

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON APPROVING AN ECONOMIC DEVELOPMENT AGREEMENT UNDER CHAPTER 380 OF THE LOCAL GOVERNMENT CODE TO PROMOTE ECONOMIC DEVELOPMENT AND TO STIMULATE BUSINESS ACTIVITY AND ECONOMIC GROWTH OF THE CITY OF DENTON, BETWEEN THE CITY OF DENTON AND UNITED STATES COLD STORAGE, LP, REGARDING THE EXPANSION OF OPERATIONS AND INCREASE IN THE NUMBER OF JOBS IN THE CITY OF DENTON; AUTHORIZING THE EXPENDITURE OF FUNDS THEREFOR IN AN AMOUNT NOT-TO-EXCEED \$1,067,871; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, United States Cold Storage, LP, a Texas limited partnership (“USCS”), has made a request, on or about March 12, 2025, of the City of Denton (“City”) to establish economic development incentives under Chapter 380 of the Texas Local Government Code for an expansion grant and job-based grant to expand their business and increase the number of jobs in the city to stimulate economic development and growth (“Grant Application”); and

WHEREAS, the Grant Application was subsequently recommended by the Economic Development Partnership Board as compliant with the City of Denton’s Chapter 380 Policy (Resolution No. 24-822, as adopted, on May 7, 2024) and the City Council hereby also finds compliance therewith; and

WHEREAS, City and USCS have negotiated a Chapter 380 Economic Development Agreement to reflect the terms of the incentive, a copy of which is attached hereto and made a part hereof by reference (the “Agreement”); and

WHEREAS, the City Council of the City of Denton hereby finds that the contemplated use for the proposed purposes and considerations provided for in the Agreement, and the other terms and conditions of the Agreement, will promote economic development, increase capital investment, and stimulate business and commercial activity within the City of Denton for the benefit of the public and therefore meets the requirements under Chapter 380 of the Texas Local Government Code; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The recitals and findings contained in the preamble of this Ordinance are found to be true and are incorporated into the body of this Ordinance.

SECTION 2. The City Manager, or their designee, is hereby authorized to execute the Agreement attached hereto on behalf of the City of Denton and to carry out the City’s responsibilities and rights under the Agreement, including without limitation the authorization to make the expenditures set forth in the Agreement.

SECTION 3. This Ordinance shall become effective immediately upon its passage and approval.

The motion to approve this Ordinance was made by _____ and seconded by _____, the Ordinance was passed and approved by the following vote [____ - ____]:

	Aye	Nay	Abstain	Absent
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Suzi Rumohr, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2025.

GERARD HUDSPETH, MAYOR

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY:  _____
Scott Bray
Deputy City Attorney

THE STATE OF TEXAS §

COUNTY OF DENTON §

ECONOMIC DEVELOPMENT AGREEMENT WITH
UNITED STATES COLD STORAGE, LP

This Economic Development Agreement (this “Agreement”) is made and entered into as of the Effective Date as defined herein by **United States Cold Storage, LP** (“Grantee”), a Texas Limited Partnership located at 5150 Pulaski Street, Dallas, TX 75247, and the **City of Denton** (“City”), a Texas home-rule municipal corporation, located at 215 E. McKinney St., Denton, Texas, for the purposes and considerations stated below. Grantee and City may be individually referred to as a “Party” and collectively as the “Parties.”

WHEREAS, this Agreement is authorized pursuant to Article III, Section 52-a of the Texas Constitution and Chapter 380 of the Texas Local Government Code (the “Act”) to promote local economic development and to stimulate business and commercial activity in the City of Denton; and

WHEREAS, Grantee intends to expand their business (the “Expansion Plans” as shown in Exhibit B attached hereto and incorporated herein for all purposes) and increase the number of jobs in the City of Denton; and

WHEREAS, on or about March 12, 2025, Grantee submitted an application to the City to request economic development incentives pursuant to the Act (the “Grant Application” ; and

