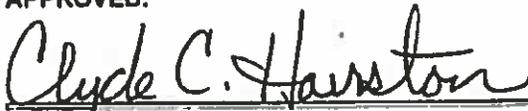
DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 13th day of January, 2019.

ATTEST:



Sorangel O. Arenas, City Secretary

APPROVED:



Clyde Hairston, Mayor

APPROVED AS TO FORM:



David T. Ritter, City Attorney

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT

This **ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT** by and between **DSV REAL ESTATE DALLAS, INC.** a Delaware corporation, (hereinafter referred to as "Developer"), and the **LANCASTER ECONOMIC DEVELOPMENT CORPORATION**, a Texas non-profit corporation (hereinafter referred to as the "LEDC"), is made and executed on the following recitals, terms and conditions.

WHEREAS, LEDC is a Type A economic development corporation operating pursuant to Chapter 504 of the Texas Local Government Code, as amended (also referred to as the "Act"), and the Texas Non-Profit Corporation Act, as codified in the Texas Business Organizations Code, as amended; and

WHEREAS, Section 501.101 of the Texas Local Government Code, in pertinent part, defines the term "project" to mean "land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements that are: (1) for the creation or retention of primary jobs; and (2) found by the board of directors to be required or suitable for the development, retention, or expansion of: (A) manufacturing and industrial facilities; (B) research and development facilities; (C) military facilities, including closed or realigned military bases; . . . (F) recycling facilities; . . . (I) distribution centers; (J) small warehouse facilities capable of serving as decentralized storage and distribution centers; (K) primary job training facilities for use by institutions of higher education; or (L) regional or national corporate headquarters facilities"; and

WHEREAS, Section 501.103 of the Texas Local Government Code, in pertinent part, defines the term "project" to mean "expenditures that are found by the board of directors to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to: (1) streets and roads, rail spurs, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements; (2) telecommunications and Internet improvements . . ."; and

WHEREAS, Section 501.158 of the Texas Local Government Code prohibits the provision of a direct incentive unless LEDC enters into an Agreement with Developer providing at a minimum a schedule of additional payroll or jobs to be created or retained by LEDC's investment; a schedule of capital investments to be made as consideration for any direct incentives provided by LEDC to Developer; and a provision specifying the terms and conditions upon which repayment must be made should Developer fail to meet the agreed to performance requirements specified in this Agreement; and

WHEREAS, Developer has applied to LEDC for financial assistance necessary occupy and commence operations at its spec building to be constructed within the city limits of the City of Lancaster, Texas; ("the Facility") on real property owned by the Developer ("the Property") and

WHEREAS, the LEDC's Board of Directors have determined the financial assistance provided to Developer for Facility operations located on the Property is consistent with and meets the definition of "project" as that term is defined in Sections 501.101 and 501.103 of the Texas

Local Government Code; and the definition of "cost" as that term is defined by Section 501.152 of the Texas Local Government Code; and

WHEREAS, Developer agrees and understands that Section 501.073(a) of the Texas Local Government Code requires the City Council of the City of Lancaster, Texas, to approve all programs and expenditures of LEDC, and accordingly this Agreement is not effective until City Council has approved this Agreement at a City Council meeting called and held for that purpose.

NOW, THEREFORE, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, LEDC and Developer agree as follows:

SECTION 1. FINDINGS INCORPORATED.

The foregoing recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration and promises that bind the parties.

SECTION 2. TERM.

This Agreement shall be effective as of the Effective Date, as defined herein, and shall continue thereafter until **December 31, 2032**, unless terminated sooner under the provisions hereof.

SECTION 3. DEFINITIONS.

The following words shall have the following meanings when used in this Agreement.

- (a) **Act.** The word "Act" means Chapters 501 to 505 of the Texas Local Government Code, as amended.
- (b) **Agreement.** The word "Agreement" means this Performance Agreement, together with all exhibits and schedules attached to this Performance Agreement from time to time, if any.
- (c) **Certificate of Occupancy.** The words "Certificate of Occupancy" mean a certificate of occupancy (or its local equivalent) for the Facility.
- (d) **City.** The word "City" means the City of Lancaster, Texas, a Texas home-rule municipality, whose address for the purposes of this Agreement is 211 N. Henry Street, Lancaster, Texas 75146.
- (e) **Developer.** During the development and construction phase of the Facility construction, the word "Developer" means DSV Real Estate Dallas, Inc., whose address for the purposes of this Agreement is 100 Walnut Ave. Suite 400 Clark 07066 New Jersey]. After the completion of the Facility, and the issuance of a Certificate of Occupancy for the Facility, the tenant/operator will be DSV Solutions, LLC., an affiliate of DSV Real Estate Dallas,

Inc. within the DSV Panalpina Group and wholly-owned subsidiary of DSV Panalpina A/S, and the term "Developer" will mean DSV Solutions, LLC..

- (f) **DSV Panalpina Group.** The words "DSV Panalpina Group" mean any and all companies or entities under direct or indirect ownership or control of DSV Panalpina A/S, a company incorporated under the laws of Denmark, with registered office in Hovedgaden 630, DK-2640 Hedehusene, company reg. no. 58233528.
- (f) **Effective Date.** The words "Effective Date" mean the date of the latter to execute this Agreement by and between the Developer and LEDC, following approval by their respective governing body (for Developer) and Council and Board (for LEDC).
- (g) **Event of Default.** The words "Event of Default" mean and include any of the Events of Default set forth below in the section entitled "Events of Default."
- (h) **Facility.** The word Facility means the building to be constructed on the Property. The Facility shall be a minimum 950,000 square feet warehouse, distribution and regional headquarter for DSV operations. Warehouse building is estimated to 995,260 square feet, main office 49,000 square feet in three-story building, three satellite warehouse offices (one-story) of 9,900 square feet located on the Property, as described and/or depicted in *Exhibit B* of this Agreement, which is attached hereto and incorporated herein for all purposes. In order to qualify as the "Facility" under this Agreement, the facility must meet all of the following criteria: (1) be located within the City; and (2) construction of the Facility must be completed and a Certificate of Occupancy obtained within two (2) years from the Effective Date of the Agreement.
- (i) **Full Time Equivalent Employment Positions.** The words "Full Time Equivalent Employment Positions" are up to two hundred and fifty (250) newly-created jobs for new employees located at the Facility and who are residents of the City, which new employees have been hired from the Effective Date until the third (3rd) anniversary of obtaining a Certificate of Occupancy for the Facility, and for which the annual Salary is not less than \$65,000.
- (j) **LEDC.** The word "LEDC" means the Lancaster Economic Development Corporation, a Texas non-profit corporation, its successors and assigns, whose corporate address for the purposes of this Agreement is P.O. Box 940, Lancaster, Texas 75146.
- (k) **Property.** The word "Property" means the approximately 55.627 acre tract or tracts of land in the Smith Elkins Survey, Abstract No. 430, City of Lancaster, Dallas County, Texas, as generally described and/or depicted in *Exhibit A* of this Agreement, which is attached hereto and incorporated herein for all purposes, together with any other adjacent land owned or hereafter acquired by Developer
- (l) **Salary.** The word "Salary" means the annual, W-2 wages of any new employee, exclusive of benefits, employer-paid taxes, health insurance, bonus, car allowance and related employee perquisites.

