Addison City Council Meeting

October 28, 2025
Addison Town Hall
5300 Belt Line Road
Dallas, Texas 75254

AMENDED 10/28/25 at 2:17 p.m. - Addition of Updated Ordinance to IC Item 5.b. (Residential Rental Registration)

Email comments may be submitted using the Public Comment Form located on Addison's website by 3:00 PM on the meeting day. The meeting will be live-streamed at www.addisontx.gov.

WORK SESSION

The Addison City Council will convene in the Town Hall Parlor beginning at 5:30 PM.

1. **Call Meeting to Order and Announce that a Quorum is Present.**

2. **Proclamations / Presentations**

   a. 2025 Food Service Safety & Sanitation Awards Recognition

3. **Public Comment.** The City Council invites citizens to address the City Council on any matter, including items on the agenda, except public hearings that are included on the agenda. Comments related to Public Hearings will be heard when the specific hearing starts. Citizen comments are limited to three (3) minutes, unless otherwise required by law. To address the Council, please fill out a City Council Appearance Card and submit it to a staff member prior to the Public Comment item on the agenda. The Council is not permitted to take any action or discuss any item not listed on the agenda. The Council may choose to place the item on a future agenda.

4. **Council Member Clarification Requests Regarding Consent Agenda Items.**

   a. Council Questions & Answers.

5. **Closed Meeting.** The Addison City Council will enter a Closed Meeting pursuant to Texas Government Code Sections 551-071 through 090 to discuss the following item(s):

   a. Pursuant to Section 551.087(1): Economic Development Negotiations to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations:
      - Project Rushmore

6. **Open Meeting.** In accordance with Texas Government Code Chapter 551, the Addison City Council will reconvene in an Open Meeting to consider action, if any, on the matters discussed in the Closed Meeting.

7. **Work Session Reports.**

   a. Present and discuss owner-occupied housing in Addison.

   b. Present and discuss a Tax Increment Financing (TIF) tool used to incentivize economic development within a Tax Increment Reinvestment Zone (TIRZ).

   c. Present and discuss the 2025 Draft Master Transportation Plan to include updates from the 2016 Master Transportation Plan, improved roadway cross-sections, incorporation of the Advance Addison 2050, pedestrian toolbox, and revised speed limits, public comments received along with an overview of upcoming project recommendations as prepared by Kimley-Horn and Associates, Inc. in coordination with Town staff.

COUNCIL MEETING

The Addison City Council will convene for a Council Meeting beginning at 7:00 PM in the Town Hall Council Chambers.

1. **Pledge of Allegiance.** United States and Texas Flags

2. **Proclamations / Presentations**

   a. City Manager's Announcements.

   b. Employee Recognition.

3. **Public Comment.** The City Council invites citizens to address the City Council on any matter, including items on the agenda, except public hearings that are included on the agenda. Comments related to Public Hearings will be heard when the specific hearing starts. Citizen comments are limited to three (3) minutes, unless otherwise required by law. To address the Council, please fill out a City Council Appearance Card and submit it to a staff member prior to the Public Comment item on the agenda. The Council is not permitted to take any action or discuss any item not listed on the agenda. The Council may choose to place the item on a future agenda.

4. **Consent Agenda.** All items listed under the Consent Agenda are considered routine by the City Council and will be enacted by one motion with no individual consideration. If individual consideration of an item is requested, it will be pulled from the Consent Agenda and discussed separately.

   a. Consider action on the Minutes from the October 14, 2025 Regular City Council Meeting.

   b. Consider action on a Resolution denying the rate change application proposed by Oncor Electric Delivery Company LLC.

   c. Consider action on an Ordinance to amend the Code of Ordinances by amending Chapter 66 (Solid Waste) Article II (Collection And Disposal), Division 2 (Service Charge) Section 66-52 increasing from $14.83 to $15.74 the monthly fee for each residential unit.

   d. Consider action on a Resolution adopting an investment strategy and approving brokers, dealers, and financial institutions for fiscal year 2025-2026.

e. Consider action on a Resolution approving an agreement between the Town of Addison and Kleen Pipe Underground Pipe Maintenance for the repair and cleaning of stormwater pipe and authorizing the City Manager to execute the agreement in an amount not to exceed $211,068.

f. Consider action on a Resolution approving an agreement between the Town of Addison and Halff Associates, Inc. for Farmers Branch Creek Drainage Basin Stormwater Infrastructure Assessment and authorizing the City Manager to execute the agreement in an amount not to exceed $271,000.

5. **Items for Individual Consideration.**

a. Present, discuss, and consider action on a Resolution establishing the Town's intent to reimburse itself for prior lawful expenditures of funds relating to the purchase of vehicles and equipment in the amount of $2,000,000.

b. Present, discuss, and consider action on an Ordinance amending Chapter 22 "Businesses", Article X "Residential Rental Registration" to amend definitions, to provide for fees, and to include public safety and calls for service as a specific consideration in annual registration and periodic inspection of rental properties, specifically hotels and motels.

c. Present, discuss, and consider action on a Resolution authorizing the City Manager to execute a bundled, multi-year agreement with Axon Enterprise, Inc. for the purchase, licensing, and support of law enforcement technology solutions in an amount not to exceed $273,098.18 due at signing and an annual recurring fee $275,175.69 for subsequent years; and providing an effective date.

d. Present, discuss, and consider action on a Resolution authorizing the City Manager to execute a managed services agreement with Flock Group, Inc. for the license plate reader solutions to provide hardware, software, maintenance, and support in an amount not to exceed $266,132.50 due at signing, with an annual recurring fee of $238,220.00; and providing an effective date.

e. Present, discuss, and consider action on a Resolution approving a Ground Lease Agreement between the Town of Addison and Thrust Properties, LLC for commercial aviation use on approximately 2.34 acres of improved and unimproved airport land located at Addison Airport, authorizing the City Manager to execute the Ground Lease Agreement and establishing an effective date.

f. Present, discuss, and consider action on an Ordinance approving a Boundary Agreement between the Town of Addison and the City of Dallas and authorizing the City Manager to execute the Agreement.

6. **Items of Community Interest.** The City Council will have this opportunity to address items of community interest, including: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition; a reminder about an upcoming event organized or sponsored by the Town of Addison; information regarding a social, ceremonial, or community event that was or will be attended by an Addison City Council member or an official; and, announcements involving an eminent threat to public health and safety in Addison that has arisen since posting this agenda.

7. **Adjourn Meeting.**

NOTE: The City Council reserves the right to meet in a Closed Meeting at any time during this meeting to discuss matters listed on the agenda, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551. Any decision held on such matters will be conducted in an Open Meeting following the conclusion of the Closed Meeting.

THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS WITH DISABILITIES. PLEASE CALL (972) 450-7017 AT LEAST 48 HOURS IN ADVANCE IF YOU NEED ASSISTANCE.

Posted by: Valencia Garcia, City Secretary
Date posted: October 22, 2025 Time posted: 5:17 PM
Date removed from bulletin board: _____
Removed by: _____

2025 City Council Regular Meeting **2. a.**

Meeting Date: 10/28/2025

Department: City Manager

AGENDA CAPTION:

2025 Food Service Safety & Sanitation Awards Recognition

BACKGROUND:

The following will be recognized as 2025 Food Service Safety & Sanitation Award Winners:

Full Service Dining - Putt Shack
Fast Food - Raising Canes Chicken Fingers and Shake Shack
Sandwich / Deli Shops - Schlotzsky's

FISCAL IMPACT

N/A

RECOMMENDATION

Information only.

2025 City Council Regular Meeting **4. a.**

Meeting Date: 10/28/2025

Department: City Manager

AGENDA CAPTION:

Council Questions & Answers.

BACKGROUND:

The Council Questions and Answers document, along with any handout(s) provided during the meeting, will be attached below. Due to the requirement to post the agenda prior to these attachments being created, the Council Questions and Answers document will be uploaded just prior to the meeting. Any handouts presented during the meeting will be added on the next business day.

FISCAL IMPACT

N/A

RECOMMENDATION

Information only.

Attachments

Council Q & A - October 28, 2025

Answers to Council Questions – October 28, 2025

Consent Agenda

Consent Item 4.c. Consider action on an Ordinance to amend the Code of Ordinances by amending Chapter 66 (Solid Waste) Article II (Collection And Disposal), Division 2 (Service Charge) Section 66-52 increasing from $14.83 to $15.74 the monthly fee for each residential unit.

- **Question 1:** Please clarify the background and this sentence: *"As stated in the contract, prices will increase or decrease by one hundred percent (100%) in wholesale price as measured by the Consumer's Price Index for All Urban Consumers (CPI-U) U.S. City Average."*
  Response: This is referring to the specific dataset from the U.S. Bureau of Labor Statistics that is used annually to determine price changes to the Town and our residential customers. The data that CWD uses to adjust prices and Town staff uses to verify the accuracy of the information can be seen at the following website https://data.bls.gov/dataViewer/view/timeseries/CUUR0000SEHG02.

Consent Item 4.f. Consider action on a Resolution approving an agreement between the Town of Addison and Halff Associates, Inc. for Farmers Branch Creek Drainage Basin Stormwater Infrastructure Assessment and authorizing the City Manager to execute the agreement in an amount not to exceed $271,000.

- **Question 1:** When is the last time this work was bid out to ensure competitive pricing?
  Response: The Town's most recent Request for Qualifications for Engineering Services was received and approved in 2017. Several firms were selected in various categories to work in the Town of Addison. The firm for this project was selected from the overall list based on competency, expertise, and qualifications required for project. Staff requested a proposal which included a scope and fee to perform these services. When procuring engineering services staff has the ability negotiate the contract for a fair and reasonable cost following selection. If for any reason staff is unable to negotiate the fee with the engineering firm, then they will move to the next engineering firm from the RFQ list to request a proposal including scope and fee.

Individual Consideration

Item 5.a. Present, discuss, and consider action on a Resolution establishing the Town's intent to reimburse itself for prior lawful expenditures of funds relating to the purchase of vehicles and equipment in the amount of $2,000,000.

- **Question 1:** Will this savings affect (lower) the debt service part of the property tax rate?

Response: It would lower the portion of the debt service tax rate from current projections for the years 2027-2034. Staff estimates an approximate $0.002/100 reduction resulting from the bond refunding under current market conditions.

- **Question 2:** Capital Replacement Fund for Airport fund vs financing. There was a discussion at the Jan 22, 2019 Work Session and Regular Meeting about the Airport Rescue Firefighting Vehicle being in the Capital Replacement Fund.
  Response: The Airport Rescue Fire Fighting Vehicle was originally in the Capital Equipment Replacement Fund with a 10-year useful life. Due to significant cost increases, staff presented a funding change for Fire Apparatus' during the Capital Improvement Plan and Bond Issuance work session item at the June 25, 2024 meeting. The recommendation was to finance Fire Apparatus' that cost over $1 million and have useful lives of 10 years or more.

- **Question 3:** What is the history on the Airport Rescue Firefighting Vehicle? When was it approved? How old is the current one?
  Response: The Airport Rescue Firefighting (ARFF) vehicle, known as Rescue 101, is specifically designed and equipped to respond to fire or crash incidents involving aircraft or occurring at or regarding the Addison Airport. This specialized vehicle plays a critical role in ensuring rapid response capabilities for airport-related emergencies.

  The current Rescue 101 is a 2020 Rosenbauer Panther 4x4 (fleet #208). The Council approved purchase on January 22, 2019, and we took possession the following year. As of today, the unit is nearly six years old and continues to serve as the department's dedicated ARFF vehicle.

  During the July 1 Budget CIP presentation, Assistant Chief CJ Alexander briefly addressed a question explaining why the current vehicle is being replaced, which is to transition from the current fire suppressant foam. The current vehicle contains Aqueous Film Forming Foam (AFFF), used for suppressing fuel-based fires, particularly those involving aircraft or flammable liquids. However, AFFF contains per-and polyfluoroalkyl substances (PFAS), a group of synthetic chemicals often referred to as "forever chemicals" because they do not break down in the environment and can accumulate in water, soil, and the human body over time. PFAS compounds have been linked to adverse health effects and their use is increasingly restricted by federal and state environmental agencies.

  The Addison Fire Department is transitioning from Aqueous Film Forming Foam (AFFF) to Fluorine-Free Foam (F3) as part of a national shift toward safer and more environmentally responsible firefighting practices. F3 foam does not contain PFAS and provides effective fire suppression capabilities while eliminating the long-term environmental and health hazards associated with AFFF. Transitioning to F3 aligns

with best practices recommended by the FAA, EPA, and NFPA, and demonstrates the Town's commitment to protecting both firefighter safety and the community's environmental health.

Decontaminating existing ARFF vehicles is complex, costly, and uncertain. PFAS chemicals cannot be fully removed, and all waste must be contained and stored until approved destruction methods are identified. Options such as incineration, landfill, or deep-well injection are expensive and carry ongoing liability.

Item 5.b. Present, discuss, and consider action on an Ordinance amending Chapter 22 "Businesses", Article X "Residential Rental Registration" to amend definitions, to provide for fees, and to include public safety and calls for service as a specific consideration in annual registration and periodic inspection of rental properties, specifically hotels and motels.

- **Question 1:** During the 10-14-25 meeting, there was discussion to include incremental/additional fines and fees before / in addition to the 6-month window of CO revocation. Please explain why there are not incremental/additional fines and fees before / in addition to the 6-month window of CO revocation.
  Response: The proposed ordinance states that failing to correct or implement changes in operation required under the Tier 2 classification *may* result in the revocation of the certificate of occupancy and/or the annual registration permit. This is not an automatic revocation. Staff wanted to keep the option open for situations that may require a more direct response. As stated in the previous work session presentation, the main goal of this ordinance is to address problematic locations. Staff will continue working with properties to educate and offer solutions to help bring them into compliance. The ordinance also permits the assessment of fines and fees as options.

Item 5.c. Present, discuss, and consider action on a Resolution authorizing the City Manager to execute a bundled, multi-year agreement with Axon Enterprise, Inc. for the purchase, licensing, and support of law enforcement technology solutions in an amount not to exceed $273,098.18 due at signing and an annual recurring fee $275,175.69 for subsequent years; and providing an effective date.

- **Question 1:** When was this previously approved or discussed?
  Response:

Component	Previous Approval Date	Agenda Summary
Tasers (TASER 7)	October 29, 2019	Approved purchase of (55) TASER 7 devices and accessories from Axon for $128,885.90. Existing TASERs were no longer supported.

Bodycams	August 24, 2021	Approved Axon contract for (70) bodycams, (38) in-car video, and (1) interview room systems for $538,453.10.
Bundled Upgrade (TASER 10, Bodycams, Interview Room, New Tech)	October 28, 2025 (***Current Agenda***)	Proposed bundled agreement with Axon for $1,373,800.94 to replace (65) TASERs, (75) Bodycams, and (1) Interview room system, and add new technologies.

- **Question 2:** What are the details of the current equipment, contract, services such as age, costs, etc.
  Response:

Component	Current Equipment	Age	Contract Status	Original Cost	Notes
TASERs	(55) TASER 7	6 years (since 2019)	Expired (Jan 2025)	$128,885.90	Devices are end-of-life and out of warranty
Bodycams	(70) Bodycams, (38) in-car cameras, (1) interview room system	4 years (since 2021)	Active (expires Oct 2026)	$538,453.10	Integrated with DA's office and Mark43 Police Records Management System (RMS)
Proposed Bodycams and Tasers Upgrade	(65) TASER 10, (75) Bodycams, (1) Interview Room, Axon Assistant, Fusus RTCC (Core Operating Platform)	N/A	Pending Approval	$1,373,800.94	Includes VR training, AI tools, and real-time video integration. Integrated with DA's office and Mark43 Police Records Management System (RMS)

Item 5.e. Present, discuss and consider action on a Resolution approving a Ground Lease Agreement between the Town of Addison and Thrust Properties, LLC for commercial aviation use on approximately 2.34 acres of improved and unimproved airport land located

at Addison Airport, authorizing the City Manager to execute the Ground Lease Agreement and establishing an effective date.

- **Question 1:** Is there interest from others for redevelopment in that same area of the airport?
  Response: The Town released an RFQ in 2023 for the redevelopment of 2.34 acres of land and received two responses. Thrust Aviation was selected as the preferred respondent as the other respondent was a developer proposing a speculative executive/corporate hanger facility. We have received additional interest over the last few months from others who did not respond to the Town's RFQ.

- **Question 2:** Should we give all interested parties the opportunity to present their proposals?
  Response: Staff is recommending Thrust Aviation based on their response to the RFQ that was open to all interested parties for response as well as the good faith negotiations over the last two years to finalize the lease agreement that is being presented to Council for review.

- **Question 3:** Please provide a comparison summary of ground leases at the Airport.
  Response: Please see attached document.

- **Question 4:** Please provide the original PDF (not scanned) copy of the Ground Lease Agreement.
  Response: Please see attached document.

Addison Airport Ground Lease Summary
10/27/2025

Address	Tenant	Land Area	Building Area (BSF)	Minimum Construction Value	Actual Construction Value	Contract Lease Term	Lease Term
4485 Eddie Rickenbacker	Sky Squared, LLC	92,376 SFL (2.14 acres)	Hangar 25,144 Shop ,535 Office 2,786 28,465	$4,500,000[1]	$13,031,986	40-years	6/1/2025-5/31/2065 Agrmt. Effective Date 6/17/2022
4641 Airport Parkway	Sky B&B	131,987 SFL (3.03 acres)	Hangar 27,210 Office/Shop 6,500 33,710	$3,000,000[2]	$8,351,456	40-years	3/1/2016-2/29/2056 Agrmt. Effective Date 4/23/2014
4505 Claire Chennault Drive	Sky Harbour / Addison Hangars LLC	263,712.24 (6.054 acres)	A11a 12,439 Hgr./1,094 off. A11b 12,414 Hgr./1,094 off. A11c 12,434 Hgr./1,094 off. V2 12,397 Hgr./2,003 off. V4 12,397 Hgr./2,003 off. V6 29,934 Hgr./3,528 off. Total 92,015 Hgr. / 10,816 off.	$10,000,000[3]	$23,300,000	40-years	3/19/2025-4/30/2065 Agrmt. Effective Date 6/28/2022
4511 Eddie Rickenbacker	Thrust Properties, LLC	102,104.64 (2.34 acres)	Hangar 17,950 Office/Shop 10,000	$10,000,000[4]	TBD	50-years[5]	TBD

[1] Lease Addendum #2.A.c
[2] Section 6.A of Ground Lease
[3] Lease Addendum #3A.1.b.
[4] Lease Addendum #3.A.3
[5] The statutory term limit increased 9/1/2023 Tx SB1716 2023-2024 88th Legislatures

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STATE OF TEXAS §

§

COUNTY OF DALLAS §

Summary of Exhibits

- Exhibit 1: Legal Description of Addison Airport
- Exhibit 2: Property Survey of Demised Premises
- Exhibit 3: Legal Description of Demised Premise
- Exhibit 4: Description of Building Improvements and Approved Site Plan
- Exhibit 5: Form of Irrevocable Standby Letter of Credit
- Exhibit 6: Form of Memorandum of Lease
- Exhibit 7: Master Landlord Sublease Consent Form
- Exhibit 8: Environmental Reports
- Lease Addendum #1: Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices
- Lease Addendum #2: Existing Improvements; Demolition and Site Preparation
- Lease Addendum #3: Construction of New Building Improvements

GROUND LEASE AGREEMENT

This Ground Lease Agreement ("Lease" or "Agreement") is made and entered into as of October 1, 2025 (the "Effective Date"), by and among the **Town of Addison, Texas,** a Texas home-rule municipality (hereinafter referred to as "Landlord"), and **Thrust Properties, LLC** a Texas LLC (hereinafter referred to as "Tenant" or as "Thrust") (Landlord and Tenant are sometimes referred to herein together as the "Parties").

WITNESSETH:

WHEREAS, the Landlord is the record title owner of the Addison Airport, a description of which is set forth in Exhibit 1 attached hereto and incorporated herein (the "Airport"); and

WHEREAS, Landlord is the operator and manager of the Airport, and any person or entity appointed or authorized by Landlord from time to time to manage or operate the Airport on behalf of the Landlord (severally and/or collectively) hereinafter shall be referred to as "Airport Manager" or "Manager"); and

WHEREAS, the Town of Addison, as a home-rule municipality, operates under a municipal charter that has been adopted or amended as authorized by Article XI, Section 5 of the Texas Constitution. The Town of Addison, as a municipality, from time to time establishes and enforces federal, state and local ordinances, codes and regulations, which in doing so is acting in its governmental capacity, which may be the same or separate from its capacity as Landlord and Manager provided for herein; and

WHEREAS, Tenant desires to lease from the Landlord, and Landlord desires to lease to Tenant, approximately 2.5 acres of airport land as depicted in Exhibit 2 and more fully described in

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Exhibit 3 attached hereto and incorporated herein by reference as the "Property Survey"), shall, together with the non-exclusive right to use the Common Facilities as defined in Section 17 hereinbelow, according to the terms and conditions set forth in this Agreement, be herein referred to as the "Demised Premises". The Parties hereby acknowledge and agree that the Property Survey, prepared by a licensed surveyor in the state of Texas, provides a legal description by metes and bounds and establishes the gross square feet of land area contained within the Demised Premises used as the multiplier to calculate Base Rent identified in Section 3 hereinbelow.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

Section 1. Demise of the Premises:

A. In consideration of and subject to the terms, covenants, and conditions set forth in this Agreement, Landlord does hereby lease and demise to Tenant, and Tenant does hereby lease from Landlord, the Demised Premises. This Lease is given and entered into subject to (i) all federal, state, and local laws, statutes, constitutional provisions, charters, ordinances, codes, rules, regulations, directives, policies, permits, standards, and orders (including, without limitation, court orders) of any governmental authority, entity, or agency (including, without limitation, the Town of Addison, Texas, the State of Texas, the Federal Aviation Administration, and the Texas Department of Transportation) whether in existence or hereafter enacted, adopted or imposed, and including, without limitation, any and all grant agreements or grant assurances, the Rules and Regulations, and the Minimum Standards, now existing or as hereafter agreed to, adopted or imposed, (ii) all restrictive covenants affecting the Demised Premises, (iii) all restrictions, easements, and other encumbrances on or matters affecting the Demised Premises, whether of record or not or which could be revealed by a survey of the Demised Premises, and (iv) and all of the terms, conditions, and provisions of this Lease. In furtherance of the foregoing, Landlord represents to Tenant that, to the best of Landlord's actual knowledge, there are no mortgages, deeds of trust, or monetary liens affecting the Demised Premises which are not of record.

Tenant's Taking Possession of Demised Premises: Landlord shall deliver, or cause to be delivered, the Demised Premises to Tenant at any time during the Preliminary Period, but no later than May 31, 2026. The Landlord shall give Tenant written notice ("Landlord's Delivery Notice") that it is prepared to deliver the Demised Premises to Tenant for its possession as provided under this Lease on a stipulated date given in the notice ("Landlord's Delivery Date"), which shall not be any earlier than thirty (30) days following the date of Landlord's Delivery Notice (the "Delivery Period"). Landlord shall deliver the Demised Premises in its "as-is-where-is" condition as generally described in Lease Addendum #2, in a commercially reasonable broom-swept condition, free of trash, debris, and any remaining personalty. Tenant shall have the right to inspect the Demised Premises during the Preliminary Period and before its acceptance of the Demised Premises.

B. Tenant acknowledges and agrees that it may not access or use any portion of the Demised Premises until it takes absolute possession of them as provided for herein without the Landlord's prior consent. Landlord has granted certain third parties the right to use and occupy the Demised Premises until April 30, 2026, and Tenant shall not interfere, disrupt or become a nuisance to said third parties.

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Section 2. Term:

Subject to the termination and all other provisions of this Lease, the term hereof (the "Term") shall commence on the earlier of (i) the first day of the first calendar month following Substantial Completion of the New Building Improvements (as such term is defined in Lease Addendum #3) is achieved, or (ii) Tenant is granted full or partial use of the Demised Premises under the provision of a temporary certificate of occupancy issued by the Town of Addison, or (iii) July 31, 2028 (the "Commencement Date"), and shall end the last day of the SIX HUNDREDTH (600th) whole calendar month following the Commencement Date. The period beginning upon the Effective Date and ending upon the Commencement Date is called the "Preliminary Period". During the Preliminary Period, but prior to the Commencement Date, Tenant shall be entitled to perform certain preconstruction activities on the Demised Premises, subject to all of the terms and conditions of this Lease except for the payment of Rent and other monetary amounts owing hereunder. Any entry upon and/or use of occupancy of the Demised Premises by Tenant during the Preliminary Period shall be subject to all the terms and conditions of this Lease.