WHEREAS, the Grant Application was reviewed by the Economic Development Partnership Board (the “EDP Board”) in accordance with the City of Denton Chapter 380 Policy on May 14, 2025 , and the EDP Board found the Grant Application meets the qualifications for financial incentives and recommended approval of the proposed incentives unanimously; and

WHEREAS, the City Council of the City of Denton (“City Council”), authorized, by ordinance, an incentive in the form of a grant to the Grantee to expand the business and retain jobs in the City of Denton and found that the contemplated use of funds to be provided will promote economic development, increase employment, and stimulate business and commercial activity within the City of Denton for the benefit of the public and therefore meets the requirements under Chapter 380 of the Texas Local Government Code; and

WHEREAS, the City Council determined that a grant of funds in accordance with the terms of this Agreement will accomplish the public purpose of stimulating economic development and that all transactions involving the use of public funds and resources in the establishment and administration of this Agreement contain controls likely to ensure that the public purpose is accomplished; and

NOW, THEREFORE, the City and Grantee, for and in consideration of the promises contained herein do hereby contract, covenant, and agree as follows:

I. DEFINITIONS

“Base Year” means the 2024 calendar year.

“Base Year Value” means the 2024 certified valuation on January 1, 2024 of the Premises.

“Certificate of Occupancy” means a Certificate issued by the City Building Official for the use of a building, structure or land, when it is determined by the Building Official that the building, structure or proposed land use complies with the provisions of all applicable Codes of the City of Denton pursuant to the Denton Development Code Subchapter 23-5.

“Construction Materials” has the meaning set forth in Paragraph III.A.2 of this Agreement.

“Ad Valorem Rebate” has the meaning set forth in paragraph III.A.1 of this Agreement.

“Sales Tax Grant” has the meaning set forth in paragraph III.A.2 of this Agreement.

“Improvements” means the real property improvements erected or affixed to the Premises by the Grantee following the Base Year, including the approximately 100,000 square foot expansion of the current manufacturing facility situated on the Premises—excluding inventory, vehicles, and supplies, which is not eligible property—as shown on the Expansion Plans attached as Exhibit B.

The “Premises” means the property located at 3255 Jim Christal Road in Denton, Texas, more particularly described on Exhibit C.

“Required Completion Date” has the meaning set forth in paragraph III.B. of this Agreement.

“Required Valuation” has the meaning set forth in paragraph III.B. of this Agreement.

“Resident Job” means a job in the City of Denton held by a permanent, full-time employee (not independent contractor) of the Grantee residing inside the corporate limits of the City of Denton on or before the effective date of this Agreement and during the term of this Agreement.

“Sales and Use Tax(es)” means the 1.5% general municipal sales and use taxes imposed by the City pursuant to Chapter 321 of Texas Tax Code.

“Texas Direct Payment Permit” means a permit issued by the Comptroller allowing payment of Sales and Use Taxes directly to the Comptroller, instead of the seller collecting the Sales and Use Taxes, as authorized by Texas Administrative Code, Title 34, Chapter 3, Subchapter O, Rule Section 3.288, which is received by filing a qualifying Texas Application for Direct Payment Permit, Form AP-101 of the Comptroller.

“Texas Direct Payment Return” means Form 01-119 of the Comptroller used for reporting and paying Sales and Use Taxes directly to the Comptroller under a Texas Direct Payment Permit, or other form used for this purpose that may be required by the Comptroller in the future.

II. GRANT CONDITIONS

Grantee shall satisfy the following conditions to receive the grant payments from the City provided in Articles III and IV, and to avoid termination of this Agreement pursuant to Article VI:

A. Grantee covenants and agrees with the City that the City’s obligations under this Agreement are subject to the fulfillment of the Grantee’s obligations under this Agreement, and Grantee hereby agrees to perform and comply with the terms, conditions, and provisions of this Agreement and in all other instruments and agreements, if any, between Grantee and the City with respect to the financial or other incentives provided herein.

B. Grantee is duly authorized and existing under U.S. law and is in good standing under such laws and is registered to do business in the State of Texas.