- (m) **Term.** The word "Term" means the term of this Agreement as specified in Section 2 of this Agreement.

SECTION 4. AFFIRMATIVE COVENANTS OF DEVELOPER.

Developer covenants and agrees with LEDC that, while this Agreement is in effect, it shall comply with the following terms and conditions:

- (a) **Occupation of Facility.** Developer covenants and agrees to occupy the Facility within two (2) years of the Effective Date of this Agreement.
- (b) **Certificate of Occupancy.** Developer covenants and agrees to obtain or cause to be obtained a Certificate of Occupancy from the City for the Facility located on the Property within two (2) years of the Effective Date of this Agreement.
- (c) **Operation of Facility.** Developer covenants and agrees to maintain and actively operate the Facility located on the Property beginning two (2) years of the Effective Date of this Agreement and during the remainder of the Term of this Agreement.
- (d) **Definition of and Documentation of Development Costs.** Developer covenants and agrees to obtain accurate invoices, receipts, and other written documentation regarding the amount of development costs actually incurred and paid for the development of the Property and construction of the Facility. The term "development costs," shall be broadly construed and includes permitting fees, impact fees, and any other fees or costs associated with development of the Facility. Further Developer covenants and agrees to submit to the LEDC invoices, receipts, or other documentation indicating the amount of development costs paid for the development of the Facility in a reimbursable amount (as defined below in Section 5(a) not to exceed Twenty Five Thousand and no/100 Dollars (\$25,000.00), within three (3) years of the Effective Date of this Agreement.
- (e) **Job Reporting.** Developer covenants and agrees beginning by March 1, 2022, for a reporting period of January 1, 2021 to December 31, 2021, and for each subsequent calendar year during the Term of this Agreement, Developer shall deliver to LEDC an annual compliance verification signed by a duly authorized representative of Developer that shall certify the number of Full-Time Equivalent Employment Positions, and shall disclose and certify the average wage for all Full-Time Equivalent Employment Positions (the "Annual Compliance Verification"). The Developer covenants and agrees by March 1, 2021, and annually thereafter during the Term of this Agreement, there will be a total of ten (10) Annual Compliance Verifications due and submitted to the LEDC covering the Full-Time Equivalent Employment Positions created and maintained during the Term of this Agreement. All Annual Compliance Verifications shall include quarterly IRS 941 returns, or Texas Workforce Commission Employer Quarterly Reports.
- (f) **Performance.** Developer agrees to perform and comply with all terms, conditions, and provisions set forth in this Agreement and in all other instruments and agreements by and

between Developer and LEDC.

SECTION 5. AFFIRMATIVE COVENANTS OF LEDC.

LEDC covenants and agrees with the Developer that, while this Agreement is in effect, it shall comply with the following terms and conditions:

- (a) Reimbursement for Payment of Development Costs.** LEDC covenants and agrees within sixty (60) days of receipt of Developer's invoices, receipts, and other documentation indicating the amount of development costs paid in accordance with Section 4(d) of this Agreement and submitted no later than three (3) years after the Effective Date of this Agreement, that LEDC will reimburse Developer for one hundred (100%) of the cost of development costs actually incurred and paid, up to a maximum amount of **Twenty-Five Thousand and No/100 Dollars (\$25,000.00)**.
- (b) Fund Grant for Qualified Expenditures.** Upon execution and Effective Date of this Agreement, Developer shall be entitled to a grant from LEDC for Qualified Expenditures in the amount not to exceed **Twenty-Five Thousand and No/100 Dollars (\$25,000.00)** for use in labor skills development, either on-site or in partnership with Cedar Valley College or another accredited educational institution. The jobs trained-for in must pay at least \$29,990 annually. Developer covenants and agrees to submit to LEDC invoices, receipts, or other documentation of the Qualified Expenditures in a form acceptable to LEDC within three (3) years of the Effective Date of this Agreement.
- (c) Job Credit.**

The LEDC covenants and agrees to provide a financial incentive to Developer in the amount of **Five Hundred and No/100 Dollars (\$500.00)** for each Full-Time Equivalent Employment Position created by Developer up to a maximum of two hundred fifty (250) jobs, provided said Full-Time Equivalent Employment Position employee resides within the City of Lancaster, Texas, and works at the Property for the period of **January 1st through December 31st** of the applicable one-year reporting period for which the credit is claimed.

- (2)** Developer covenants and agrees to report said Full-Time Equivalent Employment Positions by **March 1st** of each year from **March 1, 2022 to March 1, 2025**. Consistent with Section 4(d) of this Agreement, the first report shall be for the reporting period of **January 1, 2021, to December 31, 2021**, and shall be reported to the LEDC by **March 1, 2022**. Said reports shall be due annually thereafter. All incentives under this Section (5)(c) must be claimed no later than **March 1, 2024**.
- (3)** The financial incentive provided pursuant to this Section 5(c) of this Agreement excludes any Full-Time Equivalent Employment Positions provided to the LEDC in a prior reporting year during the Term of this Agreement. LEDC covenants and agrees to provide to Developer said financial incentive in up to three payments, at Developer's option, within sixty (60) days of receipt of said documentation from

Developer indicating the Full-Time Equivalent Employment Positions who reside within the City of Lancaster, Texas, and are working at the Property during the applicable annual reporting period, but all job credit financial incentives must be claimed by Developer no later than the third anniversary after the Certificate of Occupancy is first obtained for the Facility. Further, the aggregate payments by the LEDC to Developer pursuant to this Section 5(c) of this Agreement shall not exceed **One Hundred Twenty-Five Thousand and No/100 Dollars (\$125,000.00)**.