Section 3. Rent; Security Deposit:

A. Subject to adjustment as hereinbelow provided, Tenant agrees to and shall pay to Landlord, without notice, demand, offset or deduction on or before the Commencement Date, rent each month over the Term for the Demised Premises as set forth below:

1. Base Rent: Tenant agrees to and shall pay Landlord annual rent for the Demised Premises delivered to Tenant as follows (hereinafter "Base Rent"):

a. If the Commencement Date occurs during the calendar year 2026, the rate shall be the product of $.79 times the gross square feet of the Demised Premises as determined by the Property Survey (e. g. $.79 x 108,900 gross square feet = $86,031.00).

b. If the Commencement Date occurs during the calendar year 2027, the rate shall be the product of $.81 times the gross square feet of the Demised Premises as determined by the Property Survey.

c. If the Commencement Date occurs during the calendar year 2028, the rate shall be the product of $.83 times the gross square feet of the Demised Premises as determined by the Property Survey.

d. If the Commencement Date occurs during the calendar year 2029, the rate shall be the product of $.85 times the gross square feet of the Demised Premises as determined by the Property Survey.

e. If the Commencement Date occurs any time after calendar year 2030, the Base Rent shall be the prevailing fair market ground lease rate for the Airport as determined by a third-party licensed appraiser acceptable to the parties, which cost of said appraisal shall be shared equally and payable by the parties, however in no event shall the Base Rent determined under this subparagraph (d.) be any less than $.85 times the gross square feet of the Demised Premises as determined by the Property Survey.

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f. Base Rent, as determined above, shall be paid by Tenant in twelve equal monthly payments in advance of or before the first day of each calendar month, with the first monthly payment of Base Rent due and payable on or before the Commencement Date. Thereafter, Base Rent is subject to periodic adjustment over the Term as outlined in Section 4 below. All Rent is due on the first of each, is delinquent after the 10th day of each month, and is subject to the provisions of Section 39.

2. In the event the Commencement Date is a date other than the first day of a calendar month, the monthly Base Rent for any partial month at the beginning of the Term shall equal the product of the Base Rent multiplied by a fraction, the numerator of which is the number of days in the partial month (beginning with the Commencement Date and ending with the last day of the partial month) and the denominator of which is the number of days in such whole calendar month. Payment of Base Rent for any fractional calendar month at the end of the Term shall be similarly prorated.

3. For purposes of this Lease, the term "Rent" means Base Rent, additional rent, and all other sums that Tenant may owe to Landlord or otherwise be required to pay under this Lease. Landlord shall have the same rights and remedies for nonpayment of any Rent as for nonpayment of Base Rent.

4. Rent is payable to Landlord by personal or corporate check made payable to "Addison Airport," electronic transfer, ACH, or by credit card at the location given herein or to such other address as Landlord may designate from time to time. Landlord reserves the right to require the Rent payment form to be by certified or cashier's check or money order. Cash is an unacceptable form of payment for Rent without the Landlord's prior written consent. Rent payments may be mailed to:

Addison Airport
P. O. Box 676957
Dallas, Texas 75267-6957

B. Security Deposit: Not applicable

Section 4. Adjustment of Rent:

A. Commencing on the second anniversary of the Commencement Date and on every second anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly Rent due under Section 3.A.1. (Base Rent) shall be adjusted as follows:

B. Annual Rent (including Base Rent) shall be adjusted to reflect changes in the Consumers' Price Index – All Items for Dallas, Texas Metropolitan Area (hereinafter referred to as the "Consumer Price Index"), as quoted in the publication *Consumer Price Index for All Urban Consumers (CPI-U)* for the Dallas-Fort Worth Consolidated Metropolitan Statistical Area which is issued by the U.S. Department of Labor, Bureau of Labor Statistics. The basic index ("Basic Index") is the Consumer Price Index existing as of the Commencement Date. The current index ("Current

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Index") is the Consumer Price Index on the first day of the calendar month preceding the then applicable Adjustment Date.

1. Beginning with the first full month following the then applicable Adjustment Date, the annual Rent (including the Base Rent)) shall be adjusted so that it equals the product of the annual Rent (including the Base Rent) multiplied by a fraction, the numerator of which is the Current Index and the denominator of which is the Basic Index (the "Adjusted Rent"), but in no event shall such annual Rent (including the Base Rent) ever be decreased below the Base Rent set forth in Section 3.A.1.

2. In the event that the Consumer Price Index is unavailable for whatever reason for the computations set forth hereinabove, another index approximating the Consumer Price Index as closely as feasible (as determined by Landlord) shall be substituted therefor.

Section 5. Use of Demised Premises:

During the Term the Demised Premises shall be used and occupied by Tenant as set forth hereinbelow:

A. Permitted Uses:

The Demised Premises may be used and occupied by Tenant only for the following uses:

1. Constructing, owning, and operating an aeronautical facility used in connection with the sale of aircraft and aircraft parts; aircraft maintenance and repair; repair of aircraft parts; aircraft storage; aviation-related training; aircraft charter; and aircraft rentals.
2. Office or administrative space used in support of said aeronautical operations or services.
3. The size of the hangar must be at least 15,000 usable building square feet, excluding the office, passenger terminal, and shop space.
4. The height of the hangar door must be at least 28'. The aircraft aprons shall have a capacity for Aircraft Design Group II (80,000 lbs.) or better.
5. Off-street parking with count to meet or exceed local building code. Regard to be given to permitted use at peak demand during primary operations.
6. Incidental support, services, and materials in connection with the permitted aeronautical uses and aircraft stored or based at the Demised Premises, including maintenance and repair.
7. Any portion of the Demised Premises designed and constructed for aircraft storage may be used only to store aircraft in accordance with the FAA Policy on the *Non-Aeronautical Use of Airport Hangars*.
8. Other uses as authorized in advance in writing by the Landlord.

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B. Prohibited or Restricted Use of Demised Premises:

The following uses are expressly prohibited:

1. Ground transportation for rent or hire (including taxi and limousine service).
2. All retail services, including food sales, barber and valet services, alcoholic beverage sales, pilot supplies, newsstands, and gifts are included. Notwithstanding the foregoing, the Parties agree to specifically and formally discuss further the allowance of limited retail services by Thrust, provided such services are incidental to its permitted aeronautical uses.
3. Any illegal purpose or any other activity (federal, state, county, and municipal laws, rules, regulations, ordinances, standards, and policies) that, in the Town's reasonable opinion, would create a nuisance, unreasonably disturbing other tenants of the Airport, or cause an increase in the Town's insurance costs, whether such increased costs are incurred.
4. Aircraft fueling operations without a valid license or permit.
5. Any use that would conflict with the FAA policy on the Non-Aeronautical Use of Airport Hangars as may be amended or modified (*FR/Vol. 81, No. 115, June 15, 2016; 14 CFR Chapter 1 [Docket No. FAA 2014-0463]).*
6. In any other manner not otherwise authorized under this Agreement.

C. Tenant acknowledges that Landlord is bound by the terms and conditions of all Federal Aviation Administration, Texas Department of Transportation, and other grant agreements, grant assurances and regulations regarding the Airport, and the terms or any grant, loan, regulation, or agreement under Section 22.055 of the Texas Transportation Code, as amended or superseded, whether now existing or made in the future. Tenant agrees not to take any action or omit to take any action in relation to the Lease Premises that would cause Landlord to be in violation of such regulations or standards.

D. The Tenant shall not at any time abandon or leave the Demised Premises vacant for any extended period of time but shall in good faith continuously throughout the term of this Lease conduct and carry on in the entire Demised Premises the type of use for which the Demised Premises are leased, except during periods in which the Demised Premises may not be occupied as a result of fire or other casualty, or reasonable periods for repairs and alterations, all such repairs and alterations to be diligently pursued to completion;

E. Tenant, for itself, its personal representatives, successors in interest and assigns, as part of the consideration herein, agrees as a covenant that no person shall be excluded from participation in, denied the benefits of or otherwise subject to discrimination because of race, color, national origin, religion, disability, sex (including pregnancy, sexual orientation, or gender identity). Tenant further agrees for itself, its personal representatives, successors in interest and assigns that no person shall be excluded from the provision of any services on or in the construction of any improvements or alterations to the Demised Premises on grounds of race, color, national origin, religion, disability, sex, (including pregnancy, sexual orientation, or gender identity). Tenant agrees to provide accommodation and to price its goods and services on a fair and equal basis for all people. In addition, Tenant covenants and agrees that it will always comply with any

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requirements imposed by or pursuant to Title 49 of the Code of Federal Regulations, Part 21, Non-Discrimination in Federally Assisted Programs of the Department of Transportation and with any amendments to this regulation which may hereafter be enacted. If any claim arises from an alleged violation of this non-discrimination covenant by Tenant, its personal representatives, successors in interest or assigns, Tenant agrees to indemnify Lessor and hold Lessor harmless.

F. To the extent the Demised Premises is used for commercial purposes, the Tenant agrees to furnish all services on a fair, equal, and non-unjustly discriminatory basis to all users thereof and to charge fair, reasonable, and not unjustly discriminatory prices for such services, provided that the Tenant may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

Section 6. Construction of Improvements:

A. In connection with the use and occupancy of the Demised Premises by Tenant, Tenant will cause to be constructed on the Demised Premises throughout the Term, buildings and other improvements at Tenant's sole cost, expense and risk (except as may be otherwise agreed to in writing by Landlord and Tenant), which are to be approved in advance by Landlord. For purposes herein, the term "Building Improvements" shall mean, without limitation any Existing Improvements as defined in Lease Addendum #2, New Building Improvements as defined in Lease Addendum #3 (with each provided for below) and any other future building or improvements made to, constructed, installed, located or placed upon the Demised Premises during the Term, as the Term may be extended or modified. Except as provided for by this Lease (including Lease Addendum #2 (if applicable) and Lease Addendum #3, Tenant may not construct, locate, install, place, or erect any other improvements upon the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonable conditioned, delayed or denied.

B. Existing Improvements; Demolition and Site Preparation: See Lease Addendum #2 attached hereto and incorporated herein by reference.

C. Construction of New Building Improvements: See Lease Addendum #3 attached hereto and incorporated herein by reference.

Section 7. Acceptance of Demised Premises:

TENANT ACKNOWLEDGES THAT PRIOR TO DELIVERY OF POSSESSION TENANT SHALL HAVE BEEN GRANTED THE OPPORTUNITY TO INSPECT THE DEMISED PREMISES AND ACCEPTS THE DEMISED PREMISES AND THAT THE DEMISED PREMISES ARE LEASED TO TENANT "AS IS, WHERE IS, AND WITH ALL FAULTS AND PATENT AND LATENT DEFECTS", AND THAT LANDLORD HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY DISCLAIMS, ANY REPRESENTATION, PROMISE, COVENANT, AGREEMENT, GUARANTY OR WARRANTY OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, AS TO THE QUANTITY, QUALITY, CONDITION, SUITABILITY, HABITABILITY, OR FITNESS OF THE PROPERTY INCLUDING WITHOUT LIMITATION THE DEMISED PREMISES AND THE IMPROVEMENTS

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THEREON, FOR ANY PURPOSE WHATSOEVER, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION REGARDING SOIL CONDITIONS, AVAILABILITY OF UTILITIES [SUBJECT TO SECTION 16], DRAINAGE, ZONING LAWS, ENVIRONMENTAL LAWS, OR ANY OTHER FEDERAL, STATE OR LOCAL STATUTES, CODES, REGULATIONS OR ORDINANCES. TENANT ALSO ACKNOWLEDGES AND AGREES THAT TENANT'S INSPECTION AND INVESTIGATION OF THE DEMISED PREMISES HAVE BEEN ADEQUATE TO ENABLE TENANT TO MAKE TENANT'S OWN DETERMINATION WITH RESPECT TO THE SUITABILITY OR FITNESS OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO SOIL CONDITIONS, AVAILABILITY OF UTILITIES [SUBJECT TO SECTION 16], DRAINAGE, ZONING LAWS, ENVIRONMENTAL LAWS, AND ANY OTHER FEDERAL, STATE OR LOCAL STATUTES, CODES, REGULATIONS OR ORDINANCES. TENANT ACKNOWLEDGES THAT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS PARAGRAPH ARE AN INTEGRAL PORTION OF THIS LEASE AND THAT LANDLORD WOULD NOT AGREE TO LEASE THE DEMISED PREMISES TO TENANT AS SET FORTH HEREIN WITHOUT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS PARAGRAPH. TENANT FURTHER ACKNOWLEDGES THAT TENANT IS NOT IN A DISPARATE BARGAINING POSITION WITH RESPECT TO LANDLORD. TENANT ACKNOWLEDGES AND AGREES FURTHER THAT THIS LEASE IS SUBJECT TO ANY AND ALL CURRENTLY EXISTING TITLE EXCEPTIONS OR OTHER MATTERS OF RECORD OR ANY MATTER OR ITEM VISIBLE OR APPARENT FROM AN INSPECTION AFFECTING THE DEMISED PREMISES. TENANT WAIVES ANY EXPRESS OR IMPLIED WARRANTIES OF SUITABILITY, HABITABILITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND FURTHER WAIVES ALL CLAIMS AGAINST LANDLORD BASED ON ANY DEFECT IN THE DEMISED PREMISES WHETHER OR NOT SUCH DEFECT COULD HAVE BEEN DISCOVERED BY TENANT'S REASONABLE INSPECTION. TENANT, AT ITS COST, SHALL BE ENTITLED TO PERFORM PHASE I AND PHASE II ENVIRONMENTAL STUDIES, INCLUDING, BUT NOT LIMITED TO, SOIL TESTS, IN TENANT'S SOLE JUDGMENT, PROVIDING A COPY THEREOF TO LANDLORD, ALL AS MAY BE SPECIFIED IN MORE DETAIL IN SECTION 22.D. BELOW AND/OR IN LEASE ADDENDUM #2. WITHOUT LIMITING THE FOREGOING, THERE IS NO WARRANTY, EXPRESS OR IMPLIED, OF SUITABILITY, MERCHANTABILITY, HABITABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE GIVEN IN CONNECTION WITH THIS LEASE.

In accepting Delivery of the Demised Premises, Tenant acknowledges that this Lease shall be construed to provide Rent to Landlord on a Net Return Basis, as set out in Section 32, below.

Section 8. Securing Governmental Approvals and Compliance with Law; Noise Abatement:

A. This Lease is subject to and Tenant shall comply with all federal, state, and local laws, statutes, constitutional provisions, charters, ordinances, codes, rules, regulations, directives, policies,

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permits, standards, and orders (including, without limitation, court orders) of any governmental authority, entity, or agency (including, without limitation, the Town of Addison, Texas, the State of Texas, the Federal Aviation Administration ("FAA"), Texas Department of Transportation ("TxDOT"), the United States Environmental Protection Agency ("EPA"), and the Texas Commission on Environmental Quality ("TCEQ")) whether applicable or related to, whether directly or indirectly the use and occupancy of the Demised Premises and whether in existence or hereafter enacted, adopted or imposed, and including, without limitation, any and all grant agreements or grant assurances for which Landlord, at its sole absolute discretion accepts and becomes obliged (collectively "Laws").

B. Tenant at Tenant's sole cost and expense shall obtain any and all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the Demised Premises.

C. Tenant acknowledges that Landlord is bound by the terms and conditions of all FAA, TxDOT, and other grant agreements, grant assurances and regulations regarding the Airport, and the terms of any grant, loan, regulation, or agreement under Section 22.055 of the Texas Transportation Code, as amended or superseded, whether now existing or made in the future. Tenant agrees not to knowingly take any action or refrain from taking any action in relation to the Demised Premises that would cause Landlord to be in violation of such regulations or standards.

Section 9. Assignment, Subletting and Mortgaging of Leasehold Estate; Stored Aircraft Information: Aircraft Information:

A. **Assignment:**

1. Without the prior written consent of Landlord (which consent may be granted or withheld in Landlord's sole and absolute discretion and opinion and in accordance with 9.A.5. and 9.A.6. below), Tenant shall have no power to and may not assign, sell, pledge, encumber, license, transfer, or otherwise convey in any manner whatsoever, including by merger, consolidation, operation of law, or otherwise, (together, "assign" or "assignment," and the person or entity to whom an assignment is made being an "assignee"), this Lease or any rights, duties, or obligations of Tenant hereunder (except to a "Permitted Transferee" as defined below, a "Tenant Affiliate" as defined below, and to a leasehold mortgagee as hereinbelow provided and in accordance with and subject to all of the terms and conditions of this Lease) nor sublet (except as provided for in Section 9.B below) in whole or in part any portion of the Demised Premises, and any assignment or any subletting contrary to the terms of this Lease shall be null and void and may be deemed by Landlord (in Landlord's sole discretion) an Event of Default subject to notice and cure as provided in Section 23 of the Lease. Any assignment or subletting shall be expressly subject to all the terms and provisions of this Lease, including the provisions of Section 5 pertaining to the use of the Demised Premises. In the event of any Landlord-approved assignment or subletting, Tenant shall not assign Tenant's rights, duties, or obligations hereunder nor sublet the Demised Premises without first obtaining a written agreement from each such assignee or sublessee whereby each such transferee or sublessee agrees to be bound by the terms and provisions of this Lease. No such assignment or subletting shall constitute a novation. In the event of the occurrence of an Event of Default while the Demised Premises are assigned or sublet, Landlord, in addition to any other rights and remedies

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provided herein or by law, may at Landlord's option, collect directly from such assignee or subtenant all rents becoming due under such assignment or subletting and apply such rent against any sums due to Landlord hereunder. No direct collection by Landlord from any such assignee or subtenant shall release Tenant from the payment or performance of Tenant's obligations hereunder. Landlord's consent to any assignment or subletting will not act as a waiver of any rights or remedies granted to or retained by Landlord under this Lease and shall not act as an election of remedies nor shall it prohibit Landlord from exercising its rights and remedies with respect to any other actual or proposed assignment or subletting, and Landlord's consent to any assignment shall not relieve Tenant or any Guarantor of any liability to Landlord under this Lease or otherwise.

2. If consent by Landlord to an assignment is required hereunder, Tenant shall deliver a written request to Landlord for Landlord's consent to the proposed assignment, which shall include, in addition to any other information or materials that Landlord may request: (i) the full legal name of the proposed assignee, including the name and title the person directly or indirectly holding a controlling ownership interest in the proposed assignee (if an entity); (ii) the nature and character of the assignee's business; (iii) all material terms of the proposed assignment; and (iv) financial statements prepared or reviewed by an independent CPA, or other evidence of the proposed assignee to perform its obligations under this Lease.

3. For purposes hereof, an assignment will be deemed to occur if the person or persons who own or have voting control of more than 50% of Tenant on the Effective Date cease to own or have voting control of more than 50% of Tenant at any time during the Term. Tenant shall provide to Landlord from time to time, as requested by Landlord and in a form acceptable to Landlord, a written certification confirming that no such assignment has occurred without Landlord's consent, if such consent is required hereunder. For purposes hereof, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities.

4. Tenant shall have the right to assign this Lease, or sublet the Demised Premises or any portion thereof, without the consent of Landlord, to any entity (a) with which Tenant may merge or consolidate, or (b) which is a parent or subsidiary of Tenant (collectively "Tenant Affiliate"). Tenant, or its successor in interest shall give Landlord written notice of any such assignment of this Lease to a Tenant Affiliate within thirty (30) days of said assignment, which said notice shall set forth and affirm the Tenant Affiliate information and delivered as required by Section 48 below.

5. For purposes hereof and any applicable law, and without limitation as to other grounds for Landlord withholding consent, it shall be deemed to be reasonable for Landlord to withhold its consent when any one or more of the following apply:

a. the proposed assignee is of a character or of a reputation or is engaged in a business which is not consistent with the master or strategic plan of the Airport as determined by Landlord; or

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b. the proposed assignee has not demonstrated sufficient financial responsibility, or creditworthiness to the satisfaction of Landlord in light of the duties, obligations, and responsibilities of the tenant under the Lease at the time when the consent is requested; or

c. the proposed assignee's intended use of the demised premises as defined in the Lease is inconsistent with the Lease; or

d. the proposed assignment would cause Landlord to be in violation of another lease or agreement to which Landlord is a party or to which Landlord or the Airport is subject (including, without limitation, any grant agreements or grant assurances of the FAA or any other governmental entity or agency); or

e. if at any time consent is requested or at any time prior to the granting of consent, Tenant is in default under the Lease or would be in default under the Lease but for the pendency of a grace or cure period; or

f. the proposed assignee does not intend to occupy the entire Demised Premises as described in the Lease and conduct its business therefrom for a substantial portion of the then remaining term of the Lease.

6. For purposes herein and any applicable law, and without limitation as to other grounds for Landlord delaying consent, it shall be deemed to be reasonable for Landlord to delay its consent for a period of forty-five (45) days pursuant to Section 51 after the receipt by Landlord of all information requested by Landlord regarding or in connection with the proposed assignment and the proposed assignee.

B. Subletting:

1. Notwithstanding the foregoing, Landlord hereby acknowledges and consents to Tenant's subletting of the Demised Premises for the purpose of renting aircraft storage only, provided that each sublease is evidenced by written agreement, signed and executed by Tenant and each and every sublessee and fairly states:

a. Each sublessee agrees to be bound by the terms and provisions of this Lease to the extent such extends to a sublessee;

b. In the event of any conflict between the terms of this Lease and the terms of the sublease, the terms of the Lease shall control;

c. Such subletting shall not constitute a novation of the Lease;

d. Sublessee shall be obligated to obtain Landlord's consent to any action as to which Tenant is obligated to obtain such consent under the Lease;

e. Any such sublease is to automatically terminate upon termination of this Lease notwithstanding any other provision of the sublease to the contrary; Landlord shall have

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no responsibility or obligation for the performance by Tenant of its obligations under any sublease.

f. In the event of occurrence of an Event of Default while the Demised Premises are sublet, Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, collect directly from such subtenant all rents becoming due under such subletting and apply such rent against any sums due to Landlord hereunder;

2. If Tenant desires to sublease the Demised Premises for any other purpose, Tenant shall obtain in advance Landlord's prior written consent, which must be evidenced by written agreement signed and executed by Tenant and made subject to the "Master Landlord Sublease Consent," substantially in the form of the rider to sublease attached hereto and incorporated herein by reference as Exhibit 7. Without Landlord's Consent, any such sublease is null and void.

3. Neither this consent, the exercise by Landlord of its rights and remedies hereunder, nor the sublease or any other instrument shall give sublessee any rights directly or indirectly against Landlord or create or impose any obligation, duty, responsibility, or liability of Landlord in favor of or for the benefit of sublessee.

4. Furthermore, Tenant agrees that in no way does any sublease release Tenant from any of its covenants, agreements, liabilities and duties under this Lease; that this consent does not constitute approval by Landlord of the terms of any such sublease; that nothing herein contained shall be deemed a waiver or release of any of the Landlord's rights or remedies under this Lease or pursuant to law, in equity, or otherwise; that Tenant shall remain fully liable for the performance of each and every term, provision, covenant, duty and obligation of the Tenant under this Lease, including, without limitation, the duty to make any and all payments of Rent; and that any violation of any terms and conditions of this Lease by a sublessee may constitute an Event of Default, subject to notice and cure as provided in Section 23 of the Lease.

5. Upon request by Landlord, Tenant shall provide to Landlord within five (5) business days of receipt of each request a complete and accurate roster of any subtenants which shall include, but not be limited to, name, mailing address, email address, daytime telephone number, 24-hour emergency contact information, together with the make, model, aircraft type and "N" number of any aircraft regularly stored or located on or in the Demised Premises. Tenant's failure to provide said information as prescribed constitutes an Event of Default, subject to notice and cure, as provided in Section 23 of this Lease.

C. Mortgaging of Leasehold Estate:

1. Tenant shall have the right to mortgage the leasehold estate of Tenant created hereby in order to secure a mortgage loan for the purpose of (i) obtaining funds for the construction of the New Building Improvements described in Lease Addendum #3, or to reimburse Tenant for funds advanced by Tenant for such purpose or to refinance any such loan, or (ii) other construction upon the Demised Premises approved from time to time by Landlord in writing, or (iii) for any other purpose which may be approved from time to time by Landlord in writing. If Tenant borrows money

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for any purpose provided for above, and the lender requires a mortgage, deed of trust or some other form of security interest (a "Mortgage") to secure the loan, then Tenant may, without Landlord's further consent, enter into a Mortgage with a bank, lender (or, if the bank's or lender's interest have been assigned by or on behalf of a mortgage beneficiary) herein referred to as a "Leasehold Mortgagee"). The Leasehold Mortgagee shall in no event become personally liable to perform the obligations of Tenant under this Lease unless and until said mortgagee becomes the owner of the leasehold estate pursuant to foreclosure, transfer in lieu of foreclosure, or otherwise, and thereafter said leasehold mortgagee shall remain liable for such obligations only so long as such mortgagee remains the owner of the leasehold estate. Notwithstanding the foregoing, it is specifically understood and agreed that no such mortgaging by Tenant and/or any actions taken pursuant to the terms of such mortgage shall ever relieve Tenant of Tenant's obligation to pay the Rent due hereunder and otherwise fully perform the terms and conditions of this Lease.

2. A Mortgage is not an assignment of this Lease or of Tenant's interest in this Lease, and a Mortgage does not and shall not be construed to make Landlord a principal or surety on the loan or any other financial obligation secured by the deed of trust or similar security. Any Mortgage affecting Tenant's leasehold estate shall contain provisions (i) requiring the leasehold mortgagee to give Landlord at least fifteen (15) days written notice prior to accelerating the debt of Tenant to such mortgagee and/or initiating foreclosure proceedings under said mortgages or deeds of trust, and (ii) allowing Landlord during such fifteen (15) day notice period to cure Tenant's default and prevent said acceleration and/or foreclosure proceedings, and thereafter at Landlord's option to assume Tenant's position under said Mortgage.