C. In the event of any conflict between the City of Denton Code of Ordinances or federal, state, or other local regulations and this Agreement, such ordinances and/or regulations shall control.

D. In accordance with Chapter 2264 of the Texas Government Code, Grantee covenants and certifies that Grantee shall not knowingly employ any person who is not lawfully admitted for permanent residence to the United States or who is not authorized under law to be employed in that manner in the United States (“Undocumented Worker”). During the term of this Agreement, Grantee shall notify the City of any complaint brought against Grantee alleging that Grantee has knowingly employed Undocumented Workers. In accordance with section 2264.052 of the Texas Government Code, if Grantee is convicted of a violation of 8 U.S.C. section 1324a(f) for employing an Undocumented Worker, all grant payments shall be terminated, and Grantee shall repay the amount of all grants with interest of ten percent (10%) per annum from the date the grant payment(s) was made. Repayment shall be paid within 120 days after the date Grantee receives notice of such conviction from the City.

E. For the term of the Grant, Grantee must maintain a place of business within the corporate limits of the City of Denton. For the avoidance of doubt, nothing herein precludes Grantee from maintaining satellite offices in any location, provided the place of business remains within the corporate limits of the City of Denton.

F. Grantee agrees to obtain a Texas Direct Payment Permit prior to purchasing any Construction Materials grantee wants to include in the grant, as defined below, and to thereafter pay Sales and Use Taxes for purchases relating to the construction of the Improvements using Texas Direct Payment Returns. Grantee shall only enter into “separated contracts, and not “lump-sum contracts”, as those terms are defined in Texas Administrative Code, Title 34, Chapter 3, Subchapter O, Rule Section 3.291(a)(3) and (13), for construction of the Improvements.

G. Grantee shall not fail to render for taxation any property located within the City of Denton, nor shall it allow the ad valorem taxes owed to the City on any property owned by the Grantee and located within the City of Denton to become delinquent beyond the last day they can be paid without assessment of penalty, as such date is generally extended to allow for any appeal.

H. Grantee shall not allow any other municipal fees, levies, assessments, bills, or fines to become delinquent.

I. Grantee shall not discriminate in employment and contracting based on race, sex, sexual orientation, gender identity, age, disability, creed, color, genetics, or national origin, and shall not violate any applicable anti-discrimination laws in connection with Grantee's business.

J. Grantee agrees to use good faith efforts to purchase and select goods, services, and contractors from businesses located in the City of Denton whenever such goods, services, and contractors are comparable in availability, quality, and price. In the selection of contractors, suppliers, or other persons proposed for work on this Agreement, Grantee agrees to use its good faith efforts to select and employ historically underutilized businesses for work on this Agreement, whenever such vendors are comparable in availability, quality and price; however, Grantee is not required to use such vendors. Grantee is not required to but may submit information related to any good faith efforts as it relates to the local procurement of goods and services or the use of historically underutilized businesses with its annual Certificate of Compliance.

III. TERMS OF GRANTS

A. As consideration for the retention of jobs for the residents of the City of Denton, the Grantee's ongoing business and increased capital investment within the City of Denton, and subject to the Grantee meeting all of the terms and conditions of this Agreement, the City will provide the following grants to the Grantee:

1. A grant equal to 60% of the increase in City ad valorem taxes above the Base Year attributable to the Improvements and tangible personal property on the Premises (excluding inventory, vehicles and supplies, and increases to land value) as determined by the Denton Central Appraisal District (DCAD), paid annually for a period of eight (8) years, commencing the first year following receipt by Grantee of the new Certificate of Occupancy based on the Improvements completed after the Base Year (the "Ad Valorem Rebate").
2. A Sales Tax Grant equal to seventy-five percent (75%) of the Sales and Use Taxes, up to a maximum of Eighty Five Thousand Nine Hundred and One dollars (\$85,901.00), paid by Grantee and actually received by the City on taxable purchases for items utilized in or incorporated into the construction, development, and furnishing of the Improvements, such items which include, but are not limited to, construction materials, furniture, fixtures, equipment, operational supplies and equipment (collectively, the