- (d) Maximum LEDC Payment under this Agreement.** The Parties agree that, notwithstanding anything to the contrary in this Agreement or any other Agreement involving the Facility and/or Property, LEDC's maximum payment to Developer (provided all conditions precedent to payment set forth herein are met) shall be **One Hundred Seventy-Five Thousand and no/100 Dollars. (\$175,000.00)**.

SECTION 6. CESSATION OF ADVANCES.

If LEDC has made any commitment to make any advance of financial assistance to Developer, whether under this Agreement or under any other agreement, LEDC shall have no obligation to advance or disburse any financial assistance if: (i) Developer becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged bankrupt; or (ii) an Event of Default occurs and is not cured within the time period provided in Section 8.

SECTION 7. EVENTS OF DEFAULT.

Each of the following shall constitute an Event of Default under this Agreement:

- (a) General Event of Default.** Failure of Developer or LEDC to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement, or failure of Developer or LEDC to comply with or to perform any other term, obligation, covenant or condition contained in any other agreement by and between Developer and LEDC is an Event of Default.
- (b) False Statements.** Any warranty, representation, or statement made or furnished to the LEDC by or on behalf of Developer under this Agreement that is false or misleading in any material respect, either now or at the time made or furnished is an Event of Default.
- (c) Insolvency.** Developer's insolvency, appointment of receiver for any part of Developer's property, any assignment for the benefit of creditors of Developer, any type of creditor workout for Developer, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Developer is an Event of Default.
- (d) Ad Valorem Taxes.** Developer allows its ad valorem taxes owed to the City to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of such taxes and to cure such failure within thirty (30) days after written notice thereof

from LEDC and/or Dallas County Central Appraisal District is an Event of Default.

SECTION 8. EFFECT OF AN EVENT OF DEFAULT.

In the event of default under Section 7 of this Agreement, the non-defaulting party shall give written notice to the other party of any default, and the defaulting party shall have thirty (30) days to cure a monetary default and ninety (90) days to cure a non-monetary default. Should said default remain uncured as of the last day of the applicable cure period, and the non-defaulting party is not otherwise in default, the non-defaulting party shall have the right to immediately terminate this Agreement, enforce specific performance as appropriate, or maintain a cause of action for damages caused by the event(s) of default. In the event, Developer defaults and is unable or unwilling to cure said default within the prescribed time period, the amounts provided by LEDC to Developer pursuant to Section 5 of this Agreement shall become immediately due and payable by Developer to the LEDC.

SECTION 9. INDEMNIFICATION.

TO THE EXTENT ALLOWED BY LAW, EACH PARTY AGREES TO RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE OTHER (AND ITS OFFICERS, AGENTS, AND EMPLOYEES) FROM AND AGAINST ALL CLAIMS OR CAUSES OF ACTION FOR INJURIES (INCLUDING DEATH), PROPERTY DAMAGES (INCLUDING LOSS OF USE), AND ANY OTHER LOSSES, DEMAND, SUITS, JUDGMENTS AND COSTS, INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES, IN ANY WAY ARISING OUT OF, RELATED TO OR RESULTING FROM ITS PERFORMANCE UNDER THIS AGREEMENT, OR CAUSED BY ITS NEGLIGENT ACTS OR OMISSIONS (OR THOSE OF ITS RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, OR ANY OTHER THIRD PARTIES FOR WHOM IT IS LEGALLY RESPONSIBLE) IN CONNECTION WITH PERFORMING THIS AGREEMENT.

SECTION 10. MISCELLANEOUS PROVISIONS.

The following miscellaneous provisions are a part of this Agreement:

- (a) **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of 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.
- (b) **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Dallas County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts or federal courts for Dallas County, Texas.
- (c) **Assignment.** This Agreement may be assigned by Developer to: (1) DSV Solutions, LLC or any other affiliate within DSV Panalpina Group; or (2) to a third-party business entity

Attn: Shane Shepard

- (i) **Severability.** If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Agreement in all other respects shall remain valid and enforceable.
- (j) **Time is of the Essence.** Time is of the essence in the performance of this Agreement.
- (k) **Undocumented Workers.** Developer certifies that the Developer does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the Term of this Agreement, Developer is convicted of a violation under 8 U.S.C. § 1324a(f), Developer shall repay the amount of the public subsidy provided under this Agreement plus interest, at the rate of six percent (6%), not later than the 120th day after the date LEDC notifies Developer of the violation.
- (l) In accordance with Section 2270.002 of the Texas Government Code (as amended by Tex. H.B. 793, 86th Leg., R.S. (2019)), the Developer verifies that it does not boycott Israel and will not boycott Israel during the Term of this Agreement.
- (m) In accordance with Section 2252.152 of the Texas Government Code (as added by Tex. S.B. 252, 85th Leg., R.S. (2017)), the Parties covenant and agree that Developer is not on a list maintained by the State Comptroller's office prepared and maintained pursuant to Section 806.051, 807.051, or 2252.153 of the Texas Government Code.
- (n) **Estoppel Certificate.** Upon written request by Developer to LEDC, LEDC will provide Developer with a certificate stating, as of the date of the certificate, (i) whether this Agreement is in full force and effect and, if Developer is in breach of this Agreement, the nature of the breach, and (ii) a statement as to whether this Agreement has been amended and, if so, the identity and substance of each amendment.

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LEDC:

**LANCASTER ECONOMIC
DEVELOPMENT CORPORATION,
a Texas non-profit corporation**

By: Ted Burk

Ted Burk
President

Date Signed: 1/24/20

ATTEST:

[Signature]
Secretary

STATE OF TEXAS

§
§
§

COUNTY OF DALLAS

This instrument was acknowledged before me on the 23 day of January, 2020, by Ted Burk, President of the Lancaster Economic Development Corporation, a Texas non-profit corporation, on behalf of said Texas corporation.