3. Landlord agrees, if and so long as the leasehold estate of Tenant is encumbered by a Mortgage and written notice to such effect has been given to Landlord, to give the Leasehold Mortgagee at such address or addresses as may be specified in such written notice to Landlord for the giving of notices to the Leasehold Mortgagee, or as otherwise may be specified by the leasehold mortgagee to Landlord in writing, written notice of any default hereunder by Tenant, simultaneously with the giving of such notice to Tenant, and the holder of any such Mortgage shall have the right, for a period of thirty (30) days after its receipt of such notice or within any longer period of time specified in such notice, to take such action or to make payment as may be necessary or appropriate to cure any such default so specified, it being the intention of the parties hereto that Landlord shall not exercise Landlord's right to terminate this Lease without first giving any such Leasehold Mortgagee the notice provided for herein and affording any such Leasehold Mortgagee the right to cure such default as provided for herein. If the default cannot objectively be cured within the cure period, and if the Leasehold Mortgagee proceeds diligently and in good faith to cure the default, then the Leasehold Mortgagee will be entitled a reasonable additional period of time to cure the default but, not to exceed six (6) months from the date of the Leasehold Mortgagee's notice.

4. If this Lease is terminated for Tenant's breach before the end of the Term, for any reason other than a default that has not been cured by Tenant or Leasehold Mortgagee within the period specified in subsection 9(C)(3) above, including, without limitation, as a result of a rejection or disaffirmation of the Lease in a bankruptcy, insolvency or other proceeding affecting creditor's rights then Landlord shall provide a copy of the termination notice to the Leasehold Mortgagee. Upon the written request of Leasehold Mortgagee made any time within thirty (30) days after the

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receipt of such notice from Landlord, Landlord shall agree to enter into a new lease of the Demised Premises with Leasehold Mortgagee for the remainder of the Term of the Lease upon the same covenants, conditions, limitations and agreements contain in the Lease, except for such provisions which must be modified to reflect any such termination, rejection or disaffirmance and the passage of time, provided, that, in the event of any such termination, rejection or disaffirmance, Leasehold Mortgagee (or such successor or assign) (A) shall pay to Landlord, simultaneously with the delivery of such new lease, all unpaid amounts due under the Lease up to and including the date of the commencement of the term of such new lease and all reasonable and substantiated expenses incurred by Landlord to prepare such new lease, and (B) otherwise shall cure all other defaults under the Lease promptly and with due diligence after the delivery of such new lease. If Landlord does not enter into a new lease with the Leasehold Mortgagee, then the Leasehold Mortgagee shall immediately remove all trade fixtures and other personal property from the Premises and repair to Landlord's reasonable satisfaction, any damage caused to the Demised Premises by the removal. The Leasehold Mortgagee shall not remove or tamper with any Building Improvement on the Demised Premises.

5. Landlord further agrees to execute and deliver to any proposed Leasehold Mortgagee of Tenant a "Non-Disturbance Agreement" wherein Landlord agrees that Landlord will (i) recognize such Leasehold Mortgagee after foreclosure, or transfer in lieu of foreclosure, as Tenant hereunder, and (ii) continue to perform all of Landlord's obligations hereunder so long as such Leasehold Mortgagee performs all of the obligations of Tenant hereunder and is not in default; provided, however, that notwithstanding the foregoing or any other provision of this Lease, such Leasehold Mortgagee or its successors and assigns after foreclosure or transfer in lieu of foreclosure shall not and does not have the right and shall not and does not have the power to assign (as defined in Subsection A. of this Section above) this Lease, or any right, interest, obligation, or liability hereunder, or any part of the Demised Premises, without the prior written approval of Landlord, and any such assignment shall be null and a cause for immediate termination of this Lease by Landlord, it being the intent of this provision that such mortgagee shall have no greater right to assign or sublet this Lease, or any right, interest, obligation, or liability hereunder, or any part of the Demised Premises, than the Tenant has as set forth in this Section. Landlord also agrees to consider the execution and delivery to such proposed Leasehold Mortgagee any other documents which such proposed Leasehold Mortgagee may reasonably request concerning the mortgaging by Tenant of the leasehold estate created hereby; provided, however, that Landlord shall never be required to subordinate Landlord's interest in the Demised Premises to the mortgage of such proposed Leasehold Mortgagee. Notwithstanding any provision of this Lease to the contrary, Landlord's interest in the Demised Premises and this Lease shall at all times be and remain superior and paramount to any Leasehold Mortgage. No Leasehold Mortgage shall have priority over Landlord's interest or any rights under this Lease without Landlord's prior written consent, which consent may be withheld in Landlord's sole discretion. If the Leasehold Mortgagee succeeds to Tenant's interest under this Lease, the Leasehold Mortgagee shall attorn to Landlord as if it were the Tenant under this Lease. The Leasehold Mortgagee's duty to so attorn to Landlord arises immediately upon the Leasehold Mortgagee succeeding to Tenant's interest under this Lease, and the duty to attorn is self-executing, requiring no formal writing or further action by Landlord or the Leasehold Mortgagee.

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Section 10. Property Taxes and Assessments:

A. Following the Commencement Date, Tenant shall pay, before they become delinquent, any and all property taxes or assessments, and any other governmental charges, fees or expenses (collectively, the "Taxes"), levied or assessed on any improvements on the Demised Premises, the personal property and fixtures on the Demised Premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord "paid receipts" or other written evidence that Tenant has paid all such taxes. In the event Tenant shall fail to pay any such taxes, assessments, or charges prior to delinquency, Landlord shall have the right to pay (but not the obligation) or may cause all taxes, assessments, or charges to be paid and the reasonable costs thereof expended by Landlord plus interest thereon as provided in Section 39 of this Lease shall be paid by Tenant on demand. Subject to the payment of any outstanding Taxes, Tenant may protest, appeal or institute other formal proceedings to affect a reduction or abatement of real estate taxes and assessments for real estate taxes and assessments levied against the improvements on the Demised Premises (if Tenant has title to and owns the same) and/or the Tenant's leasehold interest in the Lease for any tax fiscal year that ends after the Commencement Date of this Lease. Such protest, appeal or other proceedings may be conducted only in the name of Tenant. To this end and at Tenant's expense, Tenant shall give Landlord written notice of any such protest or appeal and resolution thereof. Notwithstanding the foregoing, Tenant shall not contest the determination that the buildings and/or improvements are subject to taxation. If a final (non-appealable) determination is rendered by Dallas Central Appraisal District or a court of appropriate and competent jurisdiction that any such buildings or other improvements are not subject to property taxation, the Rent (as the same may be adjusted) for the year in which such final determination becomes effective shall be increased by an amount equal to the property tax revenue from such buildings and improvements that Tenant would have paid to Landlord in that year but for such final determination (and such initial increased amount shall be paid to Landlord on or before December 31 of such year, unless otherwise agreed to by Landlord); thereafter, Rent (as the same may be adjusted) as so increased shall continue, subject to adjustment as set forth in this Lease.

Section 11. Maintenance and Repair of Demised Premises:

A. Tenant shall, throughout the term hereof, maintain in good repair and in a first class condition (as defined in Lease Addendum #1) (in accordance with any construction and/or maintenance standards and specifications established by Landlord or Airport Manager from time to time and all applicable ordinances, codes, rules and regulations of or adopted by the Town of Addison, Texas in accordance with Texas law) all the Demised Premises and all buildings, improvements, fixtures, equipment and personal property (excluding aircraft stored in the Building Improvements) on the Demised Premises and keep them free from waste or nuisance and, at the expiration or termination of this Lease, deliver up the Demised Premises clean and free of trash and in good repair and condition (in accordance with any construction and/or maintenance standards and specifications established by Landlord or Airport Manager from time to time and all applicable ordinances, codes, rules and regulations of or adopted by the Town of Addison, Texas and in accordance with Texas Law), with all fixtures and equipment situated in the Demised Premises in good working order, reasonable wear and tear excepted. Tenant shall reimburse Landlord for and indemnify Landlord against all damages which Landlord incurs from Tenant's delay in vacating the Demised Premises.

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B. Notwithstanding the foregoing, set forth as **"**Lease Addendum #1**"** attached hereto and incorporated herein by reference and made a part hereof, are "Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices," which are intended as maintenance and repair standards and practices Landlord expects of Tenant. Tenant (and any of its successors or assigns) hereby agrees to meet the Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices throughout the Term. Notwithstanding the foregoing, as provided in Section 18 below, Landlord reserves the right, in its sole discretion, to introduce and adopt other regulations deemed appropriate and necessary by Landlord for the purpose of protecting the property of Landlord. In the event Landlord should formally adopt similar leasehold maintenance and repair standards governing such practices of all ground leaseholds at the Airport ("Replacement Maintenance Standards"), such encompassing regulations and practices shall supersede and replace Lease Addendum #1 in its entirety upon the effective date of such Replacement Maintenance Standards for the Term or until otherwise modified, repealed, or revised by Landlord.

C. For the sake of clarification, unless and until any Replacement Maintenance Standards are adopted by the Landlord, Tenant will comply with the regulations and practices set forth in Lease Addendum #1.

Section 12. Alterations, Additions, and Improvements:

After completion of the New Building Improvements described in Lease Addendum #3, Tenant shall not create any openings in the roof or exterior walls, or make any alterations, additions or improvements to the Demised Premises or any improvements thereon or modifications thereto without the prior written consent of Landlord or Manager. Consent for non-structural alterations, additions or improvements shall not be unreasonably withheld by Landlord or Manager. Tenant shall have the right to erect or install shelves, bins, machinery, air conditioning or heating equipment and trade fixtures, provided that Tenant complies with all applicable governmental laws, ordinances and regulations (including, without limitation and as may be required by law, obtaining a building permit).

All alterations, modifications, additions and improvements in and to the Demised Premises shall comply with the standards and requirements set out in Lease Addendum #3 and Section 8.

Section 13. Insurance and Bonds:

A. Unless otherwise specified herein, at all times in connection with this Lease and during the Term hereof, Tenant shall purchase and maintain at Tenant's sole cost and expense and in a company or companies lawfully authorized to do business in Texas such insurance coverages relating to the Demised Premises as follows:

1. Insurance against loss or damage to improvements by fire, lightning, and all other risks from time to time included under standard extended coverage policies, and sprinkler, vandalism and malicious mischief, all in amounts sufficient to prevent Landlord or Tenant from becoming co-insurers of any loss under the applicable policies but in any event in amounts not less than one hundred percent (100%) of the full insurable value of the Demised Premises and any and all improvements thereon. The term "full insurable value"

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as used herein means actual replacement value at the time of such loss. Upon request, such replacement value shall be determined by a qualified appraiser, a copy of whose findings shall be submitted to Landlord, and, thereafter, proper adjustment in the limits of insurance coverage shall be affected.

2. Commercial General Liability insurance at minimum combined single limits of $1,000,000 per-occurrence and $1,000,000 general aggregate for bodily injury, death or property damage or destruction occurring on, in or about the Demised Premises, which coverage shall include products/completed operations ($1,000,000 products/ completed operations aggregate). Coverage for products/completed operations must be maintained for at least two (2) years after construction work has been completed. Coverage must include contractual liability.

3. Statutory limits of workers compensation insurance and employer's liability with limits of liability of not less than $1,000,000.00 each occurrence each accident/$1,000,000.00 by disease each-occurrence/$1,000,000.00 by disease aggregate.

4. If applicable, boiler and pressure vessel insurance on all steam boilers and air compressors, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, erupting, collapsing, imploding or exploding, in the minimum amount of $500,000.00 for damage to or destruction of property resulting from such perils.

5. In connection with the design and construction of any improvements on the Demised Premises, architects, engineers, and constructions managers, including design/build contractors used by Tenant, shall carry professional liability insurance at minimum limits of $250,000.00; this coverage must be maintained for at least two (2) years after the improvements are completed, and if coverage is written on a claims-made basis, a policy retroactive date equivalent to the inception date of this Lease (or earlier) must be maintained.

6. Hangarkeepers Legal Liability insurance, at $1,000,000.00 per occurrence, is required if the Tenant is engaged in maintenance, repair, or servicing of an aircraft belonging to a third party or if the Tenant is otherwise involved in any operation in which the Tenant has care, custody, or control of an aircraft belonging to a third party.

7. Aircraft liability insurance against third party bodily injury or death and property damage or destruction at minimum limits required by regulatory agencies having jurisdiction at the Airport and which are acceptable to Landlord, but in any event not less than $1,000,000.00 each occurrence (applies to the ownership, operation or use of aircraft by Tenant or any subtenant). Policy shall include non-owned aircraft liability with a minimum of $1,000,000 and medical expense coverage with a limit of $5,000 for any one person.

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8. Business Automobile Liability insurance for all tenant-owned and non-owned vehicles being operated on the Airport with a minimum combined single limit of $1,000,000 for bodily injury and property damage.

9. If Tenant is fueling aircraft at the Airport according to a fueling permit or license issued by Landlord, Tenant shall maintain a minimum of $1,000,000 in Pollution Liability Insurance coverage, which may be satisfied through sudden and accidental pollution coverage under Tenant's commercial general liability policy.

10. Such other insurance in such amounts and against such other insurable hazards, which at the time are commonly obtained within the aeronautical industry for similar types of building improvements and other improvements that may be located on the Demised Premises and Tenant's permitted use of the Demised Premises.

B. Tenant shall cause all such policies of insurance to comply with the following and be specifically endorsed as follows:

1. The Town of Addison, Texas, and the Airport Manager shall be named as additional insureds, or loss payees as the case may be, except for the professional liability policies and workers' compensation insurance;

2. All insurance policies that name the Town of Addison, Texas, and the Airport Manager as additional insureds must be endorsed to read as primary coverage and non-contributory regardless of the application of other insurance;

3. A waiver of subrogation in favor of the Town of Addison, Texas and the Airport Manager shall be contained in each policy required herein;

4. All insurance policies shall be endorsed to the effect that the Town of Addison, Texas and the Airport Manager will receive at least sixty (60) days' written notice before cancellation or non-renewal of the insurance (except that if such insurance is canceled for non-payment of premium, such notice shall be ten [10] days.);

5. All insurance policies shall be endorsed to require the insurer to immediately notify Landlord and the Airport Manager of any material change in the insurance coverages;

6. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions applicable to the claims of the Town of Addison or the Airport Manager;

7. Tenant may maintain reasonable and customary deductibles, subject to approval by Landlord; and

8. Insurance must be purchased from insurers that are financially acceptable to Landlord and licensed to do business in the State of Texas.

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C. All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of insurance, satisfactory to Landlord, evidencing all coverage above, shall be prepared and executed by the insurance company or its authorized agent, promptly delivered to Landlord, and updated as may be appropriate, and shall:

1. List each insurance coverage described and required herein. Such certificates will also include a copy of the endorsements necessary to meet the requirements and instructions contained herein; and

2. Specifically set forth the notice-of-cancellation or termination provisions to the Town of Addison and the Airport Manager.

D. Landlord reserves the right to review the insurance requirements contained herein and to reasonably adjust coverages and limits when deemed necessary and prudent by Landlord during the Term. Landlord shall give Tenant ninety (90) day advance written notice of any such change or modification in the above insurance requirements before same go into effect pursuant to this Agreement.

Section 14. Casualty Damage or Destruction:

A. In case of any damage to or destruction of the buildings, structures, equipment, or any other improvements on or at the Demised Premises (including the Building Improvements), or any part thereof, Tenant will promptly give written notice thereof to Landlord, generally describing the nature and extent of such damage and/or destruction.

B. In case of any damage to or destruction of any building, structure, equipment, or other improvements (including the Building Improvements) on or at the Demised Premises, or any part thereof, Tenant, whether or not the insurance proceeds, if any, payable on account of such damage and/or destruction shall be sufficient for such purpose, at Tenant's sole cost, risk and expense will promptly and diligently commence and complete the restoration, repair and replacement of said building, structure, equipment, or other improvements as nearly as possible to their value, condition and character immediately prior to such damage and/or destruction and with at least as good workmanship and quality as such building, structure, equipment, or other improvements on or at the Demised Premises being repaired or replaced, with such alterations in and additions thereto as may be approved in writing by Landlord (hereinafter sometimes referred to as the "Restoration"). All Restoration plans (whether design, architectural, or otherwise) shall be approved in writing by Landlord prior to the commencement of construction. All such design and construction shall comply with other Sections of this Lease concerning the design and construction of buildings and other improvements on or at the Demised Premises, including without limitation Sections 6 (including Lease Addendum #2), 8, and 13 hereof.

C. All insurance proceeds, if any, payable on account of such damage to or destruction of the buildings, structures and equipment on the Demised Premises shall be held by a qualified escrow agent mutually acceptable to Landlord and Tenant (all costs of escrow agent are to be paid from the insurance proceeds). Landlord shall be protected, and fully indemnified in accordance with Sections 6 and 21 hereof and other relevant provisions of this Lease, in acting upon any

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endorsed certificate believed by Landlord to be genuine and to have been executed by the proper party and shall receive such certificate as conclusive evidence of any fact or as to any matter therein set forth. Such certificate shall be full warranty, authority, and protection to Landlord in acting thereon and Landlord shall be under no duty to take any action other than as set forth in this Section 14.

D. Insurance proceeds held by the escrow agent, which may be Tenant's leasehold mortgagee pursuant to Section 9.C. of this Agreement, on account of any damage to or destruction of the buildings, structures and equipment on the Demised Premises, or any part thereof (less the costs, fees and expenses incurred by Landlord and Tenant in the collection thereof, including, without limitation, adjuster's and attorney's fees and expenses) ("Net Insurance Proceeds") shall be applied as follows:

1. Net Insurance Proceeds shall be paid to Tenant or as Tenant may direct from time to time as Restoration progresses to pay (or reimburse Tenant for) the cost of Restoration, upon written request of Tenant to Landlord and escrow agent accompanied by (a) certificate of a supervising architect or engineer approved by Landlord, describing in reasonable detail the work and material in question and the cost thereof, stating that the same were necessary or appropriate to the Restoration and constitute a complete part thereof, and that no part of the cost thereof has theretofore been reimbursed, and specifying the additional amount, if any, necessary to complete the Restoration, and (b) lien waivers or an opinion of counsel satisfactory to Landlord that there exist no mechanics', materialmen's or similar lien for labor or materials except such, if any, as are discharged by the payment of the amount requested.

2. Upon receipt by Landlord of the certificate and opinion or lien waivers required by the foregoing clauses 1 (a) and (b) that Restoration has been completed and the cost thereof paid in full, and that there are no mechanics', materialman's or similar liens for labor or materials supplied in connection therewith, the balance, if any, of such proceeds shall be paid to Tenant or as Tenant may direct.

E. If Tenant does not promptly commence Restoration, or after commencement Tenant does not diligently proceed to the completion of same, Landlord shall have the right to commence or complete Restoration. Landlord's right to commence or complete Restoration shall begin after Landlord has given Tenant at least thirty (30) days written notice requesting (i) the commencement of Restoration, or (ii) that Tenant diligently proceed to the completion of Restoration, and Tenant during such thirty (30) day period fails to commence or fails to proceed to diligently complete Restoration. In such event, Landlord shall be entitled to obtain the insurance proceeds, and Tenant shall promptly pay any deficiency if such proceeds are not sufficient for Restoration.

F. In the event of termination of this Lease by Landlord as a result of Tenant's failure to commence or complete (as the case may be) the Restoration, this Lease shall terminate and come to an end upon Landlord's termination as aforesaid as though the date of such termination by Landlord were the date of expiration of the term of this Lease, and all insurance proceeds shall be paid to Landlord.

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Section 15. Condemnation:

A. If during the term hereof, any part of the Demised Premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, or are sold to a condemning authority under threat of condemnation, and after such taking by or sale to said condemning authority the remainder of the Demised Premises is not susceptible to efficient and economic occupation and operation by Tenant, this Lease shall automatically terminate as of the date that said condemning authority takes possession of the Demised Premises, and Landlord shall refund to Tenant any prepaid but unaccrued Rent less any sum then owing by Tenant to Landlord.

B. If after such taking by or sale to said condemning authority the remainder of the Demised Premises is susceptible to efficient and economic occupation and operation by Tenant, this Lease shall not terminate but the Rent due hereunder shall be adjusted so that Tenant shall be required to pay for the remainder of the term hereof the sum obtained by multiplying each monthly Rent installment due hereunder, as adjusted from time to time pursuant to Section 4, by a fraction, the numerator of which shall be the number of square feet remaining in the Demised Premises after the taking by or sale to said condemning authority and denominator of which shall be the square footage originally contained in the Demised Premises. The Rent adjustment called for herein shall not commence until said condemning authority actually takes possession of the condemned portion of the Demised Premises.

C. If this Lease is not terminated pursuant to Section 15.A., above, Tenant shall promptly restore any building and any other improvements on the Demised Premises, and the condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid first to cover the costs and expenses for restoring the remaining portion of the Demised Premises to a condition susceptible to efficient and economic occupation and operation by Tenant, and any remaining proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant, as their interest may appear. If this Lease is terminated pursuant to Section 15.A, condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant as their interests may appear.

Section 16. Utilities:

Tenant shall be responsible at Tenant's sole cost and expense for obtaining all utility connections at or for the Demised Premises and Tenant shall pay all charges for water, electricity, gas, sewer, telephone or any other utility connections, tap-in fees, impact fees, and services furnished to the Demised Premises during the term hereof. Tenant agrees to contact all utility service providers prior to any excavation or digging on the Demised Premises. Landlord shall in no event be liable or responsible for any cessation or interruption in any such utility services.

Section 17. Common Facilities:

Tenant and Tenant's employees, agents, servants, customers and other invitees shall have the non-exclusive right to use all common facilities, improvements, equipment and services which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of Landlord's customers and tenants, including landing and takeoff facilities, means of ingress and

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egress to the Demised Premises, other Airport installations, and all other reasonable services which may be provided with or without charge from time to time by Landlord in operating the Airport ("Common Facilities"). All such Common Facilities shall at all times be under the exclusive control, operation and management of Landlord and may be rearranged, modified, changed, altered, removed, or terminated from time to time at Landlord's sole discretion.

Section 18. Airport Governing Documents:

Landlord, in its sole and absolute discretion, shall have the right from time to time to adopt, amend, modify, alter, and terminate in a reasonable manner certain rules and regulations, standards of operations, policies, procedures and practices deemed necessary and appropriate for the purpose of assuring the safety, welfare, fairness and equality without unjust discrimination, convenience and protection of property of Landlord, Tenant, other tenants and users of the Airport, their customers, and the general public (herein collectively referred to as the "Airport Governing Documents.") Tenant hereby agrees to comply fully at all times with these Airport Governing Documents as they exist now and as they may be amended or modified from time to time during the Term.

As of the Effective Date of this Lease such Airport Governing Documents include, without limitation:

1. Addison Airport Minimum Standards and Requirements for Commercial Aeronautical Service Providers vr. 2004 (also commonly referred to as the "Minimum Standards" or "Airport Minimum Standards"); and

2. *Addison Airport Rules and Regulations* vr. 2010 (also commonly referred to as the "Rules and Regulations" or "Airport Rules and Regulations"), which shall govern Tenant's use of the Demised Premises and all Common Facilities of the Airport; and

3. *Addison Airport Rates and Charges* – a schedule of the current rates, fees and charges assessed by the Airport for various services and facilities, which are generally approved in connection with the Airport's annual budgetary process but may be amended from time to time as deemed reasonable and appropriate.

Landlord has also adopted the National Business Aviation Association (NBAA) Noise Abatement Program (https://nbaa.org/aircraft-operations/environment/noise-abatement-program/) revised in 2015. Unless Landlord adopts a noise abatement program of its own, Tenant and Tenant's subtenants and their aeronautical guest and invitees are required to comply with NBAA's recommended noise abatement procedures, which are suitable for any aircraft type and airport operating environment.

Section 19. Signs and Equipment:

After first securing Landlord's approval, Tenant shall have the right from time to time to install and operate signs depicting Tenant's name and operate radio, communications, meteorological, aerial navigation and other equipment and facilities in or on the Demised Premises that may be

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reasonably necessary for the operation of Tenant's business, provided such signs and equipment are installed and maintained in compliance with all applicable governmental laws, rules, and regulations, including the Town of Addison's sign ordinance, and do not interfere with the operation of any navigation facilities or Airport communications (including, without limitation, navigation facilities or Airport communications used or operated by the Federal Aviation Administration).

Section 20. Landlord's Right of Entry:

Landlord and Landlord's authorized representatives shall have the right, during normal business hours and upon one (1) day notice (not counting Saturdays, Sundays or holidays), except in the case of emergencies, to enter the Demised Premises (i) to inspect the general condition and state of repair thereof, (ii) to make repairs permitted under this Lease, (iii) to show the Demised Premises to any prospective tenant or purchaser or (iv) for any other reasonable and lawful purpose.

During the final one hundred eighty (180) days of the term hereof, Landlord and Landlord's authorized representatives shall have the right to erect and maintain on or about the Demised Premises customary signs advertising the Demised Premises for lease.