“Construction Materials”) as set forth in the Texas Direct Payment Returns submitted by Grantee to the Comptroller and verified by the City’s Economic Development and Finance Departments; provided however, that City shall not be obligated to pay any portion of the Grant related to Construction Materials purchased for the Improvements after the later of (i) 180 days after the date upon which a Certificate of Occupancy is issued for the Improvements, or (ii) the Required Completion Date. Grantee acknowledges and understands that: (i) the Construction Materials are required by state law to be purchased for Grantee’s own use and not resold; and (ii) labor is not taxable, so the contract(s) entered by Grantee, and desired by Grantee to be included in the calculation of the Grant amount, must be “separated contracts” rather than “lump-sum contracts” in order for the Sales and Use Tax to be eligible for payment on Texas Direct Payment Returns and included in the Sales Tax Grant calculations.

B. A condition of the Grant is that, by December 31, 2027 (the “Required Completion Date”), Grantee shall have made the Improvements on the Premises which result in a combined assessed valuation of the improvements and tangible personal property (excluding inventory, vehicles, and supplies) on the Premises of at least \$26,000,000, as determined by DCAD the Required Completion Date. The City may, in its sole discretion, grant an extension of up to 180 days for the making of the Improvements.

C. The total amount of the Sales Tax Grant and the Ad Valorem Rebate shall not exceed One Million Sixty Seven Thousand, Eight Hundred Seventy One dollars (1,067,871).

D. Payment of any portion of the Grant is subject to annual appropriation by the City Council in the annual budget, and the City’s obligations under this Agreement shall not constitute a general obligation of the City or indebtedness under the constitution or laws of the State of Texas.

E. If the assessed value for the Premises for any year during the Term of this Agreement, as determined by the DCAD, is less than \$26,000,000, the City will not make any payment for any portion of the Ad Valorem Rebate for that year.

IV. PAYMENTS OF GRANTS

A. Subject to the terms and conditions of this Agreement, the City hereby agrees to pay the Grantee, on an annual basis, after the completion of the Improvements and the first assessment of ad valorem taxes on the Premises following receipt by Grantee of a Certificate of Occupancy for the Improvements, an amount equal to 60% of the difference between: (a) the then-current City ad valorem taxes payable for the Premises and the Improvements and (b) the Base Year Valuation City ad valorem taxes for the Premises and Improvements, as provided in Section III.A.

B. The payments shall be made annually for a period not to exceed eight (8) years during the term of this Agreement, with the first payment being due and payable on or before 90 days after the City is in receipt of all City ad valorem taxes due and payable for the Property and

Improvements as of January 1st of the year following the calendar year in which the Improvements are completed and a Certificate of Occupancy is issued by the City for the Improvements and the business personal property category breakdown is provided by DCAD.

C. As a condition precedent to Grantee receiving the Sales Tax Grant payment, Grantee shall satisfy of all the terms, conditions, requirements and conditions precedent in this Agreement no later than 180 days following the date of issuance of a Certificate of Occupancy by City for the Improvements. Grantee shall submit a written Request for the Sales Tax Grant Payment to City within sixty (60) days after the last to occur of: (i) the Required Completion Date or (ii) the Required Valuation. Grantee's written request for payment of the Sales Tax Grant ("Request for Grant Payment") shall include: (i) a copy of Grantee's Texas Direct Payment Returns, with evidence of filing and payment of amounts reflected thereon, which reflect an amount to be included in the calculation of the Sales Tax Grant payment and the total of Grant payment requested and (ii) a completed Certificate of Compliance in the form attached hereto as Exhibit A.

D. Payments shall be issued to United States Cold Storage, LP unless an approved assignment occurs under Article XIV herein, in which case payment shall be directed to the entity assigned rights under this Agreement.