[Signature]
Notary Public, State of Texas



DEVELOPER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS PERFORMANCE AGREEMENT, AND DEVELOPER AGREES TO ITS TERMS. THIS PERFORMANCE AGREEMENT IS EFFECTIVE AS OF THE EFFECTIVE DATE AS DEFINED HEREIN.

DEVELOPER:

DSV REAL ESTATE DALLAS, INC.
a Delaware corporation ,

By: _____
Name: Brian Winther Almind
President
Date Signed: _____

STATE OF TEXAS

§
§
§

COUNTY OF _____

This instrument was acknowledged before me on the ____ day of December, 2019, by Brian Winther Almind, President of DSV Real Estate Dallas, Inc., a Delaware corporation, on behalf of said corporation.

Notary Public, State of Texas

Exhibit A

[Legal Description and/or Depiction of Property]

55.627 ACRE TRACT
Part of White Company No 2 LTD
Smith Elkins Survey Abstract No 430
City of Lancaster Dallas County Texas

DESCRIPTION, of a 56 627 acre (2 423 098 square foot) tract of land situated in the Smith Elkins Survey Abstract No 430, City of Lancaster Dallas County Texas, said tract being part of that certain tract of land described in General Warranty Deed with Vendor's Lien to the White Property Company No 2 LTD recorded in Instrument No 200900115504 and part of that certain tract land described in General Warranty Deed with Vendor's Lien to White Property Company No 2 LTD recorded in Instrument No 200900115508 both of the Official Public Records of Dallas County Texas, said 55 627 acre (2 423 098 square foot) tract being more particularly described as follows (bearing system for this survey is based on the State Plane Coordinate System North American Datum of 1983 (2011), Texas North Central Zone 4202 Distances shown have been scaled by applying the Dallas County TxDOT surface adjustment factor of 1 000136506)

BEGINNING at a 5/8-inch iron rod with "PACHECO KOCH" cap found at the southernmost southwest corner of Midpoint Drive (a variable width right-of-way) as dedicated by Midpoint Logistics Center Midpoint Drive, an addition to the city of Lancaster Texas according to the plat recorded in Instrument No 20180013745 of the said official public records, said point also being the northeast corner of the first referenced White Property tract and the southeast corner of that certain tract of land described in Special Warranty Deed to White Tract II LLC recorded in Instrument No 201700237585 of the said Official Public Records with Correction Instrument as to a Recorded Original Instrument to White Tract II LLC recorded in Instrument No 201700247870 of said Official Public Records,

THENCE, into and across the first and second referenced White Property tract the following two (2) calls

South 30 degrees 35 minutes, 57 seconds East, at a distance of 141 36 feet passing the south line of the first referenced White Property tract and the north line of the second referenced White Property tract continuing in a total distance of 681 50 feet to a point for corner;

North 58 degrees 57 minutes, 44 seconds East, a distance of 85 60 feet to a point for corner on the east line of the second referenced White Property tract and on the west line of that certain tract of land described in Special Warranty Deed with Vendor's Lien to White Property Company No 2 recorded in Instrument No 200900115509 of the said Official Public records

THENCE, South 31 degrees 45 minutes, 33 seconds East, along the said east line of the second referenced White Property tract and the west line of the third referenced White Property tract a distance of 430 00 feet to a point for corner at the southeast corner of the second referenced White Property tract and the southwest corner of the third referenced White Property tract, said point also being the northwest corner of that certain tract of land described in Warranty Deed to City of Dallas recorded in Instrument No 201400673340 and the northeast corner of that certain tract of land described to City of Dallas recorded in Instrument No 201400075339 both of the said Official Public Records

THENCE, South 58 degrees 17 minutes 21 seconds West, along the south line of the second referenced White Property tract and the north line of the second referenced City of Dallas tract a distance of 2 215 72 feet to a point for corner on the west line of the second referenced White Property tract and the east right-of-way line of Dizzy Dean Drive (a variable width right-of-way) said point being the southwest corner of the second referenced White Property Tract and the northwest corner of the second referenced City of Dallas tract

THENCE, North 31 degrees 02 minutes 18 seconds West, along the said east line of Dizzy Dean Drive and the west line of the second referenced White Property tract at a distance of 1 001 48 passing the said north line of second referenced White Property tract and the said south line of second referenced tract, continuing in a total distance of 1 137 48 feet to a point for corner, said point also being the northwest corner of the first referenced tract and the southwest corner of the said White Tract II

THENCE, North 58 degrees, 57 minutes, 44 seconds East, departing the said east line of Dizzy Dean Drive and along the north line of the first referenced White Property tract and the south line of said White Tract II, a distance of 2 119 77 feet to the POINT OF BEGINNING

CONTAINING 2 423 098 square feet or 55 627 acres of land, more or less

RESOLUTION NO. 2020-01-08

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING A CHAPTER 380 AGREEMENT BY AND BETWEEN THE CITY OF LANCASTER, TEXAS AND DSV REAL ESTATE DALLAS, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lancaster ("City") recognizes how important business and community development is to the vitality and growth of Lancaster; and

WHEREAS, the City desires to grant certain incentives to DSV Real Estate, Inc., a Delaware Corporation, for the purpose of constructing a comprehensive office and distribution facility within the City of Lancaster; and

WHEREAS, the City has adopted programs for promoting economic development, and an Economic Development Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Chapter 380 of the Texas Local Government Code to issue grants in order to promote local economic development by stimulating the local economy; and

WHEREAS, the Agreement containing the terms of the grant of incentives from the City is appropriate.

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

SECTION 1. The City Council of the City of Lancaster, Texas approves a Chapter 380 Economic Development Incentive Agreement by and between the City of Lancaster and DSV Real Estate, Inc. attached as Exhibit "1" and incorporated herin.

SECTION 2. The City Council authorizes the City Manager to execute the Chapter 380 Economic Development Program and Agreement between the City of Lancaster and DSV Real Estate, Inc.