Section 21. Indemnity and Exculpation:

A. Exculpation.

Except and to the extent caused by the gross negligence or intentional misconduct of Landlord or any party acting on its behalf, Landlord and the elected officials, the officers, employees, representatives, agents, and volunteers under the direction of Landlord, individually or collectively, in both their official and private capacities, (each a "Landlord Person" and collectively the "Landlord Persons"), and Airport Manager and Airport Manager's owner's, officers, employees, representatives, and agents, in both their official and private capacities, (each a "Manager Person" and collectively the "Manager Persons"), shall not be liable to Tenant or to any of Tenant's owners, directors, officers, shareholders, partners, managers, employees, agents, consultants, servants, customers, invitees, patrons, subtenants, licensees, concessionaires, contractors, subcontractors, or any other person or entity for whom Tenant is legally responsible, and their respective owners, directors, officers, shareholders, partners, managers, employees, agents, consultants, servants, customers, invitees, patrons, subtenants, licensees, concessionaires, contractors, and subcontractors, (each a "Tenant Person" and collectively "Tenant Persons"), or to any other person whomsoever, for any death or injury to persons or damage to or destruction of property or any other harm on or about the Demised Premises or any adjacent area owned by Landlord caused by or resulting from any act or omission of Tenant or any Tenant Persons, or arising out of the use or occupation of the Demised Premises by Tenant or any Tenant Persons and/or the conduct of Tenant's business thereon, or arising out of any breach or default by Tenant in the performance of Tenant's obligations hereunder.

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B. Tenant's Indemnity Obligation.

Tenant shall DEFEND (with counsel reasonably acceptable to Landlord), INDEMNIFY, AND HOLD HARMLESS Landlord and all other Landlord Persons and Airport Manager and all Manager Persons (Landlord and all other Landlord Persons, and Airport Manager and all other Manager Persons, being collectively the "Indemnified Persons") from and against any and all claims, actions, proceedings, causes of action, demands, losses, harm, damages, penalties, fines, liability, expenses, lawsuits, judgments, costs, and fees (including reasonable attorney fees and court costs) of any kind and nature whatsoever made upon, incurred by, suffered by, or asserted against any of the Indemnified Persons, whether directly or indirectly (collectively for purposes of this Section, "Damages"), that result from, relate to, are based upon, or arise out of, in whole or in part, (I) any condition of the Demised Premises caused in whole or in part by Tenant or by any Tenant Persons; (II) any act or omission of Tenant or any Tenant Persons under, in connection with, or in the performance of, this Lease; (III) any representations or warranties by Tenant under this Lease; (IV) any personal injuries (including but not limited to death) to any Tenant Persons and to any third persons or parties arising out of or in connection with Tenant's use and occupancy of the Demised Premises under this Lease; and/or (V) the Demised Premises becoming out of repair due to the fault of Tenant or any Tenant Persons for any reason, including by failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the Demised Premises, regardless of the source, or by dampness or by fire, explosion, falling plaster or ceiling. THIS DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATION SHALL AND DOES INCLUDE DAMAGES ALLEGED OR FOUND TO HAVE BEEN CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENCE (BUT EXCLUDING THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT) OF THE INDEMNIFIED PERSONS (OR ANY OF THEM), AND CONDUCT BY THE INDEMNIFIED PERSONS (OR ANY OF THEM) THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND. HOWEVER, TO THE EXTENT GROSS NEGLIGENCE AND/OR WILLFUL CONDUCT ARE ALLEGED SIMULTANEOUSLY WITH CLAIMS REQUIRING DEFENSE AND INDEMNITY HEREIN, TENANT SHALL DEFEND ALL CLAIMS ALLEGED AGAINST THE INDEMNIFIED PERSONS. Tenant's liability under this indemnity obligation shall be reduced by that portion of the total amount of the Damages (excluding defense fees and costs) equal to the Indemnified Person's or Indemnified Persons' equitable share of the negligence or conduct that would give rise to liability of any kind, that caused the loss. Likewise, Tenant's liability for Indemnified Person's or Indemnified Persons' defense costs and attorneys' fees shall be limited to a portion of the defense costs and attorneys' fees equal to the Indemnified Person's or Indemnified Persons' equitable share of the negligence or conduct that would give rise to liability of any kind, that caused the loss.

Tenant shall promptly advise Landlord and Airport Manager in writing of any claim or demand against any Indemnified Persons, Tenant, or any Tenant Persons related to or arising out of Tenant's activities under this Lease and shall see to the investigation and defense of such claim or demand at Tenant's sole cost and expense. The Indemnified Persons shall have the right, at the Indemnified Person's or Indemnified Persons' option and own expense, to participate in such defense without relieving Tenant of any of its obligations hereunder.

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C. Release.

Tenant hereby RELEASES Landlord and all other Landlord Persons, and Airport Manager and all other Manager Persons, (i) for any death or injury to any person or persons or damage to or destruction of property of any kind resulting from the Demised Premises becoming out of repair or by defect in or failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the Demised Premises, regardless of the source, or by dampness or by fire, explosion, falling plaster or ceiling , and (ii) any loss or damage that may result from or be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in construction of any private, public, or quasi-public work, INCLUDING, WITHOUT LIMITATION, ANY AND ALL CLAIMS WHICH ARISE FROM, OR ARE ALLEGED OR FOUND TO HAVE BEEN CAUSED BY, IN WHOLE OR IN PART, THE NEGLIGENCE [BUT EXCLUDING GROSS NEGLIGENCE OR WILLFUL MISCONDUCT] OF ANY OF THE INDEMNIFIED PERSONS, OR CONDUCT BY ANY OF THE INDEMNIFIED PERSONS THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND. Nothing herein shall release the Landlord from (1) the obligation to deliver the Demised Premises vacant, free and clear of any known Hazardous Materials.

D. THE PROVISIONS OF THIS SECTION 21 SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS LEASE.

Section 22. Environmental Compliance:

A. Landlord has delivered, and Tenant hereby acknowledges receipt of, copies of certain environmental and soils reports within the possession of Landlord relating to the Demised Premises and contiguous properties surrounding the Demised Premises as listed in Exhibit 8 attached hereto and incorporated by reference ("Environmental Reports"). Except as set forth in the Environmental Reports, Landlord is not aware of any Hazardous Materials (as defined in Section 22. II.A. below) present on the Property in any material amount, or any violation of any Environmental Laws, or any requirement to remediate any environmental condition.

B. No Storage or Disposal: Tenant shall not install, store, use, treat, transport, discharge or dispose (or permit or acquiesce in the installation, storage, use, treatment, transportation, discharge or disposal by Tenant, its directors, officers, shareholders, members, partners, agents, employees, invitees, contractors, subcontractors, independent contractors, or subtenants) on the Demised Premises or any portion of the Common Facilities, any: (a) asbestos in any form; (b) urea formaldehyde foam insulation; (c) transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls in excess of 50 parts per million; or (d) any other chemical, material, air pollutant, toxic pollutant, waste, or substance which is regulated as toxic or hazardous or exposure to which is prohibited, limited or regulated by the Resource Conservation Recovery Act (42 U.S.C. §6901, et seq., as amended or superseded), the Comprehensive and Environmental Response Compensation and Liability Act (42 U.S.C. §9601, et seq, as amended or superseded), the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Clean Air Act, and/or the Clean Water Act, or any other federal, state, county, regional, local or other governmental authority laws, rules, orders, standards, policies, or

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regulations, or which, even if not so regulated may or could pose a hazard to the health and safety of the occupants of the Demised Premises and/or any portions of the Common Facilities, and which is either: (i) in amounts in excess of that permitted or deemed safe under any applicable law, rule, order, standard, policy, or regulation or (ii) in any manner prohibited or deemed unsafe under applicable law, rule, order, standard, policy, or regulation. (The substances referred to in (a), (b), (c) or (d) are collectively referred to hereinafter as "Hazardous Materials").

C. Cleanup Laws: Tenant shall, at Tenant's own expense, comply with any presently existing or hereafter enacted laws relating to Hazardous Materials (collectively, "Cleanup Laws"); provided, however that Tenant shall not be obligated to perform investigation or remediation of any Hazardous Substances that existed on the Demised Premises prior to the Effective Date, to the extent such substances were not released, used, stored, generated, or aggravated by Tenant or any party under Tenant's control . In furtherance and not in limitation of the foregoing, Tenant shall, at Tenant's own expense, make all submissions to provide all information to, and comply with all requirements of the governmental authority with responsibility for implementation and enforcement of applicable Cleanup Laws (an "Authority"). Should any Authority require that a cleanup plan be prepared and that a cleanup be undertaken because of the existence of Hazardous Materials which were installed, stored, used, treated, transported, disposed of or discharged during the Term of the Lease on the Demised Premises and/or any portion of the Common Facilities, by Tenant, its directors, shareholders, members, partners, officers, agents, employees, invitees, independent contractors, contractors, subcontractors, licensees, subtenants, any other person entering the Demised Premises under express or implied invitation of Tenant, or any person directly or indirectly employed by or acting under Tenant, Tenant shall, at Tenant's own expense, prepare and submit the required plans and financial assurances and carry out the approved plans in accordance with such Cleanup Laws and to Landlord's satisfaction. The obligations of Tenant under this Section shall survive the expiration or earlier termination of this Lease. Regarding Tenant's liability described in this subsection 22.C., at no expense to Landlord, Tenant shall promptly provide all information requested by Landlord for preparation of affidavits or other documents required by Landlord to determine the applicability of the Cleanup Laws to the Demised Premises and/or any portion of the Common Facilities, as the case may be, and shall sign the affidavits promptly when requested to do so by Landlord.

TENANT'S FURTHER INDEMNITY OBLIGATION. TENANT SHALL INDEMNIFY, DEFEND, SAVE AND HOLD HARMLESS LANDLORD AND ALL OTHER LANDLORD PERSONS, AND AIRPORT MANAGER AND ALL OTHER MANAGER PERSONS, FROM AND AGAINST, AND REIMBURSE LANDLORD AND ALL OTHER LANDLORD PERSONS, AND AIRPORT MANAGER AND ALL OTHER MANAGER PERSONS, FOR, ANY AND ALL OBLIGATIONS, DAMAGES, INJUNCTIONS, FINES, PENALTIES, DEMANDS, CLAIMS, COSTS, FEES, CHARGES, EXPENSES, ACTIONS, CAUSES OF ACTION, JUDGMENTS, LIABILITIES, SUITS, PROCEEDINGS AND LOSSES OF WHATEVER KIND OR NATURE (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COURT COSTS), AND ALL CLEANUP OR REMOVAL COSTS (COLLECTIVELY FOR PURPOSES OF THIS SUBSECTION, "DAMAGES") AND ALL ACTIONS OF ANY KIND ARISING OUT OF OR IN ANY WAY CONNECTED WITH, (I) THE GENERATION, INSTALLATION, STORAGE, USE, TREATMENT, TRANSPORTING, DISPOSAL OR DISCHARGE OF HAZARDOUS MATERIALS IN OR ON THE DEMISED PREMISES AND/OR ANY

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PORTION OF THE AIRPORT, INCLUDING THE COMMON FACILITIES, OR ANY PROPERTY ADJACENT TO THE AIRPORT, BY TENANT OR ANY TENANT PERSONS, AND (II) ALL FINES, SUITS, PROCEDURES, CLAIMS AND ACTIONS OF ANY KIND ARISING OUT OF TENANT'S FAILURE TO PROVIDE ALL INFORMATION, MAKE ALL SUBMISSIONS AND TAKE ALL STEPS REQUIRED BY THE AUTHORITY UNDER THE CLEANUP LAWS OR ANY OTHER ENVIRONMENTAL LAW, RULE, STANDARD, REGULATION, OR POLICY. SUCH DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATION SHALL AND DOES INCLUDE DAMAGES ALLEGED OR FOUND TO HAVE BEEN CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENCE [BUT NOT THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT] OF THE LANDLORD, ANY OTHER LANDLORD PERSON, AIRPORT MANAGER, OR ANY OTHER MANAGER PERSON, OR BY ANY ACT OR OMISSION OF LANDLORD, ANY OTHER LANDLORD PERSON, AIRPORT MANAGER, OR ANY OTHER MANAGER PERSON THAT MAY GIVE RISE TO STRICT LIABILITY OF ANY KIND RELATING TO TENANT'S OCCUPANCY, USE, VACATION, OR ABANDONMENT OF THE DEMISED PREMISES AS DESCRIBED IN CLAUSES I-III OF THIS PARAGRAPH. HOWEVER, TO THE EXTENT GROSS NEGLIGENCE AND/OR WILLFUL MISCONDUCT ARE ALLEGED SIMULTANEOUSLY WITH CLAIMS REQUIRING DEFENSE AND INDEMNITY HEREIN, TENANT SHALL DEFEND ALL CLAIMS ALLEGED AGAINST THE LANDLORD, AND ANY OTHER LANDLORD PERSON, AND AIRPORT MANAGER, AND ANY OTHER MANAGER PERSON RELATING TO TENANT'S OCCUPANCY, USE, VACATION, OR ABANDONMENT OF THE DEMISED PREMISES AS DESCRIBED IN CLAUSES I-III OF THIS PARAGRAPH. TENANT'S LIABILITY UNDER THIS INDEMNITY OBLIGATION SHALL BE REDUCED BY THAT PORTION OF THE TOTAL AMOUNT OF THE DAMAGES (EXCLUDING DEFENSE FEES AND COSTS) EQUAL TO THE INDEMNIFIED PERSON'S OR INDEMNIFIED PERSONS' EQUITABLE SHARE OF THE NEGLIGENCE, OR CONDUCT THAT WOULD GIVE RISE TO LIABILITY OF ANY KIND, THAT CAUSED THE LOSS. LIKEWISE, TENANT'S LIABILITY FOR INDEMNIFIED PERSON'S OR INDEMNIFIED PERSONS' DEFENSE COSTS AND ATTORNEYS' FEES SHALL BE REDUCED BY A PORTION OF THE DEFENSE COSTS AND ATTORNEYS' FEES EQUAL TO THE INDEMNIFIED PERSON'S OR INDEMNIFIED PERSONS' EQUITABLE SHARE OF THE NEGLIGENCE, OR CONDUCT THAT WOULD GIVE RISE TO LIABILITY OF ANY KIND, THAT CAUSED THE LOSS. In addition to and not in limitation of Landlord's other rights and remedies, Tenant's failure to abide by the terms of this Section shall be restrainable by injunction.

C. Environmental Notices: Tenant shall promptly supply Landlord with copies of any notices, correspondence and submissions made by Tenant to or received by Tenant from any governmental authorities of the United States Environmental Protection Agency, the United States Occupational Safety and Health Administration, the FAA, TxDOT, or any other local, state or federal authority that requires submission of any information concerning environmental matters or Hazardous Materials.

D. Prior to the Commencement Date of the Lease, the Tenant, at Tenant's sole cost and expense, is entitled to conduct a Phase I Environmental Site Assessment ("ESA") with respect

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to the Demised Premises. If a Phase I ESA indicates the likely presence of Hazardous Materials (as defined in this Lease) on the Demised Premises, Tenant shall be entitled to (i) ask Landlord to remedy the reported condition at Landlord's sole cost and expense if, and only if, a Phase II ESA is not recommended; or (ii) if a Phase II ESA is recommended, Tenant may, at its sole option, terminate the Lease or conduct a Phase II ESA at Tenant's sole cost and expense. If the Phase II ESA indicates the presence of Hazardous Materials on the Demised Premises, Tenant shall be entitled to: (a) remedy the condition at it sole cost, expense and risk, or (b) ask Landlord to remedy the reported condition at Landlord's sole cost, expense and risk, which the Town shall make such determination at its sole discretion, or (c) elect to terminate and disaffirm the Lease, in which case the Lease shall become null and void *ab inito*, whereupon no further obligation shall be borne of either party hereto. A full copy of any ESA shall be delivered promptly to Landlord upon its issuance. Lease Addendum #2 contains additional detail and terms regarding Tenant's Environmental Site Assessment procedures. Any election made by Tenant pursuant to this Section 23.D. shall not constitute a waiver of any rights, claims, remedies or causes of action which Tenant may have in connection with or arising out of the presence of Hazardous Materials present on the Demised Premises prior to the Effective Date.

E. Survival: Tenant's defense and indemnity and hold harmless obligation and Tenant's liability pursuant to the terms of Sections 6, 21 and 22 shall survive the expiration or earlier termination of this Lease.

Section 23. Default by Tenant:

Each of the following events, inclusive of those events of default otherwise referenced herein, shall be deemed to be an Event of Default (herein so called) by Tenant under this Lease:

A. Failure of Tenant to pay any installment of Rent or any other sum payable to Landlord hereunder, or to pay or cause to be paid taxes (to the extent Tenant is obligated to pay or cause same to be paid), utilities, or insurance premiums, or any other payment which Tenant is to make under this Lease, on the date that same is due and such failure continues for a period of ten (10) days after the date on which such payment is to be made.

B. Failure of Tenant to comply with any term, condition or covenant of this Lease (other than the payment of Rent or other sum of money, or the payment of taxes, utilities or insurance premiums, or other payments Tenant is to make under this Lease, as set forth in Subsection A. of this Section 23) and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant; provided, however, in the event such failure is not susceptible of cure within such thirty (30) day period, then such thirty (30) day period shall be extended for an additional period of time (not to exceed an additional sixty [60] days) so long as Tenant has provided Landlord written notice of the curative measures Tenant proposes to undertake and commenced to cure such failure within the initial thirty (30) day period and thereafter diligently pursues such cure.

C. INTENTIONALLY DELETED.

D. Insolvency, the making of a transfer in fraud of creditors, or the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.

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E. Filing of a petition under any section or chapter of the Bankruptcy Code, as amended, or under any similar law or statute of the United States or any State thereof by Tenant or any guarantor of Tenant's obligations, or adjudication as a bankrupt or insolvent in proceedings filed against Tenant or such guarantor and same is not dismissed within sixty (60) days of filing.

F. Appointment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations and same is not dismissed within sixty (60) days of filing.

G. Abandonment or cessation of use of the Demised Premises or any substantial portion thereof for the purpose leased by Tenant for a period of thirty (30) consecutive days.

H. Tenant is in default of any other lease or agreement with the Town of Addison after notice and opportunity to cure, if applicable, or, provided Tenant is the holder of a valid aviation fuel dispensing permit or license issued by the Town of Addison, is in default of said fuel dispensing permit or license after notice and opportunity to cure, if applicable.

Section 24. Remedies of Landlord:

A. Upon the occurrence of any of Event of Default by Tenant under this Lease, Landlord, without prejudice to any other legal, equitable, or contractual right or remedy, shall have the option to pursue any one or more of the following rights or remedies using lawful force if necessary or appropriate, without notice or demand whatsoever:

1. Terminate this Lease or any of Tenant's rights under this Lease, with or without reentering or repossessing the Demised Premises, and terminate any other lease or agreement at the Airport between Landlord and Tenant and any fuel license or permit granted to Tenant. Landlord may also terminate this Lease at any time after a termination of occupancy or possession as described in subsection B. of this Section.

2. Terminate Tenant's right to occupy or possess all or any part of the Demised Premises without terminating this Lease and with or without reentering or repossessing the Demised Premises.

3. Recover unpaid Rent and any Damages (as defined below);

4. Re-enter and re-possess all or any part of the Demised Premises by changing or picking the locks, access codes, or other access control devices, and taking any other self-help or judicial action, to exclude Tenant and other occupants from the Demised Premises. Re-entry or repossession of the Demised Premises by Landlord will not be construed as an election by Landlord to terminate this Lease.

5. Remove and store (at Tenant's sole cost) any property (other than aircraft) on the Demised Premises.

6. Sue for eviction, specific enforcement, equitable relief, Rent, damages, or any other available remedy.

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7. Cure Tenant's default, and if Landlord does so, Tenant must reimburse Landlord within 30 days after Landlord delivers an invoice for any actual, out-of-pocket expenses Landlord incurred effecting compliance with Tenant's obligations during the Term of the Lease.

8. Withhold or suspend any payment that this Lease would otherwise require Landlord to make.

9. Exercise all other remedies available to Landlord at law or in equity (including, without limitation, injunctive and other extraordinary remedies).

B. For purposes of this Section, "Damages" includes, without limitation, all actual, incidental, and consequential damages, court costs, interest, and attorneys' fees incurred by Landlord and arising from Tenant's breach of this Lease, including, without limitation, the cost of (i) recovering possession of the Demised Premises, (ii) removing and storing Tenant's and any other occupant's property, (iii) re-letting the Demised Premises, including, without limitation, the costs of brokerage commissions and cleaning, decorating, repairing, or altering the Demised Premises for a substitute tenant or tenants, (iv) collecting any money owed by Tenant or a substitute tenant, (v) repairing any damage caused by any Tenant Persons, (vi) performing any obligation of Tenant under the Lease, and (vii) any other loss or cost incurred by Landlord as a result of, or arising from, Tenant's breach of the Lease or Landlord's exercise of its rights and remedies for such breach. Any rent received from a substitute tenant shall be subtracted from what the defaulting Tenant may owe in Damages.

C. Unless Landlord delivers signed, written notice thereof to Tenant explicitly accepting surrender of the Demised Premises, providing for termination of this Lease, or evicting Tenant, no act or omission by Landlord or Airport Manager or their respective officials, officers, employees, or agents will constitute Landlord's acceptance of surrender of the Demised Premises, termination of Lease, or an actual or constructive eviction of Tenant (including, without limitation, Tenant's delivery of keys to any of Landlord's or Manager's officials, officers, employees, or agents or Landlord's repossession, reentry, or reletting of the Demised Premises).

D. Pursuit of any of the foregoing rights or remedies by Landlord shall not preclude Landlord’s pursuit of any of the other rights or remedies herein provided or any other rights or remedies provided by law, in equity, or otherwise, nor shall pursuit of any right or remedy herein provided constitute a forfeiture or waiver of any Rent due to Landlord hereunder or of any damages accruing to Landlord because of the violation of any of the terms, conditions and covenants herein contained.

Section 25. Default by Landlord:

No default by Landlord hereunder shall constitute an eviction or disturbance of Tenant’s use and possession of the Demised Premises or render Landlord liable for damages (including consequential damages) or entitle Tenant to be relieved from any of Tenant’s obligations (including the obligation to pay Rent) or grant Tenant any right of deduction, abatement, set-off or recovery or

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entitle Tenant to take any action whatsoever with regard to the Demised Premises or Landlord until thirty (30) days after Tenant has given Landlord written notice specifically setting forth such default by Landlord, and Landlord has failed to cure such default within said thirty (30) day period, or in the event such default cannot be cured within said thirty (30) day period then within an additional reasonable period of time so long as Landlord has commenced curative action within said thirty (30) day period and thereafter is diligently attempting to cure such default. In the event that Landlord fails to cure such default within said thirty (30) day period, or within said additional reasonable period of time, Tenant shall have the right as its sole and exclusive remedy to:

A. Proceed to cure such default (provided such cure occurs entirely within the Demised Premises) and deduct the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum from the next succeeding Rent installment(s) due by Tenant to Landlord hereunder;

B. Proceed to cure such default (provided such cure occurs entirely within the Demised Premises) and bring suit against Landlord for the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum; or

C. Exercise all other remedies available to Tenant at law or in equity (including, without limitation, injunctive and other extraordinary remedies).

If any mortgagee of Landlord has given Tenant its address for notices and specifically requests such notice, Tenant agrees to give the notice required hereinabove to such mortgagee at the time Tenant gives same to Landlord, and to accept curative action, if any, undertaken by such mortgagee as if such curative action had been taken by Landlord.

Section 26. Mitigation of Damages:

A. In lieu of any obligation imposed by law on Landlord to mitigate damages arising from Tenant's abandonment of the Demised Premises in breach of this Lease, Landlord, beginning not more than 90 days after Tenant physically vacates the Demised Premises and continuing until the Demised Premises have been relet (but subject to the provisions of this subsection A. set forth below), will market the Demised Premises for lease, and Tenant will remain liable for all Rent and for Damages incurred by Landlord (as the term "Damages" is defined in Section 24, above).

B. Landlord and Tenant agree to the following criteria in connection with Landlord's obligation (if any) to mitigate damages as described above:

1. Landlord will have no obligation to solicit or entertain negotiations with any other prospective tenants of the Demised Premises until and unless Landlord obtains full and complete possession of the Demised Premises, including without limitation, the final and unappealable legal right to relet the Demised Premises free of any claim of Tenant.

2. Landlord will not be obligated to offer the Demised Premises to a prospective tenant when other premises suitable for that prospective tenant's use are (or soon will be) available in any other premises located at Addison Airport.

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3. Landlord will not have any obligation to lease the Demised Premises for any rent less than the current rate then prevailing for similar space at Addison Airport (or if no similar space is available, the current fair market rent then prevailing for similar space in comparable buildings in the same market area as the Demised Premises) nor shall Landlord be obligated to enter into a new lease under any terms or conditions that are unacceptable to Landlord, so long as the terms Landlord is requiring are commercially reasonable.