V AUDITS AND MONITORING

Grantee shall deliver to the City before March 31st of each year a Certificate of Compliance utilizing the form attached as **Exhibit A**, beginning on the year following issuance of the Certificate of Occupancy and each year thereafter during the term of this Agreement. Said Certificate of Compliance shall reflect all relevant information from the previous calendar year. In the Certificate of Compliance, Grantee shall warrant to the City that it is in full compliance with its obligations under this Agreement for the preceding year.

During the term of this Agreement, the City reserves the right to conduct audits of the employment records of the Grantee related to this Agreement if, in the sole opinion of the City, such action is determined to be necessary. Grantee agrees upon reasonable advance request to furnish the City with additional records and information reasonably requested to support that the terms and conditions of this Agreement have been satisfied. Failure to provide such assistance shall be grounds for default, and City may withhold a Grant rebate payment until such assistance is provided. During the term of this Agreement, the City will keep, or cause to be kept, copies of the Certificates of Compliance and all documentation or employment records provided by the Grantee, payments made to Grantee, and any other calculations, allocations, and payments required by this Agreement.

VI. DEFAULT AND TERMINATION

If a party fails to perform any of its obligations under this Agreement and such failure is not cured within thirty (30) days after written notice, the failure of the non-performing party to

cure within such thirty (30) day period (or to commence and continue diligently to cure such default if the nature of the failure cannot reasonably be cured within 30 days in the exercise of all due diligence) shall constitute a default under this Agreement. A default by either party shall entitle the non-defaulting party to all remedies available at law or in equity, including but not limited to, termination of this Agreement, injunctive relief, specific performance, and suspending or withholding rebate Grant payments.

VII. INDEMNITY

IT IS UNDERSTOOD AND AGREED THAT GRANTEE IN PERFORMING ITS OBLIGATIONS HEREUNDER IS ACTING INDEPENDENTLY AND THE CITY ASSUMES NO RESPONSIBILITIES OR LIABILITIES IN CONNECTION THEREWITH TO THIRD PARTIES AND GRANTEE AGREES TO DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY FROM AND AGAINST ANY AND ALL DIRECT AND INDIRECT DAMAGES INCURRED BY THE CITY RESULTING FROM CLAIMS, SUITS, AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER BROUGHT BY ANY THIRD PARTY ARISING OUT OF GRANTEE'S NEGLIGENCE IN THE PERFORMANCE OF ITS OBLIGATIONS HEREUNDER.

VIII. REPRESENTATIONS AND WARRANTIES BY THE CITY

The City represents and warrants that:

A. The City is a home rule Texas municipal corporation that has the power to enter into and has taken all actions to date required to authorize this Agreement and to carry out its obligations hereunder; and

B. The City knows of no litigation, proceedings, initiative, referendum, investigation, or threat of any of the same contesting the powers of the City or its officials with respect to this Agreement that has not been disclosed in writing to Grantee; and

C. The City knows of no law, order, rule, or regulation applicable to the City or to the City's governing documents that would be contravened by, or conflict with, the execution and delivery of this Agreement; and

D. This Agreement constitutes a valid and binding obligation of the City, enforceable according to its terms, except to the extent limited by governmental immunity and bankruptcy, insolvency, and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity;

E. The funds granted by the City are derived from sources lawfully available to the City and are not proceeds of bonds or other obligations of the City payable from ad valorem taxes.

IX.
REPRESENTATIONS AND WARRANTIES BY GRANTEE

Grantee represents and warrants that:

A. Grantee is a Limited Partnership duly registered and validly existing under the laws of the State of Texas and is, or prior to the Effective Date of this Agreement will be, qualified to do business in the State of Texas and has the legal capacity and the authority to enter into and perform its obligations under this Agreement; and

B. The execution and delivery of this Agreement and the performance and observance of its terms, conditions and obligations have been duly and validly authorized by all necessary action on its part to enter into this Agreement; and

C. Grantee knows of no litigation proceeding, initiative, referendum, or investigation or threat of any the same contesting the powers of the City, Grantee or any of its principals or officials with respect to this Agreement that has not been disclosed in writing to the City; and

D. Grantee has the necessary legal ability to perform its obligations under this Agreement and has the necessary financial ability, through borrowing or otherwise, to construct improvements on the portions of the property that Grantee may acquire or improve in accordance with this Agreement. This Agreement constitutes a valid and binding obligation of Grantee, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity.