SECTION 3. This Resolution shall take effect immediately from and after the date of passage and is provided by law.

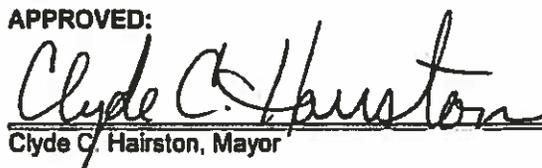
DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 13th day of January, 2020.

ATTEST:



Sorangel O. Arenas, City Secretary

APPROVED:



Clyde C. Hairston, Mayor

APPROVED AS TO FORM:



David T. Ritter, City Attorney

**CITY OF LANCASTER, TEXAS
AND
DSV REAL ESTATE DALLAS, INC.**

**CHAPTER 380 ECONOMIC DEVELOPMENT
PROGRAM AND AGREEMENT**

This **CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT** (hereinafter referred to as the "Agreement") is made and entered into by and between the **CITY OF LANCASTER, TEXAS**, a Texas home-rule municipality (hereinafter referred to as the "City"), and **DSV REAL ESTATE DALLAS, INC.**, a Delaware corporation (hereinafter referred to as the "Developer"), for the purposes and considerations stated below:

WHEREAS, the Developer desires to enter into this Agreement pursuant to Chapter 380 of the Texas Local Government Code; and

WHEREAS, the City desires to provide, pursuant to Chapter 380 of the Texas Local Government Code an incentive to Developer to develop the Property as defined below; and

WHEREAS, the City possesses the legal and statutory authority under Chapter 380 of the Texas Local Government Code to expend public funds for the purposes of promoting local economic development and stimulating business and commercial activity within the City of Lancaster, Texas; and

WHEREAS, the City has determined that a grant of funds to the Developer will serve the public purpose of promoting local economic development, with the development and diversification of the economy of the State and City, will eliminate unemployment and underemployment in the State and City, and will enhance business and commercial activity within the City of Lancaster, Texas; and

WHEREAS, the City has concluded and hereby finds that this Agreement clearly promotes economic development in the City of Lancaster, Texas, 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 and the Developer; and

WHEREAS, the City has concluded and hereby finds that this Agreement clearly promotes economic development in the City of Lancaster, Texas, and, as such, meets the requirements of Article III, Section 52-a of the Texas Constitution by assisting in the development and diversification of the economy of the State, by eliminating unemployment or underemployment in the State, and by the development or expansion of commerce within the State.

NOW, THEREFORE, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Developer agree as follows:

SECTION 1. FINDINGS INCORPORATED.

The foregoing recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration and promises that bind the parties.

SECTION 2. TERM.

This Agreement shall be effective as of the Effective Date of this Agreement, as defined herein, and shall continue thereafter for a term of twelve (12) years.

SECTION 3. DEFINITIONS.

The following words shall have the following meanings when used in this Agreement.

- (a) **Agreement.** The word "Agreement" means this Chapter 380 Economic Development Program and Agreement, authorized by Chapter 380 of the Texas Local Government Code, together with all exhibits and schedules attached to this Agreement from time to time, if any.
- (b) **Certificate of Occupancy.** The words "Certificate of Occupancy" mean a certificate of occupancy (or its local equivalent) for the Facility.
- (c) **City.** The word "City" means the City of Lancaster, Texas, a Texas home-rule municipality. For the purposes of this Agreement, City's address is P.O. Box 940, Lancaster, Texas 75146.
- (d) **Developer.** During the development and construction phase of the Facility construction, the word "Developer" means DSV Real Estate Dallas, Inc., whose address for the purposes of this Agreement is 100 Walnut Ave. Suite 405 Clark New Jersey 07066 . After the completion of the Facility, and the issuance of a Certificate of Occupancy for the Facility, the tenant/operator will be DSV Solutions, LLC., an affiliate of DSV Real Estate Dallas, Inc. within the DSV Panalpina Group and wholly-owned subsidiary of DSV Panalpina A/S, and the term "Developer" will mean DSV Solutions, LLC.
- (e) **DSV Panalpina Group.** The words "DSV Panalpina Group" mean any and all companies or entities under direct or indirect ownership or control of DSV Panalpina A/S, a company incorporated under the laws of Denmark, with registered office in Hovedgaden 630, DK-2640 Hedehusene, company reg. no. 58233528.
- (f) **Effective Date.** The words "Effective Date" mean the date of the latter to execute this Agreement by and between the City and Developer, following approval by their respective Council and Board.
- (f) **Event of Default.** The words "Event of Default" mean and include any of the Events of Default set forth in the section entitled "Events of Default" in this Agreement.

- (g) **Facility.** The word "Facility" means Developer's warehousing/office facilities constructed on the Property. In order to qualify as the "Facility" under this Agreement, the facility must meet all of the following criteria: (1) be located within the City; and (2) a Certificate of Occupancy obtained within two (2) years from the Effective Date of the Agreement, or if already obtained, maintained throughout the Term of this Agreement.
- (h) **Full-Time Equivalent Employment Positions.** The words "Full-Time Equivalent Employment Position(s)" mean a job requiring a minimum of One Thousand Nine Hundred Twenty (1,920) hours of work averaged over a twelve-month period with such hours also to include any vacation and sick leave.
- (i) **Program Payment.** The words "Program Payment" mean the economic development funds provided by the City to Developer in accordance with this Agreement. Program Payments will be made in the form of tax rebates as described in more detail in Section 5(a) of this Agreement.
- (j) **Property.** The word "Property" means Developer's ± 55.627 acre tract of land located in the City of Lancaster, Dallas County, Texas, commonly known as Smith Elkins Survey, Abstract No. 430 and more particularly described and or depicted in *Exhibit A* of this Agreement, which is attached hereto and incorporated herein for all purposes.
- (k) **Term.** The word "Term" means the term of this Agreement as specified in Section 2 of this Agreement.

SECTION 4. AFFIRMATIVE OBLIGATIONS OF DEVELOPER.