4. Landlord will not be obligated to enter into any lease with any prospective tenant whose reputation is not acceptable to Landlord, in Landlord's commercially reasonable judgment and opinion.

5. Landlord will not be obligated to enter into a lease with any prospective tenant: (i) which does not have, in Landlord's commercially reasonable judgment and opinion, sufficient financial resources and operating experience to operate the Demised Premises in a manner consistent with the highest standards of quality, cleanliness, and service generally recognized within the industry, including without limitations the attributes outlined in Section 9.A.5 above; or (ii) whose proposed use of the Demised Premises is not a permitted use under the terms of this Lease.

6. Landlord will not be required to expend more than a commercially reasonable amount of money to alter, remodel or otherwise make the Demised Premises suitable for use by any prospective tenant.

If Landlord makes the Demised Premises available for reletting under the criteria set forth hereinabove, Landlord will be deemed to have fully satisfied Landlord's obligation (if any) to mitigate damages under this Lease and any law or judicial ruling in effect on the date of this Lease or at the time of Tenant's default, and **Tenant hereby waives and releases**, to the fullest extent legally permissible, any right to assert in any action by Landlord to enforce the terms of this Lease, any defense, counterclaim, or rights of setoff or recoupment respecting the mitigation of damages by Landlord (or alleged failure by Landlord to adequately mitigate its damages), unless and to the extent Landlord maliciously or in bad faith fails to act in accordance with the requirements of this Section.

Tenant stipulates that the mitigation requirements expressed in this Section are objectively reasonable. TO THE FULLEST EXTENT PERMITTED BY LAW, TENANT WAIVES ANY OTHER OBLIGATION BY LANDLORD TO MITIGATE ITS DAMAGES AFTER TENANT FAILS TO PAY RENT OR VACATES OR ABANDONS THE PREMISES.

C. Tenant's right to seek actual damages as a result of a default by Landlord under this Lease shall be conditioned on Tenant taking all actions reasonably required, under the circumstances, to minimize any loss or damage to Tenant's property or business, or to any of Tenant's officers, employees, agents, invitees, or other third parties that may be caused by any such default of Landlord.

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Section 27. Waiver of Subrogation:

Each party hereto waives any and every claim which arises or may arise in such party's favor against the other party hereto during the term of this Lease for any and all loss of, or damage to, any of such party's property located within or upon, or constituting a part of, the Demised Premises, which loss or damage is covered by valid and collectible casualty, fire and extended coverage insurance policies, to the extent that such loss or damage is recoverable under such insurance policies. Such mutual waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Lease with respect to any loss of, or damage to, property of the parties hereto. Since such mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation or otherwise to an insurance company (or any other person), each party hereby agrees immediately to give to each insurance company which has issued to such party policies of fire and extended coverage insurance, written notice of the terms of such mutual waivers, and to cause such insurance policies to be endorsed appropriately, if necessary, to prevent the invalidation of such insurance coverages because of such waivers.

Section 28. Title to Improvements:

A. All improvements on the Demised Premises, including, without limitation, any buildings constructed on the Demised Premises by or for Tenant, shall be owned by Tenant during the term of this Agreement. The term "improvements" shall include, without limitation, the Building Improvements as defined in Section 6.

B. Upon the termination of this Agreement, whether by expiration of the term hereof or by reason of default on the part of Tenant, or for any other reason whatsoever, the improvements (including, without limitation, the Building Improvements), and all parts thereof, shall merge with the title of the Demised Premises, free and clear of any claim of Tenant and all persons or entities claiming under or through Tenant (including, without limitation, any holder of a leasehold mortgage), and shall become the property of Landlord; provided, however: (i) Tenant shall have the right to remove all personal property (including aircraft stored in the Building Improvements) and trade fixtures owned by Tenant from the Demised Premises, but Tenant shall be required to repair any damage to the Demised Premises caused by such removal in a good and workmanlike manner and at Tenant's sole cost and expense; and (ii) Landlord may elect to require Tenant to remove all Building Improvements from the Demised Premises and restore the Demised Premises to the condition in which the same existed on the date hereof, in which event Tenant shall promptly perform such removal and restoration in a good and workmanlike manner and at Tenant's sole cost and expense. Upon such termination, Tenant shall deliver the Demised Premises to Landlord in good condition, reasonable wear and tear excepted, and shall, at Landlord's request, execute a recordable instrument evidencing the termination of this Agreement and stating the termination or expiration date.

C. Upon the expiration or early termination of this Lease, Tenant shall, at Landlord's request, execute a recordable instrument evidencing the termination of this Lease and giving the effective date of said termination or expiration date.

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Section 29. Mechanics' and Materialmen's Liens; Lien for Rent:

A. Tenant agrees to DEFEND, INDEMNIFY and HOLD HARMLESS to the full extent as provided in this Lease, Landlord and all Landlord Persons, and Airport Manager and all Manager Persons, from and against all liability arising out of the filing of any mechanics' or materialmen's liens against the Demised Premises by reason of any act or omission of Tenant or anyone claiming under Tenant (including, without limitation, any Tenant Persons), and Landlord, at Landlord's option, may satisfy such liens and collect the amount expended from Tenant together with interest thereon as provided in Section 39 as additional Rent; provided, however, that Landlord shall not so satisfy such liens until thirty (30) days after written notification to Tenant of Landlord's intention to do so and Tenant's failure during such thirty (30) day period to bond such liens or escrow funds with appropriate parties to protect Landlord's interest in the Demised Premises, unless a shorter period of time is dictated by applicable law.

Section 30. Intentionally Deleted.

Section 31. Quiet Enjoyment and Subordination:

Landlord represents that Tenant, upon payment of the Rent and performance of the terms, conditions, covenants and agreements herein contained, shall (subject to all of the terms and conditions of this Lease) peaceably and quietly have, hold and enjoy the Demised Premises during the full term of this Lease. Landlord further is hereby irrevocably vested with full power and authority by Tenant to subordinate Tenant's interest hereunder to any mortgage, deed of trust or other lien hereafter placed on the Demised Premises or to declare this Lease prior and superior to any mortgage, deed of trust or other lien hereafter placed on the Demised Premises; provided, however, any such subordination shall be upon the express conditions that (i) this Lease shall be recognized by the mortgagee and that all of the rights of Tenant shall remain in full force and effect during the full term of this Lease on condition that Tenant attorn to the mortgagee, its successors and assigns, and perform all of the covenants and conditions required by the terms of this Lease, and (ii) in the event of foreclosure or any enforcement of any such mortgage, the rights of Tenant hereunder shall expressly survive and this Lease shall in all respects continue in full force and effect so long as Tenant shall fully perform all Tenant's obligations hereunder and attorn to the purchaser. Tenant also agrees upon demand to execute further instruments declaring this Lease prior and superior to any mortgage, deed of trust, or other lien and specifically providing that this Lease shall survive the foreclosure of such mortgage, deed of trust, or other lien.

Section 32. Rent on Net Return Basis:

The Rent provided for in this Lease shall be an absolutely net return to Landlord for the term of this Lease, free of any loss, expenses or charges for the Demised Premises, including, without limitation, maintenance, repairs, replacement, insurance, taxes and assessments, and this Lease shall be construed in accordance with and to effectuate such intention.

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Section 33. Holding Over:

Should Tenant, or any of Tenant's successors in interest fail to surrender the Demised Premises, or any part thereof, on the expiration of the Term of this Lease, such holding over shall constitute a tenancy from month to month only terminable at any time by either Landlord or Tenant after thirty (30) days prior written notice to the other, at a monthly Rent equal to one hundred and twenty-five percent (125%) of the Base Rent paid for the last month of the Term of this Lease.

Section 34. Waiver of Default:

No waiver by the parties hereto of any default or breach of any term, condition or covenant of this Lease shall be deemed to be a waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein. Neither Landlord nor Tenant will be deemed to have waived any right or breach of any obligation under this Lease by the other Party, unless a signed writing is delivered to the other Party, addressed to such Party explicitly relinquishing that right or breach. No custom or practice arising during the administration this Lease will waive, or diminish, Landlord's right to insist upon strict performance of Tenant's obligations. No restrictive endorsement or other statement on or accompanying any check or payment will be deemed an accord and satisfaction or novation, and Landlord will be entitled to accept any such check or payment, without prejudice, to Landlord's rights to recover the full amount due and to exercise its other remedies.

Section 35. Release of Landlord Upon Transfer:

All of Landlord's personal liability for the performance of the terms and provisions of this Lease (except for any liability accruing prior to such transfer) shall terminate upon a transfer of the Demised Premises by Landlord, provided that the obligations of Landlord under this Lease are covenants running with the land and shall be binding upon the transferee of Landlord's interest in this Lease and the Demised Premises.

Section 36. Attorneys' Fees:

If, on account of any breach or default by either Party to this Lease, it shall become necessary for either Party to employ an attorney to enforce or defend any of its rights or remedies hereunder, with the result that a judicial proceeding shall be filed, then the prevailing party in such judicial proceeding shall be entitled, in addition to any other rights it may have, in law or equity, to collect reasonable attorneys' fees and costs of Court incurred.

Section 37. Financial Information:

Tenant agrees that Tenant will from time to time upon the written request of Landlord during the term of this Lease furnish to Landlord such credit and banking references as Landlord may reasonably request.

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Section 38. Estoppel Certificates:

A. Tenant agrees that from time to time, upon not less than ten (10) days prior written request by Landlord, Tenant will deliver to Landlord a statement in writing certifying that:

1. This Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease as modified is in full force and effect and stating the modifications).

2. The dates to which Rent and other charges have been paid.

3. Landlord is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

4. If requested by Landlord, Tenant will not pay Rent for more than one (1) month in advance and that this Lease will not be amended without notice to Landlord's mortgagee and that the same will not be terminated without the same notice required by the Lease to be furnished to Landlord also being furnished to Landlord's mortgagee and Landlord's mortgagee fails to cure such default within the curative period allowed Landlord under this Lease.

B. Landlord agrees that from time to time, upon not less than ten (10) days' prior written request by Tenant, Landlord will deliver to Tenant a statement in writing certifying that:

1. This Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease as modified is in full force and effect and stating the modifications).

2. The dates to which Rent and other charges have been paid.

3. Tenant is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

Section 39. Interest on Tenant's Obligations and Manner of Payment:

Other than Rent, monetary obligations of Tenant to Landlord under this Lease remaining unpaid thirty (30) days after the due date of the same (if no due date has been established under other provisions hereof, the "due date" shall be the date upon which Landlord demands payment from Tenant in writing) shall bear interest at the rate of ten percent (10%) per annum (or the maximum interest rate permitted by law, whichever is lower) from and after said tenth (10th) day until paid. If more than twice during the term of the Lease Tenant's personal or corporate check is not paid by the bank on which it is drawn for whatever reason, Landlord may require by giving written notice to Tenant that the payment of all future monetary obligations of Tenant under this Lease are to be made on or before the due date by cash, cashier's check, certified check or money order, and the delivery of Tenant's personal or corporate check will no longer constitute payment of such monetary obligations. Any acceptance by Landlord of a personal or corporate check after such notice shall not be deemed or construed as a waiver or estoppel of Landlord to require other payments as required by said notice. Notwithstanding the foregoing, Tenant's failure to pay any monetary amount due payable is a monetary default of this Lease.

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Section 40. Special Events:

Landlord may sponsor certain special events, including, but not limited to, air shows, to be conducted on portions of the Airport, which may limit or obstruct access to the Premises and/or to the Airport ("Special Events"), and Tenant agrees and consents to the same. As a material inducement to Landlord to enter into this Lease, and notwithstanding anything to the contrary contained herein, Tenant, on behalf of Tenant and on behalf of all directors, officers, shareholders, partners, principals, employees, agents, contractors, subtenants, licensees or concessionaires of Tenant and on behalf of any other party claiming any right to use the Demised Premises by, through or under Tenant, hereby: (i) agrees that Landlord has the right to sponsor any or all Special Events and to allow use of portions of the Airport therefor even if the same limit or obstruct access to the Demised Premises and/or to the Airport; (ii) **releases, waives and discharges** Landlord and Manager, and Landlord Persons and Manager Persons, from all liability for any loss, damage, cost, expense or claim arising or resulting from or pertaining to the limitation or obstruction of access to the Demised Premises and/or to the Airport from the conduct of Special Events and/or activities relating or pertaining thereto, including, without limitation, death, injury to person or property or loss of business or revenue (the "Released Claims"); (iii) **covenants not to sue** the Landlord or Manager, or any of the Landlord Persons and Manager Persons, for any Released Claims; (iv) agrees that the terms contained in this Section are intended and shall be construed to be as broad and inclusive as possible under the laws of the State of Texas; and (v) agrees that if any portion of this Section is held to be invalid or unenforceable, the remainder of this Section shall not be affected thereby but shall continue in full force and effect.

Section 41. Independent Contractor:

It is understood and agreed that in leasing, using, occupying, and operating the Demised Premises, Tenant is acting as an independent contractor and is not acting as agent, partner, joint venturer or employee of Landlord or Airport Manager.

Section 42. Force Majeure:

A. In the event performance by Landlord of any term, condition or covenant in this Lease is delayed or prevented by an Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, quarantine or mandatory closure order enacted in response to a pandemic or other public health crises, civil riot, flood, or any other cause not within the control of Landlord, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Landlord is so delayed or hindered.

B. In the event performance by Tenant of any term, condition or covenant in this Lease is delayed or prevented by an Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, quarantine or mandatory closure order enacted in response to a pandemic or other public health crises, civil riot, flood, or any other cause not within the control of Tenant, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Tenant is so delayed or hindered.

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Section 43. Exhibits:

All exhibits, attachments, annexed instruments and addenda referred to herein shall be considered a part hereof for all purposes with the same force and effect as if copied verbatim herein.

Section 44. Use of Language:

Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular shall be held to include the plural, unless the context otherwise requires. The terms "day", "week,", "month", "year" or any plural form of said terms shall be construed to mean on a calendar basis unless expressly stated otherwise. For the purposes herein, the term "business day" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of Texas are authorized or required by law or other governmental action to close.

Section 45. Captions:

The captions or headings, sections, or paragraphs in this Lease are inserted for convenience only and shall not be considered in construing the provisions hereof if any question of intent should arise.

Section 46. Successors; No Third-Party Beneficiaries; No Waiver of Immunity; No Tax Representation:

The terms, conditions and covenants contained in this Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto and their respective successors in interest and legal representatives except as otherwise herein expressly provided. All rights, powers, privileges, immunities and duties of Landlord under this Lease, including, but not limited to, any notices required or permitted to be delivered by Landlord to Tenant hereunder, may, at Landlord's option, be exercised or performed by Landlord's agent or attorney.

Except as otherwise set forth in this Lease (e.g., provisions relating to the Airport Manager and Manager Persons), this Lease and all of its provisions are solely for the benefit of the parties hereto and do not and are not intended to create or grant any rights, contractual or otherwise, to any third person or entity.

Notwithstanding any other provision of this Lease, nothing in this Lease shall or may be deemed to be, or shall or may be construed to be, a waiver or relinquishment of any immunity, defense, or tort limitation to which the Town of Addison, Landlord, its officials, officers, employees, representatives, and agents, or Airport Manager, its owners, officers, employee, representatives, and agents, are or may be entitled, including, without limitation, any waiver of immunity to suit.

Notwithstanding any provision of this Lease, Landlord makes no representation that this Lease or any provision hereof will entitle or allow Tenant to receive any federal income or other federal tax benefit whatsoever.

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Section 47. Severability:

If any provision in this Lease should be held to be invalid, illegal, or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby, and the invalid, illegal, or unenforceable term will be reformed to give effect (to the fullest extent possible) to the parties' intentions in a manner that is legal, valid, and enforceable. It is the parties' intent that the term of this Lease does not exceed 50 years (600 months); if it should be determined that the term of this Lease exceeds such period of time, the term hereof shall be reformed to make the Term hereof not exceed such period of time.

Section 48. Notices:

Any notice or document required to be delivered or given in writing shall be delivered or given (a) in person; (b) by United States mail, postage prepaid, registered or certified mail, (return receipt requested optional by the sender); (c) by FedEx Corporation or other nationally recognized carrier; or (d) by email. Such notice or document shall be deemed to be delivered or given, whether actually received or not, (a) when received if delivered or given in person; (b) three business days after being deposited in the United States mail as set forth above; (c) the next business day after the notice or document is provided to FedEx Corporation or other nationally recognized carrier; or (d) the next business day if sent by email. A confirmation of delivery report, which reflects the time that the email was delivered to the recipient's last notified email address, is prima facie evidence of receipt by the recipient, unless the sender receives a delivery failure notification indicating that the email has not been delivered to the recipient.

Addresses for the delivery or giving of any such notice or document are indicated below, or at such address as may hereafter be specified by written notice delivered in accordance with this Section 48.

TO LANDLORD:	TO TENANT:
Town of Addison, Texas c/o City Manager P.O. Box 9010 Addison, Texas 75001 Email: dgaines@addisontx.gov *With Copy to:* Town of Addison, Texas c/o Addison Airport Manager 4545 Jimmy Doolittle Drive, Suite 200 Addison, Texas 75001 Attn: Asst. Airport Director - Real Estate Email: bdyer@addisontx.gov	Thrust Properties, LLC Patrick Arnzen, Manager 4700 Airport Parkway Addison TX 75001 p.arnzen@thrustflight.com *With Copy to:* Stuart Stevenson, Manager Thrust Properties, LLC 4700 Airport Parkway Addison TX 75001 (s.stevenson@thrustflight.com)

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and Town of Addison, Texas City Attorney P.O. Box 9010 Addison, Texas 75001	and Alyssa Krahmer, Sole Managing Member Krahmer Law Firm, PLLC 12700 Hillcrest Road, Ste. 125 Dallas, TX 75230 (alyssa@krahmerlawfirm.com)

Section 49. Fees or Commissions:

Each party hereto hereby covenants and agrees with the other that such party shall be solely responsible for the payment of any brokers', agents' or finders' fees or commissions agreed to by such party arising from the execution of this Lease or the performance of the terms and provisions contained herein, and such party agrees to indemnify and hold the other party harmless from the payment of any such fees or commissions.

Section 50. Counterparts:

This Lease may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 51. Consent; "Includes" and "Including"; Recitals:

Where Landlord consent or approval is required in this Lease, such consent or approval may be given by the City Council of the Town of Addison, Texas or by the City Manager of the Town of Addison. For purposes of this Lease, "includes" and "including" are terms of enlargement and not of limitation or exclusive enumeration. Using the terms does not suggest that components not expressed are excluded. The above and foregoing recitals to the Lease are true and correct and are incorporated into and made a part of this Lease for all purposes.

Section 52. Governing Law and Venue; Survivability of Rights and Remedies:

A. This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas, without regard to "choice of laws" rules of any jurisdiction. All suits, actions, or legal proceedings relating to this Agreement shall be maintained in the state or federal courts of Dallas County, Texas, which courts shall have exclusive jurisdiction for such purpose. Each of the parties submits to the exclusive jurisdiction of such courts for purposes of any such suit, action, or legal proceeding hereunder, and waives any objection or claim that any such suit, action, or legal proceeding has been brought in an inconvenient forum or that the venue of that suit, action, or legal proceeding is improper.

B. Any rights and remedies either party may have with respect to the other arising out of the performance of or failure to perform this Lease during the term hereof shall survive the

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cancellation, expiration or termination of this Lease. **NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE PARTIES OBLIGATIONS AND LIABILITIES PURSUANT TO SECTIONS 6, 21, 22, 28 SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE AS DEEMED NECESSARY FOR THE ENFORCEMENT OF THE PARTIES RIGHTS AND OBLIGATIONS THEREUNDER.**

Section 53. Entire Agreement and Amendments; Authorized Persons:

This Lease, consisting of 53 Sections and Exhibits 1 through 53, together with Lease Addendum #1, Lease Addendum #2 and Lease Addendum #3 attached hereto, embodies the entire agreement between Landlord and Tenant and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. Except as otherwise expressly provided herein, no agreement hereafter made shall be effective to change, modify, discharge or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing and signed by or on behalf of the party against whom enforcement of the change, modification, discharge or abandonment is sought.

The undersigned representatives of the parties hereto are the properly authorized persons and have the necessary authority to execute this Lease on behalf of the respective parties hereto.

EFFECTIVE as of the day, month and year first above written. **EXECUTED** per the date of final signature below.

CONTRACT AS OFFER: The execution of this Ground Lease Agreement (the "Agreement") by the first party constitutes an offer to lease the hereinbefore described property (“the Demised Premises”) under the terms of the Agreement. This offer shall become fully executed and of full legal effect immediately upon the other party’s signature, provided such signature occurs at any time prior to 5:00 p.m. Central Standard Time on November 15, 2025 ("Offer Deadline"). If the other party does not sign by the Offer Deadline, the offer shall be null and void and of no further force or effect. The execution date of this Agreement shall not modify the Effective Date of this Agreement.

TENANT:	**LANDLORD:**
THRUST PROPERTIES, LLC a Texas limited liability company	**TOWN OF ADDISON, TEXAS** a home-rule municipality
By: Signed by: 0695FD3F4568492...	By:
Patrick Arnzen, Manager	David Gaines, City Manager
Date: 9/26/2025	Date:

Initial PA

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

ACKNOWLEDGEMENTS

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on 9/26/2025, by Patrick Arnzen, Manager, of Thrust Properties, LLC, a Texas limited liability company, on behalf of the said limited liability company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 26th day of September 2025.

Signed by:
Stuart Stevenson
4D5E4E8237B840B...

Notary Public, State of Texas
This is an online notarization

Stuart Wayne Stevenson
Notary Public, State of Texas
Comm. Expires 10/29/2028
Notary ID 129186673

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on _____ by David Gaines, City Manager of the Town of Addison, Texas, a Texas home-rule municipality, on behalf of the said municipality.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the _____ day of _____, 2025.

Notary Public, State of Texas
This is an online notarization

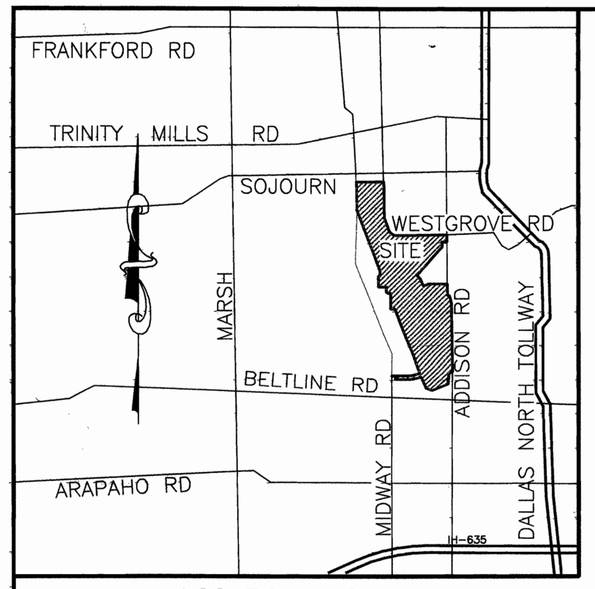
Melissa Melville Newman
Notary Public, State of Texas
Comm. Expires 3/2/2028
Notary ID 7450509

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Exhibit 1

Legal Description of Addison Airport

The property platted pursuant to the Final Plat, Addison Airport, recorded as Instrument #200503420292 in Dallas County, Texas Official Public Records as depicted on the following two pages.



LOCATION MAP

GENERAL NOTES:

1. Bearings are referenced to the Texas State Plane coordinate system (NAD83).

2. All objects shown hereon as open circles are 5/8-inch iron rods set with a plastic cap that is stamped "DAL-TECH" unless otherwise noted.

3. Hatched areas currently have access to the airport property.

4. All references to surface and sub-surface easements to the Texas Turnpike Authority are found in interlocal agreement by and between The Town of Addison and Texas Turnpike Authority (Dallas North Tollway and Addison Airport Toll Tunnel) dated March 10, 1997, as recorded in the D.R.D.C.T. Volume 97084, Page 02628.

5. Texas Power & Light Easement recorded in Volume 5021, Page 357 of the D.R.D.C.T., may affect subject tract, but was not locatable by description in the field.