X.
RIGHTS OF LENDERS AND INTERESTED PARTIES

The City is aware that financing for Grantee may be provided, in whole or in part, from time to time, by one or more third parties, including, without limitation, lenders, major tenants, equity partners and purchasers or developers (individually, an "Interested Party" and collectively, "Interested Parties"). In the event Grantee fails to perform any of its obligations under this Agreement, all notices to which Grantee is entitled under Article XV of this Agreement shall be provided to the Interested Parties at the same time they are provided to Grantee (provided the Interested Parties have previously been identified to the City and provided their notice addresses to the City). If any Interested Party is permitted under the terms of its agreement with Grantee to cure the event of default and/or to assume Grantee's position with respect to this Agreement, the City agrees to recognize such rights of the Interested Party and to otherwise permit the Interested Party to cure the event of default and to assume all of the rights and obligations of Grantee under this Agreement. The City shall, at any time upon reasonable request by Grantee, provide to any Interested Party an estoppel certificate or other document evidencing that this Agreement is in full force and effect and that no event of default by Grantee exists hereunder (or, if appropriate, specifying the nature and duration of any existing event of default). Upon request by any Interested Party, the City will enter into a separate assumption or similar agreement with such Interested Party, consistent with the provisions of Article XIV.

XI.
COMPLIANCE

This Agreement shall be conditioned upon and subject to compliance with applicable federal, state, and City laws, ordinances, rules, and regulations.

XII.
NO VESTED RIGHTS

The Grantee shall be subject to all applicable ordinances of the City, whether now existing or in the future arising. This Agreement shall confer no vested rights, as defined and referenced in Chapter 245 of the Texas Local Government Code, as amended, on the Grantee or property where Grantee conducts business. Grantee agrees and acknowledges that this Agreement is not required by the City to complete the project described in the Grant Application.

XIII.
ENTIRE AGREEMENT; CHANGES AND AMENDMENTS

This Agreement constitutes the entire agreement of the Parties with regard to the subject matter hereof. Except as specifically provided otherwise in this Agreement, any alterations or deletions to the terms of this Agreement shall be by written amendment executed by both Parties to this Agreement.

XIV.
SUCCESSORS AND ASSIGNS

This Agreement shall be binding on and inure to the benefit of the Parties, their respective successors, and assigns. Grantee may assign all or part of its rights and/or obligations in or to or under this Agreement upon written notice to the City of such assignment. The City may execute an amendment to this Agreement evidencing the assignment and the City's execution of said amendment to the Agreement shall not be unreasonably withheld or delayed. If an assignee agrees in writing to be bound by the terms and conditions of this Agreement and executes an amendment to this Agreement stating the same, the assignor shall be released as to the obligations assigned but not as to any obligations or liabilities of the assignor to the City that arose prior to the assignment.

XV.
NOTICE

Any notice and/or statement required or permitted to be delivered shall be deemed delivered five business days after being deposited in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses, or at such other addresses provided by the Parties in writing. Any such notice and/or statement shall also be deemed delivered when delivered by a nationally recognized delivery company (e.g., FedEx or UPS) with evidence of delivery signed by anyone at the delivery address.

If to Grantee:

UNITED STATES COLD STORAGE, LP
Attn: Erica Mathews
2 Aquarium Drive, Ste. 400
Camden, NJ 08103
Phone: 856-813-4892

If to the City:

City of Denton
Attn: City Manager
215 E. McKinney
Denton, Texas 76201
Phone: (940) 349-8307
Fax: (940) 349-8596

With a copy to:

City of Denton
Attn: City Attorney
215 E. McKinney
Denton, Texas 76201
Phone: (940) 349-8333
Fax: (940) 382-7923

XV. APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws and court decisions of the State of Texas. Venue for any action under this Agreement shall be the State's District Court of Denton County, Texas. This Agreement is performable in Denton County, Texas.