The Developer covenants and agrees with City that, while this Agreement is in effect, it shall comply with the following terms and conditions:

- (a) **Occupation of Facility.** Developer covenants and agrees to continue occupying the Facility during the term of this Agreement.
- (b) **Certificate of Occupancy.** Developer covenants and agrees to obtain or maintain a City Certificate of Occupancy for the Facility located on the Property during the term of this Agreement, and no later than two (2) years from the Effective Date of the Agreement.
- (c) **Operation of Facility.** Developer covenants and agrees to maintain and actively operate the Facility located on the Property during the Term of this Agreement.
- (d) **Performance.** Developer covenants and agrees to perform and comply with all terms, conditions and provisions set forth in this Agreement, and any other agreements by and between the City and Developer, and to stay current with all applicable taxes levied by the Dallas County Tax Assessor.

- (e) **Full-Time Equivalent Employment Positions.** Developer covenants and agrees to establish not fewer than forty (40) new Full-Time Equivalent Employment office positions and not fewer than fifty (50) new Full-Time warehouse positions at the Facility within two (2) years of the Effective Date of this Agreement, such positions to be maintained throughout the Term of this Agreement.

SECTION 5. AFFIRMATIVE OBLIGATIONS OF THE CITY.

City covenants and agrees with Developer that, while this Agreement is in effect, it shall comply with the following terms and conditions:

(a) **Program Payments.**

- (1) **Business Personal Property Tax.** The City shall make Program Payments to Developer for the ad valorem taxes paid by the Developer to the City for Business Personal Property for a period not to exceed ten (10) years. The first year of the Program Payments pursuant to this Section 5(a)(1) of this Agreement shall be the first tax year that: (A) begins after new (to the Property) Business Personal Property (that is, BPP introduced into the Facility after the Effective Date of this Agreement) is fully assessed by the taxing authorities at a minimum of **Eight Million Dollars (\$8,000,000.00)** of increased BPP ad valorem value over the baseline value for the tax year immediately before the Effective Date of this Agreement; and (B) the thirty (30) new Full-Time Equivalent Employment Positions described in Section 4(e) of this Agreement are filled (the "Payment Conditions"). The Program Payments shall be based upon the following percentages:

Tax Years 1-10	Percentage of City Personal Property Taxes Reimbursed
1 st through 10 th tax year after satisfaction of the Payment Conditions	50%

- (2) **Real Property Tax.** The City shall make Program Payments to Developer for the ad valorem taxes paid by the Developer to the City for Real Property Taxes for a period not to exceed ten (10) years. The first year of the Program Payment pursuant to this Section 5(a)(2) of this Agreement shall be the first tax year that begins after the City issues a Certificate of Occupancy for the Developer's Facility located on the Property pursuant to Section 4(b) of this Agreement. In order to qualify for a Program Payment for Real Property Taxes under this Agreement, the Property must be assessed at a minimum of **Fifty Million Dollars (\$50,000,000.00)** for the first tax year after the City issues a Certificate of Occupancy for the Developer's Facility (the "First Year Valuation"). If the First

Year Valuation is between Fifty Million Dollars (\$50,000,000.00) and Seventy-One Million Nine Hundred and Ninety-Nine Thousand, Nine Hundred and Ninety-Nine Dollars (\$71,999,999.00), the Developer will be eligible for eight (8) years of City Real Property Tax Reimbursement Program Payments. If the First Year Valuation is over Seventy-Two Million Dollars (\$72,000,000.00), the Developer will be eligible for ten (10) years of City Real Property Tax Reimbursement Program Payments. These Program Payments shall be based upon the following percentages and terms:

First Year Valuation	Years of City Real Property Tax Reimbursement
\$50,000,000 - \$71,999,999	Eight (8)
\$72,000,000+	Ten (10)

Tax Years 1-8, or 1-10 (as noted above)	Base Percentage of City Real Property Taxes Reimbursed
1st through 8th or 1st through 10th tax year after issuance of Certificate of Occupancy	60%
Bonus Percentage for satisfaction of Section 5(a)(2)(ii) criteria	Additional 5% Reimbursement (65% Total)

- (i) In order to be eligible for the base percentage shown above, Developer must meet all Section 4 obligations, including the minimum employment positions set forth in Section 4(e).
 - (ii) If Developer employs three hundred (300) total full-time employees at the Facility during any tax year during the ten-year incentive term, it will be eligible for an additional five percent (5%) Real Property Tax reimbursement (for a total of 65%) for each applicable tax year.
- (3) The City covenants and agrees to provide each Program Payment to Developer within thirty (30) days following receipt of the ad valorem taxes paid to the City for the Business Personal Property and Real Property Tax. For purposes of these Program Payments, payment to the City's authorized tax collection agent (currently the Dallas County Tax Assessor/Collector (the "Dallas County Tax Office") shall be considered ad valorem taxes "paid to the City."
- (4) **Valuation of Real Property and Business Personal Property.** The Real Property valuations in this Section 5 are Dallas Central Appraisal District ("DCAD") values, including the values assigned by constituent taxing authorities.

SECTION 6. CESSATION OF ADVANCES.

If City has made any commitment to provide any Program Payment to Developer, whether under this Agreement or under any other agreement, the City shall have no obligation to advance or disburse future Program Payment after: (a) Developer becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged bankrupt; or (b) an Event of Default occurs and is not cured within the time period provided in Section 8.

SECTION 7. EVENTS OF DEFAULT.

Each of the following shall constitute an Event of Default under this Agreement:

- (a) **General Event of Default.** Failure of Developer or City to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement, or failure of Developer or City to comply with or to perform any other term, obligation, covenant or condition contained in any other agreement by and between Developer and City is an Event of Default.
- (b) **False Statements.** Any warranty, representation, or statement made or furnished to the City by or on behalf of Developer under this Agreement that is false or misleading in any material respect, either now or at the time made or furnished is an Event of Default.
- (c) **Insolvency.** Developer's insolvency, appointment of receiver for any part of Developer's property, any assignment for the benefit of creditors of Developer, any type of creditor workout for Developer, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Developer is an Event of Default.
- (d) **Ad Valorem Taxes.** Developer allows its ad valorem taxes owed to the City to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of such taxes and to cure such failure within thirty (30) days after written notice thereof from City and/or Dallas County Central Appraisal District is an Event of Default.

SECTION 8. EFFECT OF AN EVENT OF DEFAULT.