NORTH

300 150 0 300

SCALE 1 Inch = 300 Feet

ADDISON AIRPORT
Town of Addison
378.6 acres

CURVE TABLE					
NO.	RAD.	L	DELTA	CHB	CHD
C1	300.00'	139.19'	26°35'00"	S76°09'51"W	137.94'
C2	300.00'	188.50'	36°00'00"	S44°52'21"W	185.41'
C3	248.00'	111.76'	25°49'09"	S39°46'56"W	110.81'
C4	70.00'	40.69'	33°18'33"	S36°02'14"W	40.12'
C5	130.00'	112.43'	49°33'09"	S44°09'32"W	108.96'
C6	70.00'	60.54'	49°33'09"	N44°09'32"E	58.67'
C7	130.00'	75.58'	33°18'33"	N36°02'14"E	74.52'
C8	188.00'	84.72'	25°49'09"	N39°46'56"E	84.00'
C9	360.00'	226.19'	36°00'00"	N44°52'21"E	222.49'
C10	360.00'	167.03'	26°35'00"	N76°09'51"E	165.53'

Line Table		
MEASURED		
COURSE	BEARING	DISTANCE
1	S45°37'02"E	21.23'
2	S00°39'59"E	299.74'
3	S89°18'30"W	200.12'
4	S00°41'30"E	201.72'
5	S47°17'56"E	202.54'
6	S21°16'56"E	350.89'
7	N68°43'04"E	30.00'
8	N70°38'55"E	185.74'
9	N44°10'12"E	7.05'
10	S00°39'59"E	490.88'
11	N89°47'19"E	60.66'
12	S26°42'49"E	34.05'
13	S03°27'59"E	9.28'
14	N89°58'24"W	165.27'
15	S00°09'24"E	243.18'
16	S61°10'39"W	17.74'
17	S00°09'29"E	209.98'
18	N67°26'03"W	272.68'
19	S75°21'17"W	449.71'
20	N00°00'04"E	159.62'
21	N89°59'56"W	160.02'
22	N00°00'04"E	10.00'
23	N75°21'17"E	408.83'
24	N21°01'39"W	320.94'
25	N89°44'31"E	10.21'
26	N20°38'06"W	221.75'
27	N89°54'56"W	177.90'
28	N00°18'06"W	663.91'
29	S89°33'56"W	105.61'
30	S00°56'29"E	65.57'
31	S56°29'35"E	24.77'
32	N00°34'41"W	470.04'
33	EAST	70.73'
35	N00°39'08"W	235.73'

Line Table		
MEASURED		
COURSE	BEARING	DISTANCE
37	S00°52'49"E	60.00'
38	S89°27'21"W	202.63'
39	S62°52'21"W	18.25'
40	S19°22'57"W	138.58'
41	S68°56'06"W	153.83'
42	N21°03'54"W	60.00'
43	N68°56'06"E	153.83'
44	N19°22'57"E	138.58'
45	N62°52'21"E	18.25'
46	N89°27'21"E	202.28'

LEGEND

- ■ CMF – CONCRETE MONUMENT FOUND
- ○ IRS – 5/8" IRON ROD SET W/CAP STAMED "DAL-TECH"
- ● IRF – IRON ROD FOUND
- ● CONTROL MONUMENT
- × XF – "X" FOUND
- × XS – "X" SET IN CONCRETE
- ● RR SPIKE – RAILROAD SPIKE
- ▲ DAL-TECH ENGINEERING CONTROL MONUMENT

(A1) – ADJOINER INDEX
NAVD NORTH AMERICAN VERTICAL DATUM
DTE DAL-TECH ENGINEERING

PROPERTIES WITH AIRPORT ACCESS

Town of Addison Approval:

City Secretary: Carmen Moran

~~Scott Wheeler~~ Joe Chon
Mayor (Town of Addison)

DAL-TECH ENGINEERING, INC.
CONSULTING CIVIL ENGINEERS / SURVEYORS
CONSTRUCTION MANAGERS
17311 DALLAS PARKWAY
SUITE 200
DALLAS, TEXAS 75248
(972) 250-2727 (972) 250-4774

FINAL PLAT
ADDISON AIRPORT
TOWN OF ADDISON, TEXAS

DRAWN	JOB NO.	CONTRACT NO.	SCALE	DATE
DTE	0216	–	1"=300'	DEC. 2004

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
2005 JUL -7 PM 12:04
Carlson, Carlson & Dillehay, P.C.

1/2

Document Envelope ID: C17C58F4-03B4-41E5-9669-E8C0925C94D7

Adjoiner Index

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A3	Blakely Airport Addition	84088	4359
A4	Van-Hoff Subdivision	79122	1831
A5	Aweco Subdivision	79136	2610
A6	Replat Aweco Subdivision	97093	2846
A7	Personal Way Aviation Addison	90241	2840
A8	Hangin' Out L.L.C	98245	3525
A9	Airport Land Development Subdivision	79078	1702
A10	1.950-acre Wolfe Subdivision	84108	3030
A11	Airport Plaza	85070	2982
A12	Addison Storage Addition	99018	78
A13	Eleanor W. Dedmon Marital Trust No. 1	98004	3173
A14	Tom J. Shepherd et ux Sandra D. Shepherd	92229	4451
A15	Crossroads Aviation Inc.	67044	213
A16	D.A. Cody	71165	2799
A17	Barco Mirror & Glass	79020	875
A18	General Public	83083	1059
A19	Town of Addison	97247	4072
A20	White Rock Masonic Lodge #234	3981	416
A21	George P. Kondos and Carol C. Kondos	91084	2102
A22	15800 Dooley Road Ltd.	2000039	4255
A23	John-Mac Joint Venture	82001	4089
A24	Midway Road Condo's.	81115	0016

Control Monument

(NAD 83, TEXAS NORTH CENTRAL - 4202)

North	East	Elevation	Desc.
7039689.078	2480245.682	638.30	AA-1
7041501.126	2480144.730	641.92	AA-2
7037202.352	2480632.193	638.03	AA-3
7035957.986	2479444.822	632.41	AA-4
7039506.863	2478102.163	637.40	AA-5
7043849.691	2477497.499	652.26	AA-6
7039305.132	2478531.657	640.77	AB2786
7040772.156	2478253.153	633.02	AB7648
7043042.492	2477532.021	637.40	AH7852
7038354.486	2478875.925	642.02	CS1308

Parent Tracts

Owner: City of Addison
Address: 15333 Addison Road City of Addison, Texas
Legal Description: Being all the certain tract of land 373.332 acres, more or less, out of the Edward Cook Survey Abstract 326, the William Lomar Survey Abstract 792, the George Syms Survey Abstract 1344, the William Rowe Survey Abstract 1257, Lot 1R-1, Block A of Coil Addition, Vol. 2002003, Pg. 103, Dallas County, Texas, and part of Lot 1 and Lot 2 of Block "A" of The Carroll Estates Addition, Volume 10 Page 473, Dallas County, Texas

Grantor: Addison Airport, Inc.
Grantee: City of Addison
WD Vol.77010 Pg. 1391

Grantor: W. H. Laffity
Grantee: City of Addison
Judgment Cause# 80-1894-D
Vol.91079 Pg.2687

Grantor: Beltwood North Joint Venture, et al
Grantee: City of Addison
Vol.82022 Pg.1211

Grantor: Bob Chester and William F. Chester
Grantee: City of Addison
Vol.98015 Pg.2143
Re: Chester Addition Vol.84216 Pg.3066

Grantor: Protecta-Cab, Inc.
Grantee: Town of Addison
Vol.97217 Pg.1350

Grantor : Charles Cayce, Independent Executor of the Estate of William L. Gray and Independent Executor of the Estate of Kathy L. Gray
Grantee: Town of Addison, Texas
Vol. 2003105, Pg. 11725
Re: Lot 1R-1, Block A, Coil Addition, Vol. 2002003, Pg. 103

Grantor: North Texas Tollway Authority
Grantee: Town of Addison
Vol. 2002150, Pg. 10404

Grantor: Ray V. Kincaid, Jr.
Grantee: Town of Addison
Vol.99155 Pg.2291
Re: Kincaid Addition Vol.84087 Pg.0048

Grantor: Billy Joe Mullins, Jr.
Grantee: Town of Addison
Vol.99249 Pg.5436
Re; Mullins Addition Vol.85157 Pg.4674 and Barnett Addition Vol.85160 Pg.1680

Grantor: George Marko, Trustee, et al
Grantee: Town of Addison
Vol.99078 Pg.1254
Re: a portion of Aircorp Property Addition Vol.98165 Pg.3772

Grantor: Bobbie L. Odom, et al
Grantee: City of Addison
Vol.81150 Pg.1985
Re: 1/4th Interest

Grantor: Donnell Jones, et al
Grantee: City of Addison
Vol.81150 Pg.1993
Re: 1/4th Interest

Grantor: Annie Ruth Harge, et al
Grantee: City of Addison
Vol.81150 Pg.1991
Re: 1/4th Interest

Grantor: Oswald Coleman, et al
Grantee: City of Addison
Vol.81150 Pg.1989
Re: 1/4th Interest

Dedication Statement

That the TOWN OF ADDISON ("Owner") does hereby adopt this plat designating the hereinabove property as ADDISON AIRPORT ADDITION, an addition to the Town of Addison, Texas, and, subject to the conditions, restrictions and reservations stated hereinafter, owner dedicates to the public use forever the streets and alleys shown thereon.

The easements shown on this plat are hereby reserved for the purposes as indicated, including, but not limited to, the installation and maintenance of water, sanitary sewer, storm sewer, drainage, electric, telephone, gas and cable television. Owner shall have the right to use these easements, provided however, that it does not unreasonably interfere or impede with the provision of the services to others. Said utility easements are hereby being reserved by mutual use and accommodation of all public utilities using or desiring to use the same. An express easement of ingress and egress is hereby expressly granted on, over and across all such easements for the benefit of the provider of services for which easements are granted.

Any drainage and floodway easement shown hereon is hereby dedicated to the public's use forever, but including the following covenants with regards to maintenance responsibilities. The existing channels or creeks traversing the drainage and floodway easement will remain as an open channel, unless required to be enclosed by ordinance, at all times and shall be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage and floodway easement. The City will not be responsible for the maintenance and operation of said creek or creeks or for any damage or injury of private property or person that results from the flow of water along said creek, or for any damage or injury of private property or person that results from the flow of water along said creek, or for the control of erosion. No obstruction to the natural flow of water run-off shall be permitted by construction of any type building, fence or any other structure within the drainage and floodway easement. Provided, however, it is understood that in the event it becomes necessary for the City to channelize or consider erecting any type of drainage structure in order to improve the storm drainage, then in such event, the City shall have the right, but not the obligation, to enter upon the drainage and floodway easement at any point, or points, with all rights of ingress and egress to investigate, survey, erect, construct or maintain any drainage facility deemed necessary by the City for drainage purposes. Each property owner shall keep the natural drainage channels and creeks traversing the drainage and floodway easement adjacent to his property clean and free of debris, silt, growth, vegetation, weeds, rubbish, refuse matter and any substance which would result in unsanitary conditions or obstruct the flow of water, and the City shall have the right of ingress and egress for the purpose of inspection and supervision and maintenance work by the property owner to alleviate any undesirable conditions which may occur. The natural drainage channels and creeks through the drainage and floodway easement, as in the case of all natural channels, are subject to storm water overflow and natural bank erosion to an extent that cannot be definitely defined. The City shall not be held liable for any damages or injuries of any nature resulting from the occurrence of these natural phenomena, nor resulting from the failure of any structure or structures, within the natural drainage channels, and the owners hereby agree to indemnify and hold harmless the City from any such damages and injuries. Building areas outside the drainage and floodway easement line shall be filled to a minimum elevation as shown on the plat. The minimum floor of elevation of each lot shall be shown on the plat.

The maintenance or paving of the utility and fire lane easements is the responsibility of the property owner. All public utilities shall at all times have the full right of ingress and egress to and from and upon the said utility easements for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or parts of its respective system without the necessity at any time of procuring the permission of anyone. Any public utility shall have the right of ingress and egress to private property for the purpose of reading meters and any maintenance and service required or ordinarily performed by that utility. Buildings, fences, trees, shrubs or other improvements or growth may be constructed, reconstructed or placed upon, over or across the utility easements as shown; provided, however, that owner shall at its sole cost and expense be responsible under any and all circumstances for the maintenance and repair of such improvements or growth, any public utility shall have the right to remove and keep removed all or parts of any buildings, fences, trees, shrubs or other improvements or growth which in any way endanger or interfere with the construction, maintenance or efficiency of its respective system or service.

Water main and sanitary sewer easements shall also include additional area of working space for construction and maintenance of the systems. Additional easement area is also conveyed for installation and maintenance of manholes, cleanouts, fire hydrants, water service and sewer services from the main to curb or pavement line, and the descriptions of such additional easements herein granted shall be determined by their locations as installed.

This plat is approved subject to all platting ordinances, rules, regulations and resolutions of the Town of Addison, Texas.

PROPERTY DESCRIPTION

Being a tract of land out of the E. Cook Survey, Abstract No. 326, the William Lomax Survey, Abstract No. 792, the George Syms Survey, Abstract 1344, and the William Rowe Survey, Abstract 1257, and being all of a tract of land described in deed to the City of Addison recorded in Volume 77010, Page 1391 of the Deed Records of Dallas County, Texas (D.R.D.C.T.), all of a tract of land described in Judgment to the City of Addison recorded in Volume 91079, Page 2687, D.R.D.C.T., LOT 7, Block B of Beltwood North Addition, Phase II, an Addition to the City of Dallas, Texas, according to the map thereof recorded in Volume 78201, Page 0001, D.R.D.C.T., as described in deed to the City of Addison recorded in Volume 82022, Page 1211, D.R.D.C.T., a tract of land described in deed to the Town of Addison recorded in Volume 98015, Page 2143, D.R.D.C.T. a tract of land described in deed to the Town of Addison recorded in Volume 97217, Page 1350, D.R.D.C.T., Lot 1, Block 1, of Kincaid Addition, an Addition to the City of Addison, Dallas County, Texas, according to the Plat thereof recorded in Volume 84087, Page 48, D.R.D.C.T., a tract of land described in deed to the Town of Addison recorded in Volume 99249, Page 5436, D.R.D.C.T., a tract of land described in deed to the Town of Addison recorded in Volume 99078, Page 1254, D.R.D.C.T., a tract of land described in Deed to the City of Addison recorded in Volume 5143, Page 162, D.R.D.C.T., and a tract of land described in Deed to the City of Addison recorded in Volume 81150, Page 1985, D.R.D.C.T., said tracts to be known as the Addison Airport tract and being more particularly described as follows:

Beginning at a concrete monument found with a 3 1/2 inch disk stamped "City of Addison" lying in the west right-of-way line of Westgrove Road (a 60 foot wide right-of-way) said point being the most northerly northeast corner of said Addison Airport tract and the southeast corner of Lot 1, Block A, Academy Addition, an addition to the City of Carrollton, Dallas County, Texas according to the Plat thereof recorded in Volume 79186, Page 1, D.R.D.C.T.;

THENCE South 00 degrees 39 minutes 05 seconds East, along the west right-of-way line of said Westgrove Road, a distance of 1547.64 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 21 degrees 16 minutes 44 seconds East, continuing along said west right-of-way line of Westgrove Road, a distance of 539.35 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE along a curve to the left of said Westgrove Road having a radius of 340.00 feet, a central angle of 69 degrees 17 minutes 21 seconds and an arc length of 411.17 feet, being subtended by a chord of South 55 degrees 55 minutes 24 seconds East for a distance of 386.57 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 89 degrees 25 minutes 55 seconds East, along the southerly right-of-way line of Westgrove Road for a distance of 2,118.93 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" at the corner clip of said southerly right-of-way line of Westgrove Road and the west right-of-way line of Addison Road (a 60 foot wide right-of-way);

THENCE South 45 degrees 37 minutes 02 seconds East, along said corner clip, a distance of 21.23 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 00 degrees 39 minutes 59 seconds East, along said west right-of-way line of Addison Road, a distance of 299.74 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 89 degrees 18 minutes 30 seconds West, departing said west right-of-way line of Addison Road, a distance of 200.12 feet to a chiseled "X" set in concrete;

THENCE South 00 degrees 41 minutes 30 seconds East, a distance of 201.72 feet to a found "X";

THENCE South 42 degrees 48 minutes 04 seconds West, a distance of 1,596.12 feet to a found "X";

THENCE South 47 degrees 17 minutes 56 seconds East, a distance of 202.54 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 21 degrees 16 minutes 56 seconds East, a distance of 350.89 feet to a chiseled "X" set in concrete;

THENCE North 68 degrees 43 minutes 04 seconds East, a distance of 30.00 feet to a chiseled cross set in concrete;

THENCE North 70 degrees 38 minutes 55 seconds East, a distance of 185.74 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 44 degrees 10 minutes 12 seconds East, a distance of 7.05 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH", said point is the common corner between the aforesaid Addison Airport tract and the southwest corner of a tract of land described in deed to O.J. Broughton and E.E. Ericson recorded in Volume 4350, Page 491 of D.R.D.C.T.;

THENCE North 89 degrees 20 minutes 44 seconds East, along the common line of said Addison Airport tract and the south line of said O.J. Broughton tract for a distance of 818.27 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the west right-of-way line of aforesaid Addison Road;

THENCE South 00 degrees 39 minutes 59 seconds East, a distance of 490.88 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the apparent common survey line between the aforesaid William Lomax Survey, Abstract No. 792 and the aforesaid E. Cook Survey, Abstract No. 326;

THENCE North 89 degrees 47 minutes 19 seconds East, a distance of 60.66 feet to a 1/2 inch iron rod set with cap stamped "DAL-TECH" in the aforesaid west right-of-way line of Addison Road;

THENCE along a curve to the left in the said west right-of-way line of Addison Road, having a radius of 746.30 feet, a central angle of 01 degree 54 minutes 15 seconds and an arc length of 24.80 feet, being subtended by a chord of South 25 degrees 45 minutes 41 seconds East for a distance of 24.80 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 26 degrees 42 minutes 49 seconds East, along said west right-of-way line of Addison Road, a distance of 34.05 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE along a curve to the right in the said west right-of-way line of Addison Road having a radius of 686.30 feet, a central angle of 25 degrees 50 minutes 01 second and an arc length of 309.44 feet, being subtended by a chord of South 13 degrees 47 minutes 49 seconds East for a distance of 306.83 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 00 degrees 52 minutes 49 seconds East, along said west right-of-way line of Addison Road, a distance of 2,973.50 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 03 degrees 27 minutes 59 seconds East, along said west right-of-way line of Addison Road, a distance of 9.28 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 89 degrees 58 minutes 24 seconds West, departing said west right-of-way line of Addison Road, a distance of 165.27 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 00 degrees 09 minutes 24 seconds East, a distance of 243.18 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 61 degrees 10 minutes 39 seconds West, a distance of 17.74 feet to a 1/2 inch iron rod found;

THENCE South 00 degrees 09 minutes 29 seconds East, a distance of 209.98 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the north right-of-way line of the Fort Worth and Denver Railroad spur;

THENCE South 65 degrees 42 minutes 08 seconds West, along said north right-of-way line of said Forth Worth and Denver Railroad spur, a distance of 759.64 feet to a 5/8 inch iron rod found at the most easterly corner of the Addison Airport Industrial District, an Addition to the City of Addison according to the plat thereof recorded in Volume 50, Page 207, D.R.D.C.T.;

THENCE North 67 degrees 26 minutes 03 seconds West, along the said easterly line of Addison Airport Industrial District addition, a distance of 272.68 feet to a 5/8 inch iron rod found;

THENCE North 21 degrees 09 minutes 30 seconds West, along the said easterly line of Addison Airport Industrial District addition, a distance of 571.54 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 75 degrees 21 minutes 17 seconds West, a distance of 449.71 feet to a found railroad spike;

THENCE North 89 degrees 59 minutes 56 seconds West, a distance of 654.32 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 00 degrees 00 minutes 04 seconds East, a distance of 159.62 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 89 degrees 59 minutes 56 seconds West, a distance of 160.02 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the east right-of-way line of Midway Road (a 100 foot wide right-of-way);

THENCE North 00 degrees 00 minutes 04 seconds East, along said east right-of-way line of Midway Road, a distance of 10.00 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 89 degrees 59 minutes 56 seconds East, a distance of 792.25 feet to a 1/2 inch iron rod found with cap stamped "MLM #2617;

THENCE North 75 degrees 21 minutes 17 seconds East, a distance of 408.83 feet to a 1/2 inch iron rod found with cap stamped "MLM #2617;

THENCE North 21 degrees 09 minutes 30 seconds West, along the aforesaid easterly line of said Addison Airport Industrial District addition, a distance of 2,385.88 feet record to a 1/2 inch iron rod found;

THENCE North 21 degrees 01 minute 39 seconds West, a distance of 320.94 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 89 degrees 44 minutes 31 seconds East, a distance of 10.21 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 20 degrees 38 minutes 06 seconds West, a distance of 221.75 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 89 degrees 54 minutes 56 seconds West, a distance of 177.90 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the east right-of-way line of Dooley Road (a 50 foot wide right-of-way)

THENCE North 00 degrees 18 minutes 06 seconds West, along the said east right-of-way line of Dooley Road, a distance of 663.91 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" for the apparent intersection of said east right-of-way line of Dooley Road and the north right-of-way line of the old Keller Springs Road (a 50 foot wide right-of-way);

THENCE South 89 degrees 33 minutes 56 seconds West, with the said north line of Keller Springs Road, a distance of 105.61 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 56 degrees 29 minutes 35 seconds West, a distance of 65.57 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the aforesaid east right-of-way line of Dooley Road (a 60 foot wide right-of-way);

THENCE South 89 degrees 19 minutes 27 seconds West, a distance of 361.02 feet to a 5/8 inch iron rod found;

THENCE North 00 degrees 28 minutes 50 seconds West, a distance of 231.53 feet to a 1/2 inch iron rod found;

THENCE North 89 degrees 17 minutes 19 seconds East, a distance of 1.24 feet to a 1/2 inch iron rod found with cap stamped SJ&F

THENCE North 00 degrees 34 minutes 41 seconds West, a distance of 470.04 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the east line of Beltwood North Phase 2, an addition to the City of Dallas, Texas, according to the Plat thereof recorded in Volume 78201, Page 1, D.R.D.C.T.;

THENCE East, a distance of 70.73 feet along said Beltwood North Phase 2 addition to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 00 degrees 39 minutes 08 seconds West, along said Beltwood North Phase 2 addition, a distance of 235.73 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" for the most southerly corner of Lot 7 of said Beltwood North Phase 2 addition;

THENCE North 21 degrees 08 minutes 57 seconds West, passing the north line of said Beltwood North Phase 2 addition at a called distance of 576.04 feet and continuing on for a total distance of 2,125.91 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" for the northeast corner of Beltwood North Addition, according to the plat thereof recorded in Volume 78201, Page 1, D.R.D.C.T., same being the southeast corner of Lot 1R-1, Block A, Coil Addition, according to the plat thereof recorded in Volume 2002003, Page 103, D.R.D.C.T.;

THENCE South 89 degrees 35 minutes 51 seconds West, along the common line between the north line of said Beltwood Addition and the south line of said Coil Addition, a distance of 214.48 feet to a 1/2 inch iron rod found in the east right-of-way line of Midway Road (a 100 foot wide right-of-way);

THENCE North 00 degrees 21 minutes 08 seconds West, along said east right-of-way line of Midway Road, passing a 1/2 inch iron rod found for the North corner of said Lot 1R-1, Block A, at a distance of 564.89 feet and continuing for a total distance of 1,756.20 feet to a 1/2 inch iron rod found with cap stamped "SURVCON";

THENCE North 89 degrees 24 minutes 55 seconds East, a distance of 1,165.10 feet to the POINT OF BEGINNING and CONTAINING 16,492,399 square foot or; 378.6 acres of land, more or less.

I, Alan Moore, a Registered Professional Land Surveyor in the State of Texas, do herby certify that I prepared this Plat from an actual survey of the land under my supervision in accordance with the "Minimum Standards of Practice" approved by the Texas Board of Professional Land Surveyors.