XVI. BENEFIT OF AGREEMENT

This Agreement is executed solely for the benefit of the Parties and their successors and assigns, and nothing in this Agreement is intended to create any rights in favor of or for the benefit of any third party.

XVII. LEGAL CONSTRUCTION/PARTIAL INVALIDITY OF AGREEMENT

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid or unenforceable, upon written, mutual agreement of both parties and approval of the City Council, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

XVIII. FORM 1295

Submitted herewith is a completed Form 1295 generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the

"Form 1295"). The City hereby confirms receipt of the Form 1295 from the Owner and the Developer, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Parties understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Owner; and neither the City nor its consultants have verified such information.

**XIX.
TERM**

This Agreement shall be effective as of the Effective Date. This Agreement will terminate on the earlier to occur of December 31, 2035 or the date of termination for default in accordance with Article VI. After termination of this Agreement, the City shall not be liable to make any further payments to Grantee.

EXECUTED and effective as of the _____ day of _____, 2025 ("Effective Date"), by the City signing by and through its City Manager, duly authorized to execute same by action of the City Council, and by Grantee, acting through its duly authorized officials.

CITY OF DENTON, TEXAS

By: _____
SARA HENSLEY, CITY MANAGER

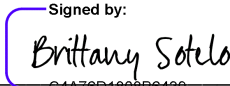
ATTEST:

LAUREN THODEN, CITY SECRETARY

APPROVED AS TO LEGAL FORM:

By:  _____
Scott Bray
Deputy City Attorney
MACK REINWAND, CITY ATTORNEY

THIS AGREEMENT HAS BEEN
BOTH REVIEWED AND APPROVED
as to financial and operational obligations and
business terms.

Signed by:

C4A76D1808B0439...
SIGNATURE

Brittany Sotelo

PRINTED NAME

Director

TITLE

Economic Development

DEPARTMENT

UNITED STATES COLD STORAGE, LP

Signed by:
By: Erica Mathews
6CBB957E0C1D4B6...

Its: VP Finance & Accounting

EXHIBIT A

CITY OF DENTON
INCENTIVE
ANNUAL CERTIFICATE OF COMPLIANCE

United States Cold Storage, LP

A. Payment

1. The Chapter 380 Agreement provides annual payments for up to 8 years based on conditions being met. For years one through ten, the Agreement provides for annual rebates equal to 60 percent of the increase above the base year of the City's ad valorem taxes received for the previous year, excluding the value of land, inventory or vehicles.

2. The City property taxes paid for January 1, 20_ valuation are:

3255 Jim Christal Rd.

Real Property: _____

Business Personal Property: _____

3. List dates and periods of filing of Texas Direct Payment Returns and the amount of City of Denton Sale and Use Taxes paid to the Comptroller with each return (attach additional page if needed):

Reporting Period	Date Return Filed	Amount Paid

A. Required Attachments

I hereby certify that, to the best of my knowledge and belief, the information provided herein is accurate and in compliance with the terms of the Economic Development Agreement with the City of Denton, Texas. I have provided a copy of all documentation needed to substantiate the job retention threshold requirement for which I am requesting a rebate payment.

Printed Name and Title of Certifying Officer

Signature of Certifying Officer

Date

Note: This form is due by March 31 of each year after the commencement date, and as long as this Agreement is in effect.

Attach employee roster as required by Economic Development Agreement.

This Certificate of Compliance should be mailed to:

City of Denton
Attn: Economic Development
401 N. Elm St.
Denton, TX 76201

EXHIBIT C

Property Description

BEING Lot 13R-1, Block A of the WESTPARK ADDITION to the City of Denton, Denton County, Texas, according to the plat thereof recorded in cc#2018-54, Plat Records of Denton County, Texas.