In the event of default under Section 7 of this Agreement, the non-defaulting party shall give written notice to the other party of any default, and the defaulting party shall have thirty (30) days to cure said default. Should said default remain uncured as of the last day of the applicable cure period, the non-defaulting party shall have the right to terminate this Agreement, enforce specific performance as appropriate, or maintain a cause of action for damages caused by the event(s) of default. In the event the Developer defaults and is unable or unwilling to cure said default within the prescribed time period, the Program Payments provided by the City to Developer pursuant to Section 5(a) of this Agreement, shall become immediately due and payable by the Developer to the City.

SECTION 9. INDEMNITY.

TO THE EXTENT ALLOWED BY LAW, EACH PARTY AGREES TO RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE OTHER (AND ITS OFFICERS, AGENTS, AND EMPLOYEES) FROM AND AGAINST ALL CLAIMS OR CAUSES OF ACTION FOR INJURIES (INCLUDING DEATH), PROPERTY DAMAGES (INCLUDING LOSS OF USE), AND ANY OTHER LOSSES, DEMAND, SUITS, JUDGMENTS AND COSTS, INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES, IN ANY WAY ARISING OUT OF, RELATED TO OR RESULTING FROM ITS PERFORMANCE UNDER THIS AGREEMENT, OR CAUSED BY ITS NEGLIGENT ACTS OR OMISSIONS (OR THOSE OF ITS RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, OR ANY OTHER THIRD PARTIES FOR WHOM IT IS LEGALLY RESPONSIBLE) IN CONNECTION WITH PERFORMING THIS AGREEMENT. NOTHING HEREIN SHALL BE INTERPRETED AS A WAIVER OF CITY'S GOVERNMENTAL IMMUNITY FROM SUIT OR DAMAGES.

SECTION 10. MISCELLANEOUS PROVISIONS.

The following miscellaneous provisions are a part of this Agreement:

- (a) **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of 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.
- (b) **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Dallas County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts of Dallas County, Texas.
- (c) **Assignment.** This Agreement may be assigned by Developer to: (1) DSV Solutions, LLC or any other affiliate within DSV Panalpina Group; or (2) to a third-party business entity which purchases the Facility from Developer (or purchases all shares in the Developer), only if: (a) the facility is leased back to DSV Solutions, LLC or an affiliate within DSV Panalpina Group, and (b) the lease is for a minimum of ten (10) years, during which time DSV Solutions, LLC or any other affiliate within DSV Panalpina Group actually occupies and continues operations at the Facility. Any such assignment must be confirmed via a writing to City sent in accordance with Section 10(k) within ten (10) business days of the effective date of the assignment. Any other assignment may be done only with the prior written permission of City. .
- (d) **Attorneys' Fees and Costs.** In the event of any action at law or in equity between the parties to enforce any of the provisions hereof, to the extent allowed by law any

unsuccessful party to such litigation shall pay to the successful party all costs and expenses, including reasonable attorneys' fees (including costs and expenses incurred in connection with all appeals) incurred by the successful party, and these costs, expenses and attorneys' fees may be included in and as part of the judgment. A successful party shall be any party who is entitled to recover its costs of suit, whether or not the suit proceeds to final judgment.

- (e) **Binding Obligation.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. City warrants and represents that the individual executing this Agreement on behalf of City has full authority to execute this Agreement and bind City to the same. Developer warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind it to the same.
- (f) **Caption Headings.** Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of the Agreement.
- (g) **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.
- (h) **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.
- (i) **Force Majeure.** It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, fire or other casualty, or court injunction, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or requirement shall be extended for a period of time equal to the period such party was delayed.
- (j) **No Interpretation Against Drafter.** Developer and City have participated in negotiating and drafting this Agreement, and agree that the Agreement is to be construed as if drafted jointly. The parties agree that the Agreement will not be interpreted or construed against either party should a need for interpretation or resolution of any ambiguity arise.
- (k) **Notices.** Any notice or other communication required or permitted by this Agreement (hereinafter referred to as the "Notice") is effective when in writing and (i) personally delivered by nationally recognized next business day delivery service or by hand or (ii) three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified with return receipt requested. The parties agree to keep the other party or parties informed of their address at all times during the Term of this Agreement. The

Notices shall be addressed as follows:

If to the City: City of Lancaster, Texas
Attn: Opal Mauldin-Jones, City Manager
P.O. Box 940
Lancaster, Texas 75146
Telephone: (972) 218-1302

If to the Developer: DSV Real Estate Dallas, Inc.
100 Walnut Ave. Suite 405
Clark New Jersey 07066

- (l) **Severability.** The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement is for any reason held by a court of competent jurisdiction to be contrary to law or contrary to any rule or regulation have the force and effect of the law, the remaining portions of the Agreement shall be enforced as if the invalid provision had never been included.
- (m) **Sovereign Immunity.** No party hereto waives any statutory or common law right to sovereign immunity by virtue of its execution hereof.
- (n) **Survival.** All warranties, representations, and covenants made by Developer in this Agreement or in any certificate or other instrument delivered by Developer to City under this Agreement shall be considered to have been relied upon by the City and will survive the payment of any Program Payments under this Agreement regardless of any investigation made by the City or on City's behalf.
- (o) **Time is of the Essence.** Time is of the essence in the performance of this Agreement.
- (p) **Undocumented Workers.** The Developer certifies that Developer does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the Term of this Agreement, Developer is convicted of a violation under 8 U.S.C. § 1324a(f), Developer shall repay the amount of any public subsidy provided under this Agreement to Developer plus six percent (6.0%), not later than the 120th day after the date the City notifies Developer of the violation.
- (q) In accordance with Section 2270.002 of the Texas Government Code (as amended by Tex. H.B. 793, 86th Leg., R.S. (2019)), the Developer verifies that it does not boycott Israel and will not boycott Israel during the Term of this Agreement.
- (r) In accordance with Section 2252.152 of the Texas Government Code (as added by Tex. S. B. 252, 85th Leg., R.S. (2017)), the Parties covenant and agree that Developer is not on

a list maintained by the State Comptroller's office prepared and maintained pursuant to Section 806.051, 807.051, or 2252.153 of the Texas Government Code.