Alan Moore, RPLS No. 5537 12/2/04

STATE OF TEXAS REGISTERED ALAN MOORE 5537 PROFESSIONAL 12/2/04

CARMEN S MORAN NOTARY PUBLIC State of Texas Comm. Exp. 01-24-2008

CMORAN

FILED AND RECORDED OFFICIAL PUBLIC RECORDS
2005 JUL -7 PM 12:04
Cynthia Coleman COUNTY CLERK DALLAS COUNTY, TEXAS
7 PGS

2/2

Town of Addison Approval:

City Secretary: CMORAN Carmen Moran

Scott Wheeler JOE CHIN Mayor (Town of Addison)

DAL-TECH ENGINEERING, INC.
CONSULTING CIVIL ENGINEERS / SURVEYORS
CONSTRUCTION MANAGERS
17311 DALLAS PARKWAY
SUITE 200
DALLAS, TEXAS 75248
(972) 250-2727 (972) 250-4774

FINAL PLAT
ADDISON AIRPORT
TOWN OF ADDISON, TEXAS

DRAWN	JOB NO.	CONTRACT NO.	SCALE	DATE
DTE	0216	-	1"=300'	DEC. 2004

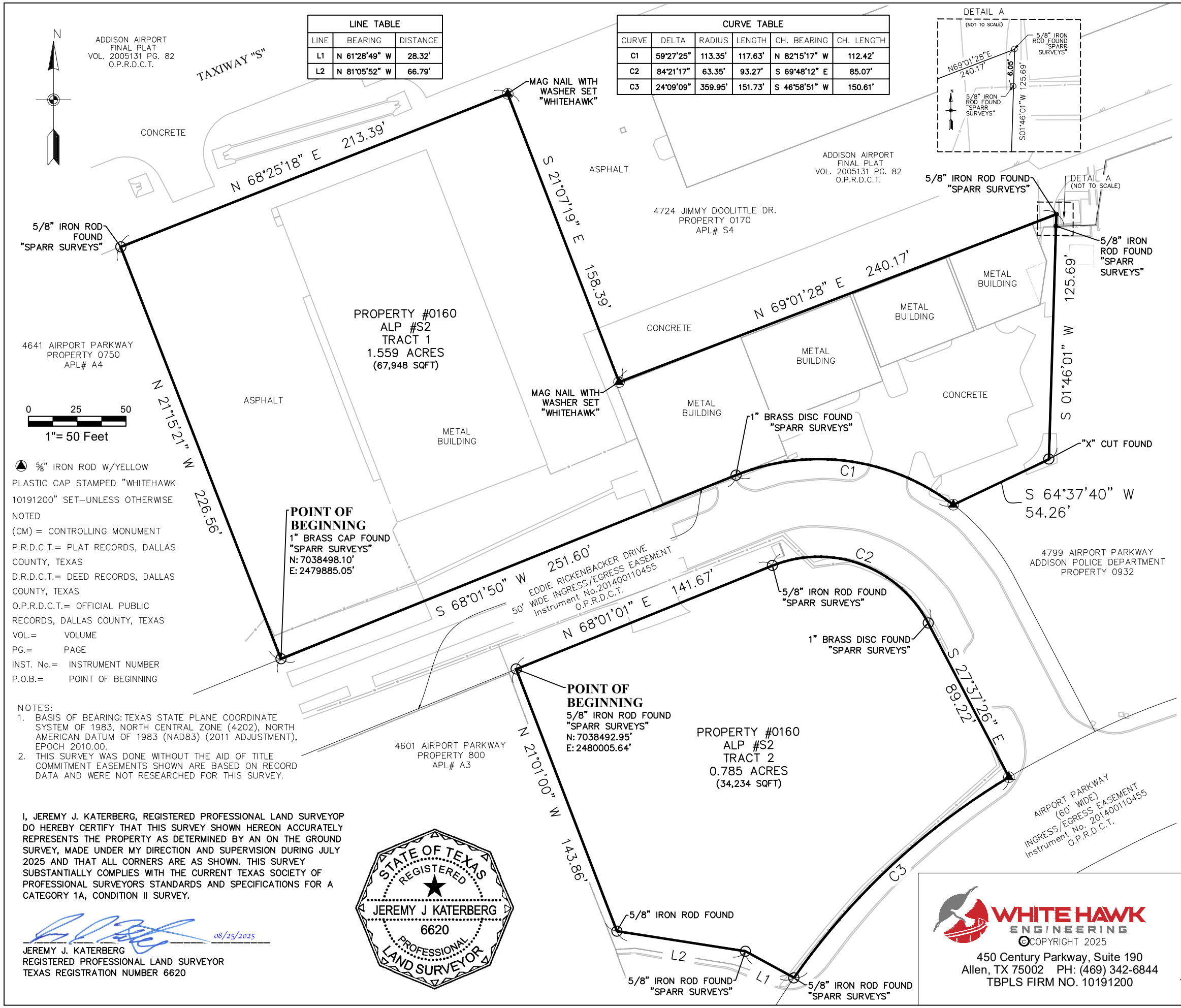
P:\0216 Addison Airport Plat\SHT\ODESC.dwg, Layout1, 5/18/2005 9:48:23 AM, Copyright © Dal-Tech Engineering, Inc.

Docusign Envelope ID: C11C58F4-1084-41E5-9660-D6D2FC34D87

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Exhibit 2
Property Survey of Demised Premises

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7



LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 61°28'49" W	28.32'
L2	N 81°05'52" W	66.79'

CURVE TABLE					
CURVE	DELTA	RADIUS	LENGTH	CH. BEARING	CH. LENGTH
C1	59°27'25"	113.35'	117.63'	N 82°15'17" W	112.42'
C2	84°21'17"	63.35'	93.27'	S 69°48'12" E	85.07'
C3	24°09'09"	359.95'	151.73'	S 46°58'51" W	150.61'

▲ ⅝" IRON ROD W/YELLOW PLASTIC CAP STAMPED "WHITEHAWK 10191200" SET–UNLESS OTHERWISE NOTED

(CM) = CONTROLLING MONUMENT

P.R.D.C.T.= PLAT RECORDS, DALLAS COUNTY, TEXAS

D.R.D.C.T.= DEED RECORDS, DALLAS COUNTY, TEXAS

O.P.R.D.C.T.= OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS

VOL.= VOLUME

PG.= PAGE

INST. No.= INSTRUMENT NUMBER

P.O.B.= POINT OF BEGINNING

NOTES:
1. BASIS OF BEARING: TEXAS STATE PLANE COORDINATE SYSTEM OF 1983, NORTH CENTRAL ZONE (4202), NORTH AMERICAN DATUM OF 1983 (NAD83) (2011 ADJUSTMENT), EPOCH 2010.00.
2. THIS SURVEY WAS DONE WITHOUT THE AID OF TITLE COMMITMENT EASEMENTS SHOWN ARE BASED ON RECORD DATA AND WERE NOT RESEARCHED FOR THIS SURVEY.

I, JEREMY J. KATERBERG, REGISTERED PROFESSIONAL LAND SURVEYOP DO HEREBY CERTIFY THAT THIS SURVEY SHOWN HEREON ACCURATELY REPRESENTS THE PROPERTY AS DETERMINED BY AN ON THE GROUND SURVEY, MADE UNDER MY DIRECTION AND SUPERVISION DURING JULY 2025 AND THAT ALL CORNERS ARE AS SHOWN. THIS SURVEY SUBSTANTIALLY COMPLIES WITH THE CURRENT TEXAS SOCIETY OF PROFESSIONAL SURVEYORS STANDARDS AND SPECIFICATIONS FOR A CATEGORY 1A, CONDITION II SURVEY.

08/25/2025

JEREMY J. KATERBERG
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NUMBER 6620

STATE OF TEXAS
REGISTERED
JEREMY J KATERBERG
6620
PROFESSIONAL
LAND SURVEYOR

PROPERTY #0160 TRACT 1
METES AND BOUNDS DESCRIPTION

BEING A 1.559 ACRE (67,948 SQUARE FOOT) TRACT OF LAND SITUATED IN THE EDWARD COOK SURVEY, ABSTRACT NO. 326, DALLAS, COUNTY, TEXAS, AND BEING A PART OF ADDISON AIRPORT, AN ADDITION TO THE TOWN OF ADDISON, TEXAS, AS RECORDED IN VOLUME 2005131, PAGE 82 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS (O.P.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1 INCH BRASS CAP STAMPED "SPARR SURVEYS" FOUND FOR THE SOUTHEAST CORNER OF AIRPORT PROPERTY 0750, BEING A POINT ON THE NORTH LINE OF EDDIE RICKENBACKER DR, A 50 FEET WIDE INGRESS/EGRESS EASEMENT AS RECORDED IN INSTRUMENT NO. 201400110455 (O.P.R.D.C.T.);

THENCE, OVER AND ACROSS SAID ADDISON AIRPORT THE FOLLOWING COURSES AND DISTANCES:

NORTH 21 DEGREES 15 MINUTES 21 SECONDS WEST, A DISTANCE OF 226.56 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

NORTH 68 DEGREES 25 MINUTES 18 SECONDS EAST, A DISTANCE OF 213.39 FEET TO A MAG NAIL WITH WASHER STAMPED "WHITEHAWK" SET;

SOUTH 21 DEGREES 07 MINUTES 19 SECONDS EAST, A DISTANCE OF 158.39 FEET TO A MAG NAIL WITH WASHER STAMPED "WHITEHAWK" SET;

NORTH 69 DEGREES 01 MINUTES 28 SECONDS EAST, A DISTANCE OF 240.17 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

SOUTH 01 DEGREES 46 MINUTES 01 SECONDS WEST, PASSING AT A DISTANCE OF 6.05 FEET, A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND FOR THE NORTHWEST CORNER OF AIRPORT PROPERTY 0932 (ADDISON POLICE STATION), AND CONTINUING FOR A TOTAL DISTANCE OF 125.69 FEET TO A CHISELED "X" CUT FOUND;

SOUTH 64 DEGREES 37 MINUTES 40 SECONDS WEST, A DISTANCE OF 54.26 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WHITEHAWK 10191200" SET ON THE NORTH LINE OF SAID EDDIE RICKENBACKER DR, AND BEING A POINT ON A CURVE TO THE LEFT;

THENCE, CONTINUING ALONG SAID NORTH LINE OF EDDIE RICKENBACKER DR, AND SAID CURVE TO THE LEFT, HAVING A RADIUS OF 113.35 FEET, A DELTA ANGLE OF 59° 27' 25", A CHORD BEARING AND DISTANCE OF NORTH 82 DEGREES 15 MINUTES 17 SECONDS WEST, A DISTANCE OF 112.42 FEET, AND AN ARC LENGTH OF 117.63 FEET TO A 1 INCH BRASS DISC FOUND STAMPED "SPARR SURVEYS";

THENCE, ALONG SAID NORTH LINE OF EDDIE RICKENBACKER DR, SOUTH 68 DEGREES 01 MINUTES 50 SECONDS WEST, A DISTANCE OF 251.60 FEET TO THE POINT OF BEGINNING CONTAINING 1.559 ACRES OF LAND MORE OR LESS.

PROPERTY #0160 TRACT 2
METES AND BOUNDS DESCRIPTION

BEING A 0.785 ACRE (34,234 SQUARE FOOT) TRACT OF LAND SITUATED IN THE EDWARD COOK SURVEY, ABSTRACT NO. 326, DALLAS, COUNTY, TEXAS, AND BEING A PART OF ADDISON AIRPORT, AN ADDITION TO THE TOWN OF ADDISON, TEXAS, AS RECORDED IN VOLUME 2005131, PAGE 82 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS (O.P.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON ROD CAP STAMPED "SPARR SURVEYS" FOUND FOR THE NORTHEAST CORNER OF AIRPORT PROPERTY 800, AND A POINT ON THE SOUTH LINE OF EDDIE RICKENBACKER DR, A 50 FOOT WIDE INGRESS/EGRESS EASEMENT AS RECORDED IN INSTRUMENT NO. 201400110455 (O.P.R.D.C.T.);

THENCE, ALONG SAID SOUTH LINE OF EDDIE RICKENBACKER DR, NORTH 68 DEGREES 01 MINUTES 01 SECONDS EAST, A DISTANCE OF 141.67 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND, AND THE BEGINNING OF A CURVE TO THE RIGHT;

THENCE, CONTINUING ALONG SAID SOUTH LINE OF EDDIE RICKENBACKER DR, AND SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 63.35 FEET, A DELTA ANGLE OF 84° 21' 17", A CHORD BEARING AND DISTANCE OF SOUTH 69 DEGREES 48 MINUTES 12 SECONDS EAST, A DISTANCE OF 85.07 FEET, AND AN ARC LENGTH OF 93.27 FEET TO A 1 INCH BRASS DISC STAMPED "SPARR SURVEYS" FOUND;

THENCE, CONTINUING ALONG SAID SOUTH LINE OF EDDIE RICKENBACKER DR. SOUTH 27 DEGREES 37 MINUTES 26 SECONDS EAST, A DISTANCE OF 89.22 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WHITEHAWK 10191200" SET AT THE INTERSECTION OF THE NORTH LINE OF AIRPORT PARKWAY, A 60 FEET WIDE INGRESS/EGRESS EASEMENT AS RECORDED IN INSTRUMENT NO. 201400110455 (O.P.R.D.C.T.), AND THE SOUTH LINE OF SAID EDDIE RICKENBACKER DR;

THENCE, DEPARTING SAID SOUTH LINE OF SAID EDDIE RICKENBACKER DR, ALONG SAID NORTH LINE OF AIRPORT PARKWAY, AND SAID CURVE TO THE LEFT, HAVING A RADIUS OF 359.95 FEET, A DELTA ANGLE OF 24° 09' 09", A CHORD BEARING AND DISTANCE OF SOUTH 46 DEGREES 58 MINUTES 51 SECONDS WEST, A DISTANCE OF 150.61 FEET, AND AN ARC LENGTH OF 151.73 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

THENCE DEPARTING SAID NORTH LINE OF AIRPORT PARKWAY, AND CONTINUING OVER AND ACROSS SAID ADDISON AIRPORT THE FOLLOWING COURSES AND DISTANCES:

NORTH 61 DEGREES 28 MINUTES 49 SECONDS WEST, A DISTANCE OF 28.32 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

NORTH 81 DEGREES 05 MINUTES 52 SECONDS WEST, A DISTANCE OF 66.79 FEET TO A 5/8 INCH IRON ROD FOUND;

NORTH 21 DEGREES 01 MINUTES 00 SECONDS WEST, A DISTANCE OF 143.86 FEET TO THE POINT OF BEGINNING CONTAINING 0.785 ACRES OF LAND MORE OR LESS.

WHITE HAWK ENGINEERING
©COPYRIGHT 2025
450 Century Parkway, Suite 190
Allen, TX 75002 PH: (469) 342-6844
TBPLS FIRM NO. 10191200

Property #0160 ALP #S2
PART OF ADDISON AIRPORT
TRACT 1 (1.559 ACRES)
TRACT 2 (0.785 ACRES)

EDWARD COOK SURVEY, ABSTRACT NO. 326
TOWN OF ADDISON, DALLAS COUNTY, TEXAS

DRAWN BY: AB
CHECKED BY: JJK

DATE: 8/25/25

SCALE: 1"= 50'

1 OF 1

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Exhibit 3
Legal Description of Demised Premises

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Property #0160 Tract 1
Metes and Bounds Description

Being a 1.559 acre (67,948 square foot) tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas, County, Texas, and being a part of Addison Airport, an Addition to the Town of Addison, Texas, as recorded in Volume 2005131, Page 82 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING at a 1 inch brass cap stamped "SPARR SURVEYS" found for the southeast corner of Airport property 0750, being a point on the north line of Eddie Rickenbacker Dr, a 50 feet wide Ingress/Egress Easement as recorded in Instrument No. 201400110455 (O.P.R.D.C.T.);

Thence, over and across said Addison Airport the following courses and distances:

North 21 degrees 15 minutes 21 seconds West, a distance of 226.56 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found;

North 68 degrees 25 minutes 18 seconds East, a distance of 213.39 feet to a mag nail with washer stamped "WHITEHAWK" set;

South 21 degrees 07 minutes 19 seconds East, a distance of 158.39 feet to a mag nail with washer stamped "WHITEHAWK" set;

North 69 degrees 01 minutes 28 seconds East, a distance of 240.17 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found;

South 01 degrees 46 minutes 01 seconds West, passing at a distance of 6.05 feet, a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found for the northwest corner of Airport property 0932 (Addison Police Station), and continuing for a total distance of 125.69 feet to a chiseled "X" cut found;

South 64 degrees 37 minutes 40 seconds West, a distance of 54.26 feet to a 5/8 inch iron rod with yellow plastic cap stamped "WHITEHAWK 10191200" set on the north line of said Eddie Rickenbacker Dr, and being a point on a curve to the left;

Thence, continuing along said north line of Eddie Rickenbacker Dr, and said curve to the left, having a radius of 113.35 feet, a delta angle of 59° 27' 25", a chord bearing and distance of North 82 degrees 15 minutes 17 seconds West, a distance of 112.42 feet, and an arc length of 117.63 feet to a 1 inch brass disc found stamped "SPARR SURVEYS";

Thence, along said north line of Eddie Rickenbacker Dr, South 68 degrees 01 minutes 50 seconds West, a distance of 251.60 feet to the POINT OF BEGINNING containing 1.559 acres of land more or less.

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Property #0160 Tract 2
Metes and Bounds Description

Being a 0.785 acre (34,234 square foot) tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas, County, Texas, and being a part of Addison Airport, an Addition to the Town of Addison, Texas, as recorded in Volume 2005131, Page 82 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being more particularly described as follows:

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Thence, along said south line of Eddie Rickenbacker Dr, North 68 degrees 01 minutes 01 seconds East, a distance of 141.67 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found, and the beginning of a curve to the right;

Thence, continuing along said south line of Eddie Rickenbacker Dr, and said curve to the right, having a radius of 63.35 feet, a delta angle of 84° 21' 17", a chord bearing and distance of South 69 degrees 48 minutes 12 seconds East, a distance of 85.07 feet, and an arc length of 93.27 feet to a 1 inch brass disc stamped "SPARR SURVEYS" found;

Thence, continuing along said south line of Eddie Rickenbacker Dr. South 27 degrees 37 minutes 26 seconds East, a distance of 89.22 feet to a 5/8 inch iron rod with yellow plastic cap stamped "WHITEHAWK 10191200" set at the intersection of the north line of Airport Parkway, a 60 feet wide Ingress/Egress Easement as recorded in Instrument No. 201400110455 (O.P.R.D.C.T.), and the south line of said Eddie Rickenbacker Dr;

Thence, departing said south line of said Eddie Rickenbacker Dr, along said north line of Airport Parkway, and said curve to the left, having a radius of 359.95 feet, a delta angle of 24° 09' 09", a chord bearing and distance of South 46 degrees 58 minutes 51 seconds West, a distance of 150.61 feet, and an arc length of 151.73 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found;

Thence departing said north line of Airport Parkway, and continuing over and across said Addison Airport the following courses and distances:

North 61 degrees 28 minutes 49 seconds West, a distance of 28.32 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found;

North 81 degrees 05 minutes 52 seconds West, a distance of 66.79 feet to a 5/8 inch iron rod found;

North 21 degrees 01 minutes 00 seconds West, a distance of 143.86 feet to the POINT OF BEGINNING containing 0.785 acres of land more or less.

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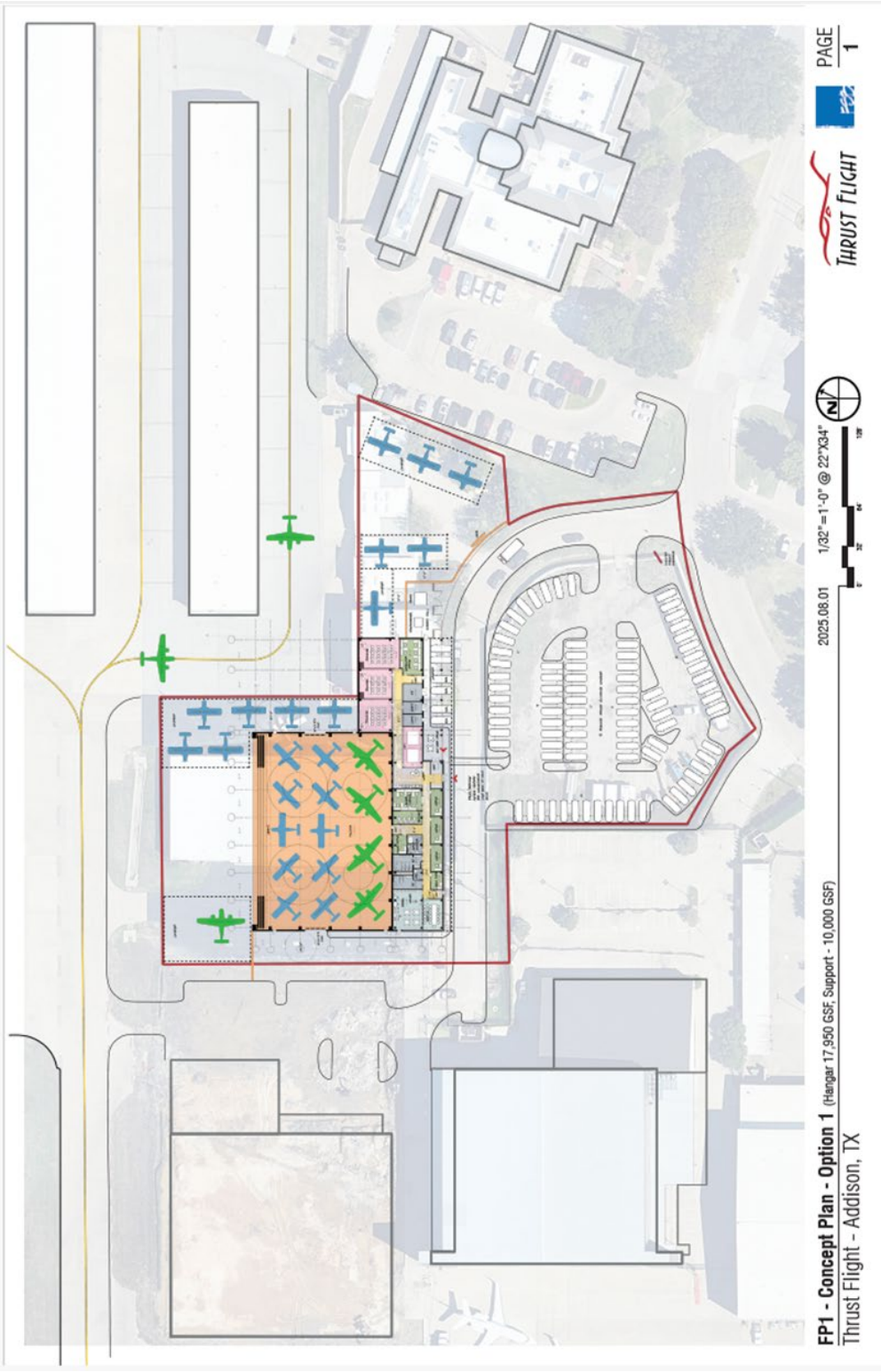
Exhibit 4
Description of New Building Improvements and Proposed Site Plan



Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

This Exhibit 4 hereby includes by reference the complete set of Design Plans approved by the Town of Addison for the New Building Improvements, including, but not limited to, all architectural, civil, mechanical, and electrical and landscape drawings and specifications, together with all change orders and as-built modifications, warranties, and guaranties procured by Tenant.

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Exhibit 5
Form of Irrevocable Standby Letter of Credit

THIS IS A SAMPLE AGREEMENT – NOT FOR EXECUTION

[Lender Letterhead]

_____, 202_

Town of Addison, Texas
C/o City Manager
5300 Belt Line Road
Dallas, Texas 75254
Email: wpierson@addisontx.gov

Dear [Name of City Manager]:

At the request of _____[TENANT]_____, we have established in your favor the enclosed Irrevocable Standby Letter of Credit #_____, in an amount not to exceed _____ and ___/100 Dollars ($_____.00).

Please examine this instrument carefully. If you are unable to comply with the terms and conditions, please communicate with the applicant to arrange for an amendment.

All drawings under this credit must be accompanied by the original Letter of Credit for endorsement.

If we can be of further assistance, please do not hesitate to call us at _____.

Sincerely,

_____[LENDER]_____

By:
Name:_____
Title:

Enclosure

cc: [TENANT]

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

[Lender Letterhead]

THIS IS A SAMPLE AGREEMENT – NOT FOR EXECUTION

IRREVOCABLE LETTER OF CREDIT #_____

Date: _____, 202_

Beneficiary:

Town of Addison, Texas
C/o City Manager
5300 Belt Line Road
Dallas, Texas 75254
Email: wpierson@addisontx.gov

Applicant:

[TENANT]

Attention:_____

Gentlemen:

We hereby issue our Irrevocable Standby Letter of Credit #_____ in favor of Beneficiary (as defined hereunder). This Letter of Credit is effective up to the aggregate amount of _____ and No/100 Dollars ($_____.00) available by draft drawn on Issuer at sight, marked "Drawn under Irrevocable Standby Letter of Credit #_____" accompanied by the following:

1. Beneficiary's written statement purportedly signed by its authorized representative reading as follows: "The undersigned is authorized to make the following statement on behalf of Town of Addison, Texas ("Beneficiary"). Beneficiary hereby certifies that an event of default has occurred under that certain Lease Agreement dated _____, 20__, between Beneficiary and Applicant (the "Lease") with respect to the construction of the [New/Existing] Building Improvements, as defined therein, and that such default is ongoing. The amount of the draft presented represents the amount known by me to be required to complete construction of the [New/Existing] Building Improvements under the Lease."

2. This original Letter of Credit and any amendments thereto (if any). In the event of a partial drawing the original Letter of Credit will be endorsed and returned to you unless the Letter of Credit has expired or the amount available is reduced to zero.

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Special Conditions:

1. Partial drawings are permitted under this Letter of Credit.

2. Other than Beneficiary's statement required above, the Lender shall require no further substantiation of the occurrence of such an event of default, consent of Applicant, or proof of the necessity of the draw.

3. This Letter of Credit sets forth in full the terms of our undertaking and such undertaking shall not in any way by modified, amended or amplified by reference to any document, instrument or agreement referred to herein or to which this Letter of Credit relates, and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement.

4. Except as expressly stated herein, this undertaking is not subject to any agreement, condition, or qualification.

We hereby engage with you that documents drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented for payment to [LENDER], at _____, Attention: _____, prior to 5:00 pm on or before _____, 202___.

This Letter of Credit is subject to and governed by the Uniform Customs and Practice for Documentary credits of the International Chamber of Commerce (Publication 600, 2007 Revision).

[LENDER]

By:
Name:_____
Title:

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Exhibit 6
Form of Memorandum of Lease

THIS IS A SAMPLE AGREEMENT – NOT FOR EXECUTION

AFTER RECORDING RETURN TO:
Addison Airport Management
c/o Real Estate Manager
4545 Jimmy Doolittle Road, Suite 200
Addison, Texas 75001

MEMORANDUM OF LEASE

This Memorandum of Lease is dated as of _____, 20__, and executed by and between the Town of Addison, Texas, a home-rule municipality ("Landlord") and _____, a (*state and type of entity formed)* ("Tenant").