- (s) **Estoppel Certificate.** Upon written request by Developer to City, City will provide Developer with a certificate stating, as of the date of the certificate, (i) whether this Agreement is in full force and effect and, if Developer is in breach of this Agreement, the nature of the breach, and (ii) a statement as to whether this Agreement has been amended and, if so, the identity and substance of each amendment.

[The Remainder of this Page Intentionally Left Blank]

THE INCENTIVES IN THIS AGREEMENT SHALL BE NULL AND VOID IF NOT SIGNED BY DEVELOPER AND RETURNED TO THE CITY WITHIN SEVEN (7) WORKING DAYS OF THE DATE LISTED HEREIN: JANUARY 21, 2020.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed.

CITY:

CITY OF LANCASTER, TEXAS,
a Texas home-rule municipality

By: Opal Mauldin-Jones
Opal Mauldin-Jones, City Manager
Date: 01/13/2020

ATTEST:

Sorangel O. Arenas
Sorangel O. Arenas, City Secretary

APPROVED AS TO FORM:

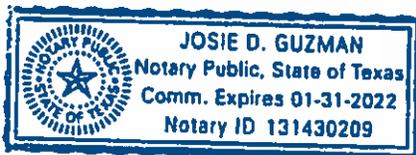
David T. Ritter
David T. Ritter, City Attorney

STATE OF TEXAS

§
§
§

COUNTY OF DALLAS

This instrument was acknowledged before me on the 13th day of January, 2020, by Opal Mauldin-Jones, City Manager of the City of Lancaster, Texas, a Texas home-rule municipality, on behalf of said municipality.



Josie D. Guzman
Notary Public, State of Texas

DEVELOPER:

DSV REAL ESTATE DALLAS, INC.
a Delaware corporation

By: _____
Brian Winther Almind, President

Date: _____

STATE OF TEXAS

§

COUNTY OF _____

§

§

This instrument was acknowledged before me on the ____ day of January, 2020, by Brian Winther Almind, President of DSV Real Estate Dallas, Inc., a Delaware corporation, on behalf of said corporation.

Notary Public, County of _____, TX

Exhibit A

**Legal Description and/or Depiction
of the Property**

55.627 ACRE TRACT
Part of White Company No 2 LTD
Smith Elkins Survey, Abstract No. 430
City of Lancaster, Dallas County, Texas

DESCRIPTION of a 55.627 acre (2,423,098 square foot) tract of land situated in the Smith Elkins Survey Abstract No. 430, City of Lancaster, Dallas County, Texas, said tract being part of that certain tract of land described in General Warranty Deed with Vendor's Lien to the White Property Company No 2 LTD, recorded in Instrument No. 200800115504 and part of that certain tract of land described in General Warranty Deed with Vendor's Lien to White Property Company No 2 LTD recorded in Instrument No 200800115506 both of the Official Public Records of Dallas County, Texas, said 55.627 acre (2,423,098 square foot) tract being more particularly described as follows (bearing system for this survey is based on the State Plane Coordinate System, North American Datum of 1983 (2011), Texas North Central Zone 4202. Distances shown have been scaled by applying the Dallas County TxDOT surface adjustment factor of 1.000136506):

BEGINNING of a 5/8-inch iron rod with "PACHECO KOCH" cap found at the southernmost southwest corner of Midpoint Drive (a variable width right-of-way) as dedicated by Midpoint Logistics Center Midpoint Drive, an addition to the city of Lancaster, Texas according to the plat recorded in Instrument No. 20180013745 of the said official public records; said point also being the northeast corner of the first referenced White Property tract and the southeast corner of that certain tract of land described in Special Warranty Deed to White Tract II, LLC, recorded in Instrument No. 201700237585 of the said Official Public Records with Correction Instrument as to a Recorded Original Instrument to White Tract II, LLC recorded in Instrument No. 201700247870 of said Official Public Records;

THENCE, into and across the first and second referenced White Property tract the following two (2) calls:

South 30 degrees 35 minutes, 57 seconds East, at a distance of 141.36 feet passing the south line of the first referenced White Property tract and the north line of the second referenced White Property tract continuing in a total distance of 681.50 feet to a point for corner.

North 58 degrees 57 minutes, 44 seconds East, a distance of 86.00 feet to a point for corner on the east line of the second referenced White Property tract and on the west line of that certain tract of land described in Special Warranty Deed with Vendor's Lien to White Property Company No 2 recorded in Instrument No. 200800115506 of the said Official Public records.

THENCE, South 31 degrees 45 minutes 33 seconds East along the said east line of the second referenced White Property tract and the west line of the third referenced White Property tract a distance of 430.00 feet to a point for corner at the southeast corner of the second referenced White Property tract and the southwest corner of the third referenced White Property tract; said point also being the northwest corner of that certain tract of land described in Warranty Deed to City of Dallas, recorded in Instrument No. 201400079349 and the northeast corner of that certain tract of land described to City of Dallas recorded in Instrument No. 201400079339 both of the said Official Public Records.

THENCE, South 58 degrees 17 minutes 21 seconds West, along the south line of the second referenced White Property tract and the north line of the second referenced City of Dallas tract, a distance of 2,215.72 feet to a point for corner on the west line of the second referenced White Property tract and the east right-of-way line of Duzzy Dean Drive (a variable width right-of-way); said point being the southwest corner of the second referenced White Property Tract and the northwest corner of the second referenced City of Dallas tract.

THENCE, North 31 degrees 02 minutes 18 seconds West, along the said east line of Duzzy Dean Drive and the west line of the second referenced White Property tract at a distance of 1,001.48 passing the said north line of second referenced White Property tract and the said south line of second referenced tract, continuing in a total distance of 1,137.48 feet to a point for corner; said point also being the northwest corner of the first referenced tract and the southwest corner of the said White Tract II.

THENCE, North 58 degrees, 57 minutes, 44 seconds East departing the said east line of Duzzy Dean Drive and along the north line of the first referenced White Property tract and the south line of said White Tract II, a distance of 2,119.77 feet to the POINT OF BEGINNING.

CONTAINING 2,423,098 square feet or 55.627 acres of land, more or less.