WITNESSETH THAT:

In consideration of the premises and of the mutual covenants and agreements set forth in that certain Ground Lease Agreement dated as of _____, 20__ (the "Ground Lease"), by and between Landlord and Tenant, Landlord has leased to Tenant, and Tenant has leased from Landlord, a certain parcel of land located at and within Addison Airport ("Airport") that is more particularly described in Exhibit A attached hereto and made a part hereof, for a term of four hundred eighty (480) months following the Commencement Date (as defined in the Ground Lease), subject to all of the terms, provisions and conditions of the Ground Lease.

This Memorandum of Lease is solely for recording and notice purposes and shall not be construed to alter, modify, expand, diminish, or supplement the provisions of the Ground Lease. In the event of any inconsistency between the provisions of this Memorandum of Lease and the provisions of the Ground Lease, the provisions of the Ground Lease shall govern. Reference should be made to the Ground Lease for the full description of the rights and duties of Landlord and Tenant, and this Memorandum of Lease shall in no way affect the terms and conditions of the Ground Lease or the interpretation of the rights and duties of Landlord and Tenant thereunder.

Upon the expiration or earlier termination of the above-described Ground Lease, Landlord and Tenant agree that they shall execute and record a termination of this Memorandum of Lease.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum of Lease to be executed on the day and year first above written.

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

IN WITNESS WHEREOF, the undersigned parties execute this Memorandum of Lease this _____ day of _____, 202_.

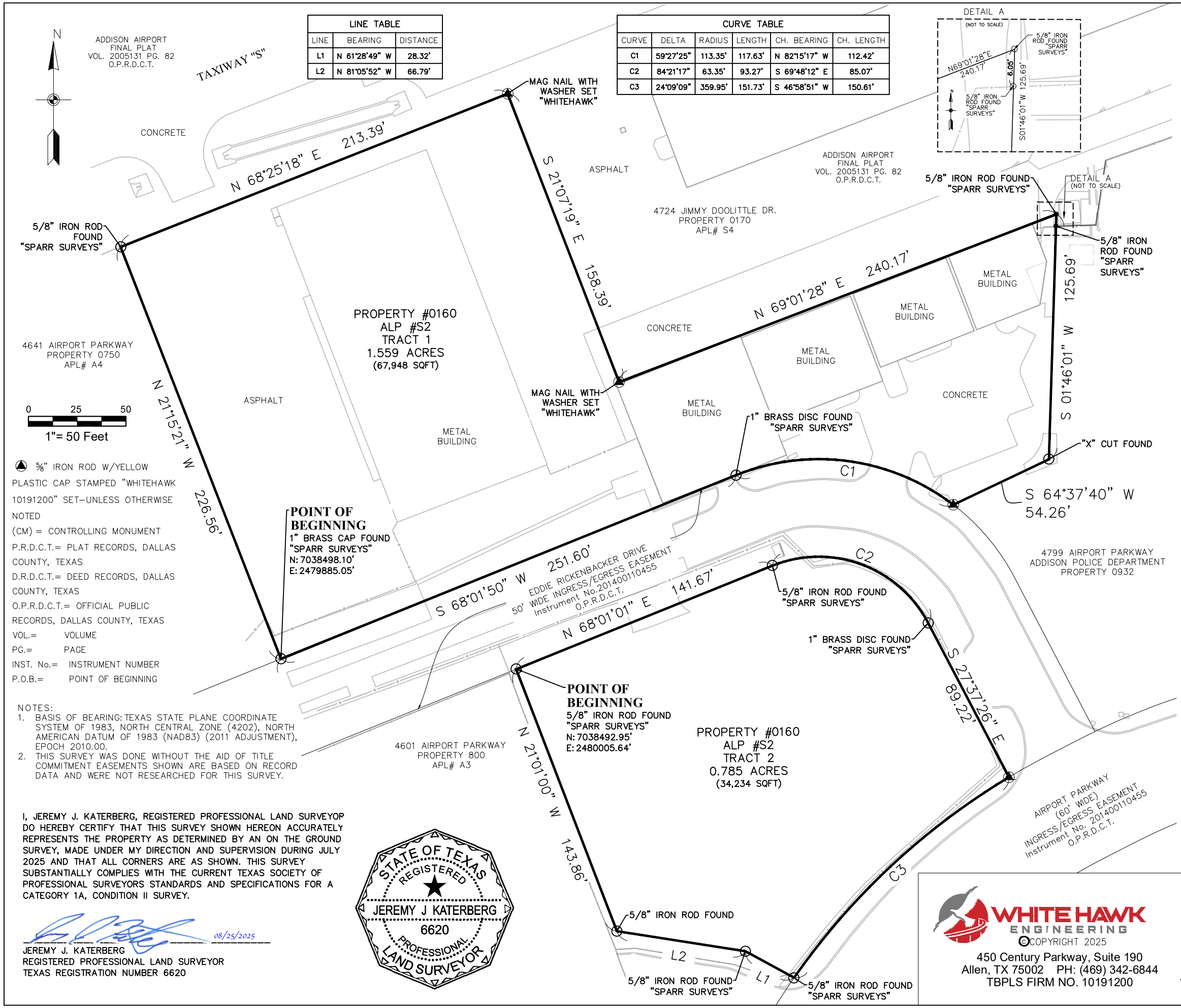
TENANT: **THRUST PROPERTIES, LLC** By:_____ _____	**LANDLORD:** **TOWN OF ADDISON, TEXAS** By:_____ _____, City Manager

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

EXHIBIT A

PROPERTY SURVEY AND LEGAL DESCRIPTION OF DEMISED PREMISES

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7



LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 61°28'49" W	28.32'
L2	N 81°05'52" W	66.79'

CURVE TABLE					
CURVE	DELTA	RADIUS	LENGTH	CH. BEARING	CH. LENGTH
C1	59°27'25"	113.35'	117.63'	N 82°15'17" W	112.42'
C2	84°21'17"	63.35'	93.27'	S 69°48'12" E	85.07'
C3	24°09'09"	359.95'	151.73'	S 46°58'51" W	150.61'

▲ ⅝" IRON ROD W/YELLOW PLASTIC CAP STAMPED "WHITEHAWK 10191200" SET–UNLESS OTHERWISE NOTED

(CM) = CONTROLLING MONUMENT

P.R.D.C.T.= PLAT RECORDS, DALLAS COUNTY, TEXAS

D.R.D.C.T.= DEED RECORDS, DALLAS COUNTY, TEXAS

O.P.R.D.C.T.= OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS

VOL.= VOLUME

PG.= PAGE

INST. No.= INSTRUMENT NUMBER

P.O.B.= POINT OF BEGINNING

NOTES:
1. BASIS OF BEARING: TEXAS STATE PLANE COORDINATE SYSTEM OF 1983, NORTH CENTRAL ZONE (4202), NORTH AMERICAN DATUM OF 1983 (NAD83) (2011 ADJUSTMENT), EPOCH 2010.00.
2. THIS SURVEY WAS DONE WITHOUT THE AID OF TITLE COMMITMENT EASEMENTS SHOWN ARE BASED ON RECORD DATA AND WERE NOT RESEARCHED FOR THIS SURVEY.

I, JEREMY J. KATERBERG, REGISTERED PROFESSIONAL LAND SURVEYOP DO HEREBY CERTIFY THAT THIS SURVEY SHOWN HEREON ACCURATELY REPRESENTS THE PROPERTY AS DETERMINED BY AN ON THE GROUND SURVEY, MADE UNDER MY DIRECTION AND SUPERVISION DURING JULY 2025 AND THAT ALL CORNERS ARE AS SHOWN. THIS SURVEY SUBSTANTIALLY COMPLIES WITH THE CURRENT TEXAS SOCIETY OF PROFESSIONAL SURVEYORS STANDARDS AND SPECIFICATIONS FOR A CATEGORY 1A, CONDITION II SURVEY.

08/25/2025

JEREMY J. KATERBERG
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NUMBER 6620

STATE OF TEXAS
REGISTERED
JEREMY J KATERBERG
6620
PROFESSIONAL
LAND SURVEYOR

PROPERTY #0160 TRACT 1
METES AND BOUNDS DESCRIPTION

BEING A 1.559 ACRE (67,948 SQUARE FOOT) TRACT OF LAND SITUATED IN THE EDWARD COOK SURVEY, ABSTRACT NO. 326, DALLAS, COUNTY, TEXAS, AND BEING A PART OF ADDISON AIRPORT, AN ADDITION TO THE TOWN OF ADDISON, TEXAS, AS RECORDED IN VOLUME 2005131, PAGE 82 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS (O.P.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1 INCH BRASS CAP STAMPED "SPARR SURVEYS" FOUND FOR THE SOUTHEAST CORNER OF AIRPORT PROPERTY 0750, BEING A POINT ON THE NORTH LINE OF EDDIE RICKENBACKER DR, A 50 FEET WIDE INGRESS/EGRESS EASEMENT AS RECORDED IN INSTRUMENT NO. 201400110455 (O.P.R.D.C.T.);

THENCE, OVER AND ACROSS SAID ADDISON AIRPORT THE FOLLOWING COURSES AND DISTANCES:

NORTH 21 DEGREES 15 MINUTES 21 SECONDS WEST, A DISTANCE OF 226.56 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

NORTH 68 DEGREES 25 MINUTES 18 SECONDS EAST, A DISTANCE OF 213.39 FEET TO A MAG NAIL WITH WASHER STAMPED "WHITEHAWK" SET;

SOUTH 21 DEGREES 07 MINUTES 19 SECONDS EAST, A DISTANCE OF 158.39 FEET TO A MAG NAIL WITH WASHER STAMPED "WHITEHAWK" SET;

NORTH 69 DEGREES 01 MINUTES 28 SECONDS EAST, A DISTANCE OF 240.17 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

SOUTH 01 DEGREES 46 MINUTES 01 SECONDS WEST, PASSING AT A DISTANCE OF 6.05 FEET, A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND FOR THE NORTHWEST CORNER OF AIRPORT PROPERTY 0932 (ADDISON POLICE STATION), AND CONTINUING FOR A TOTAL DISTANCE OF 125.69 FEET TO A CHISELED "X" CUT FOUND;

SOUTH 64 DEGREES 37 MINUTES 40 SECONDS WEST, A DISTANCE OF 54.26 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WHITEHAWK 10191200" SET ON THE NORTH LINE OF SAID EDDIE RICKENBACKER DR, AND BEING A POINT ON A CURVE TO THE LEFT;

THENCE, CONTINUING ALONG SAID NORTH LINE OF EDDIE RICKENBACKER DR, AND SAID CURVE TO THE LEFT, HAVING A RADIUS OF 113.35 FEET, A DELTA ANGLE OF 59° 27' 25", A CHORD BEARING AND DISTANCE OF NORTH 82 DEGREES 15 MINUTES 17 SECONDS WEST, A DISTANCE OF 112.42 FEET, AND AN ARC LENGTH OF 117.63 FEET TO A 1 INCH BRASS DISC FOUND STAMPED "SPARR SURVEYS";

THENCE, ALONG SAID NORTH LINE OF EDDIE RICKENBACKER DR, SOUTH 68 DEGREES 01 MINUTES 50 SECONDS WEST, A DISTANCE OF 251.60 FEET TO THE POINT OF BEGINNING CONTAINING 1.559 ACRES OF LAND MORE OR LESS.

PROPERTY #0160 TRACT 2
METES AND BOUNDS DESCRIPTION

BEING A 0.785 ACRE (34,234 SQUARE FOOT) TRACT OF LAND SITUATED IN THE EDWARD COOK SURVEY, ABSTRACT NO. 326, DALLAS, COUNTY, TEXAS, AND BEING A PART OF ADDISON AIRPORT, AN ADDITION TO THE TOWN OF ADDISON, TEXAS, AS RECORDED IN VOLUME 2005131, PAGE 82 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS (O.P.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON ROD CAP STAMPED "SPARR SURVEYS" FOUND FOR THE NORTHEAST CORNER OF AIRPORT PROPERTY 800, AND A POINT ON THE SOUTH LINE OF EDDIE RICKENBACKER DR, A 50 FOOT WIDE INGRESS/EGRESS EASEMENT AS RECORDED IN INSTRUMENT NO. 201400110455 (O.P.R.D.C.T.);

THENCE, ALONG SAID SOUTH LINE OF EDDIE RICKENBACKER DR, NORTH 68 DEGREES 01 MINUTES 01 SECONDS EAST, A DISTANCE OF 141.67 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND, AND THE BEGINNING OF A CURVE TO THE RIGHT;

THENCE, CONTINUING ALONG SAID SOUTH LINE OF EDDIE RICKENBACKER DR, AND SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 63.35 FEET, A DELTA ANGLE OF 84° 21' 17", A CHORD BEARING AND DISTANCE OF SOUTH 69 DEGREES 48 MINUTES 12 SECONDS EAST, A DISTANCE OF 85.07 FEET, AND AN ARC LENGTH OF 93.27 FEET TO A 1 INCH BRASS DISC STAMPED "SPARR SURVEYS" FOUND;

THENCE, CONTINUING ALONG SAID SOUTH LINE OF EDDIE RICKENBACKER DR. SOUTH 27 DEGREES 37 MINUTES 26 SECONDS EAST, A DISTANCE OF 89.22 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WHITEHAWK 10191200" SET AT THE INTERSECTION OF THE NORTH LINE OF AIRPORT PARKWAY, A 60 FEET WIDE INGRESS/EGRESS EASEMENT AS RECORDED IN INSTRUMENT NO. 201400110455 (O.P.R.D.C.T.), AND THE SOUTH LINE OF SAID EDDIE RICKENBACKER DR;

THENCE, DEPARTING SAID SOUTH LINE OF SAID EDDIE RICKENBACKER DR, ALONG SAID NORTH LINE OF AIRPORT PARKWAY, AND SAID CURVE TO THE LEFT, HAVING A RADIUS OF 359.95 FEET, A DELTA ANGLE OF 24° 09' 09", A CHORD BEARING AND DISTANCE OF SOUTH 46 DEGREES 58 MINUTES 51 SECONDS WEST, A DISTANCE OF 150.61 FEET, AND AN ARC LENGTH OF 151.73 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

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WHITE HAWK ENGINEERING
©COPYRIGHT 2025
450 Century Parkway, Suite 190
Allen, TX 75002 PH: (469) 342-6844
TBPLS FIRM NO. 10191200

Property #0160 ALP #S2
PART OF ADDISON AIRPORT
TRACT 1 (1.559 ACRES)
TRACT 2 (0.785 ACRES)

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TOWN OF ADDISON, DALLAS COUNTY, TEXAS

DRAWN BY: AB
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Thence, along said north line of Eddie Rickenbacker Dr, South 68 degrees 01 minutes 50 seconds West, a distance of 251.60 feet to the POINT OF BEGINNING containing 1.559 acres of land more or less.

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Exhibit 7

Master Landlord Sublease Consent
(See Section 9.B of Ground Lease)

MASTER LANDLORD'S CONSENT TO SUBLEASE

Rider to Sublease Agreement

GROUND LEASE TENANT & MASTER LEASE INFORMATION

Name of Tenant **as "Tenant"**		
Primary Contact		
Legal Notice Address:		
Telephone:		**Ground Lease No: _____**
E-mail Address:		**Effective Date of Ground Lease: _____** *("Master Lease Effective Date")*

SUBLEASE AGREEMENT (the "Sublease")

Sublease Agreement Date:	**Commencement Date:**	**Expiration Date:**
Address of Subleased Premises:		
Describe Renewal Options (if applicable):		

Subtenant Name: **as "Subtenant"**		**"State"** of Registration (if applicable)
Entity Type		
DBA:		
Primary Contact:		Title:
Legal Notice Address:		
Telephone:		E-mail:
Website:		

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ON-SITE CONTACT INFORMATION

Name:		Title:
Telephone:		E-mail

EMERGENCY */ AFTER HOURS CONTACT INFORMATION*

Name:		Title:
Telephone:		E-mail

BASED AIRCRAFT REGISTRATION (use an additional sheet if needed)

N #	Make	Model	Year

(Underlined terms are defined as first given above)

The Town of Addison, Texas (the "Master Landlord") is the sole Landlord under that certain Ground Lease/Lease Agreement dated as of the Master Lease Effective Date wherein by way of any assignment, amendment, modification or other act, the above-named Tenant is the Tenant of the Ground Lease/Lease Agreement described above. Together with any and all assignments, modifications and amendments thereto, if any, the Ground Lease/Lease Agreement is hereinafter referred to as the "Master Lease," by the terms of which Tenant leased from Master Landlord certain property referred to as the "Demised Premises," "Leased Premises," or "Premises" (or such similar term) in the Master Lease (referred to herein as the "Demised Premises") located at Addison Airport within the Town of Addison, Texas, said property being more particularly described in said Master Lease. Tenant is hereby seeking Master Landlord's consent to the sublease ("Consent to Sublease") by Tenant of all or a part of the Demised Premises, which part is described in the Sublease, to the Subtenant so named above, pursuant to that Sublease Agreement described above (the "Sublease"), on the following terms and conditions:

Based on Tenant's representations, Master Landlord hereby consents to the Sublease on the following terms and conditions:

1. Tenant shall remain fully liable for the performance of each and every term, provision, covenant, duty and obligation of the Tenant under the Master Lease including, without limitation, the duty to make any and all payments of rent. This Consent to Sublease shall in no way release Tenant from any of its covenants, agreements, liabilities and duties under the Master Lease. Upon written demand by Master Landlord, Tenant and/or Subtenant shall deliver a true and correct copy of the Sublease as it may be amended or modified from time to time. This Consent to Sublease does not constitute approval by Master Landlord of the terms of the Sublease. Nothing herein contained shall be deemed a waiver or release of any of the Master Landlord's rights under the Master Lease.

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2. Subtenant's use and occupancy of the Demised Premises shall be subject to all of the terms and conditions of the Master Lease to the extent applicable, Subtenant agrees to be bound by the terms and provisions of the Master Lease and in the event of any conflict between the terms of the Master Lease and the terms of the Sublease, the terms of the Master Lease shall control (and, without limiting the foregoing, the Demised Premises shall never be used for any purpose other than as permitted by the Master Lease, and this Consent to Sublease does not constitute and is not consent to any use on or within the Demised Premises which is not permitted by the Master Lease).

3. Subtenant shall be obligated to obtain Master Landlord's consent to any action as to which Tenant is obligated to obtain such consent under the Master Lease.

4. Tenant shall be fully liable for any violation by Subtenant of any of the terms and conditions of the Master Lease.

5. Master Landlord shall have no obligation for the performance by Tenant of its obligations under the Sublease. Neither this Consent to Sublease, the exercise by Master Landlord of its rights hereunder, nor the Sublease or any other instrument shall give Subtenant any rights directly or indirectly against Master Landlord or create or impose any obligation, duty, responsibility, or liability of Master Landlord in favor of or for the benefit of Subtenant.

6. In the event of the occurrence of an event of default under the Master Lease by Tenant while the Sublease is in effect, Master Landlord, in addition to any other rights or remedies provided in the Master Lease or by law, in equity, or otherwise, may at Master Landlord's option, collect directly from the Subtenant all rents becoming due under the Sublease and apply such rent against any sums due to Master Landlord. No direct collection by Master Landlord from Subtenant shall release Tenant from the payment or performance of Tenant's obligations under the Master Lease; provided that if Master Landlord collects any rents directly from Subtenant pursuant to this paragraph, Subtenant shall be released from its obligations to pay such rents to Tenant.

7. Tenant and Subtenant each hereby represent and warrant to Master Landlord that other than the Sublease, there are no agreements or understandings, whether written or oral between Tenant and Subtenant with respect to Subtenant's use and occupancy of the Demised Premises or any property of Tenant located therein.

8. Tenant and Subtenant each hereby covenants and agrees with Master Landlord that Tenant and Subtenant shall **defend, indemnify and hold harmless** Master Landlord, its elected officials, its officers, employees, representatives and agents from and against any and all claims, liabilities and obligations to any broker or agent in connection with the Sublease, including, without limitation, any reasonable attorneys' fees and costs incurred by Master Landlord in connection therewith.

9. If Subtenant is to operate as a commercial aeronautical service provider pursuant to the Sublease Agreement, Tenant hereby warrants and represents to Master Landlord that Tenant has delivered to Subtenant a complete copy of the prevailing *Addison Airport Minimum Standards and Requirements for Commercial Aeronautical Service Providers* and the *Addison Airport Rules and Regulations,* each of which may be amended and, or modified by the Master Landlord from time to time, and Subtenant hereby acknowledges and warrants and represents to Master Landlord that Subtenant has received the same and shall comply with the requirements set forth therein.

10. Tenant and Subtenant attest, warrant and represent to Master Landlord that all information given herein is true and correct.

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This Master Landlord's Consent to Sublease may be executed in multiple counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement; the signatures of all the parties need not appear on the same counterpart, and delivery of an executed counterpart signature page by facsimile (e.g., telecopier, scanned PDF by email, or electronic signature) is as effective as executing and delivering this Agreement in the presence of the other parties to this Agreement.

ACKNOWLEDGED AND AGREED TO this _____ day of _____, 20__.

TENANT:	**SUBTENANT:**
_____	_____
By: _____	By:_____
Title: _____	Title: _____

MASTER LANDLORD
TOWN OF ADDISON, TEXAS

By: _____

Title: _____
Authorized Officer on Behalf of Master Landlord

Date:_____
Effective Date of Landlord's Consent

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Exhibit 8

Schedule of Environmental Reports

Landlord has delivered, and Tenant hereby acknowledges receipt of, copies of the following environmental and soil reports in satisfaction of Section 22.A of the Lease:

1. Phase 1 Environmental Site Assessment, Addison Airport; Camp, Dresser & McKee (CDM), 1998
2. Phase 1 Environmental Site Assessment, Appendix J Site Photographs Addison Airport (CDM) 1998
3. Phase 1 Environmental Site Assessment Update, Addison Airport (CDM, 2001)
4. Phase 1 Environmental Site Assessment of Piedmont Hawthorne Aviation Hangar 4545 Eddie Rickenbacker Street (Terranext, 2005)
5. Limited Phase II Environment of Piedmont Hawthorne Aviation Hangar 4545 Eddie Rickenbacker Street (Terranext, 2005)

Note that the Town of Addison also provided documentation for several underground storage tank (UST) removal activities at sites located at various locations at Addison Airport property including the Addison Airport Storage Facility, Addison Express Facility, Encore FBO, and Mercury Air Facility.

Tenant Delivered to Landlord the following Environmental Report:

1. Phase I Environmental Site Assessment Addison Airport Property (Parcels #016A, #016B, #0216) Eddie Rickenbacker Drive, Addison, Texas; Bullock, Bennett & Associates, LLC July 9, 2024.

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LEASE ADDENDUM #1

TENANT'S LEASEHOLD MINIMUM MAINTENANCE AND REPAIR STANDARDS AND PRACTICES

Note: Capitalized terms used herein are the same as defined in the Lease or any Addendum attached and made a part of the Lease unless otherwise expressly provided for. This Lease Addendum #1 is made a part of and hereby incorporated into the Lease by reference.

I. ***Purpose***: Pursuant to Section 11 (or elsewhere as provided for) of the Lease[1] the Tenant is required to maintain the Demised Premises and all improvements, fixtures, equipment and personal property thereto in "good repair and in a first class condition" and in accordance with all applicable ordinances, codes, rules and regulations of or adopted by the Town of Addison, the State of Texas, or any regulating agency with oversight of any or all portions of the Demised Premises throughout the Term as it may be extended or otherwise amended, so long as they are in compliance with applicable law. Additionally, Section 28 titled Title to Improvements provides that, among other things, Tenant shall own and hold title to any Buildings Improvements constructed on the Demised Premises by or for Tenant, shall be owned by Tenant for the duration of the Term, as the Term may be amended or modified. Upon the expiration or early termination of the Lease Term, the ownership of said Building Improvements, shall merge with the title of the Demised Premises and become the property of the Landlord. Landlord may, at Landlord's sole discretion, elect for Tenant to: (i) deliver to Landlord the Demised Premises clean and free of trash and in good repair and condition in accordance with these *Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices* together with all fixtures and equipment situated in the Demised Premises with reasonable wear and tear excepted; or (ii) upon written notice to tenant no later than sixty (60) months prior to the expiration of the Term, Landlord may elect to require Tenant to demolish and remove, or cause to be removed, any or all Building Improvements made to the Demised Premises, whether below, on or above the ground by Tenant or others, including, but not limited to, foundations, structures, buildings, utility lines, transformer vaults and all other service facilities constructed or installed upon the Demised Premises; and Tenant shall immediately restore, quit and peacefully surrender possession of the Demised Premises to Landlord and leave the land free of debris in a level, graded condition, with no excavations, holes, hollows, hills or humps. Tenant shall perform and complete such removal and restoration in a good and workmanlike manner, in accordance with all applicable ordinances, codes, rules, and regulations within six (6) months of the expiration or termination of the Term. Such demolition and removal shall be performed at Tenant's sole cost and risk in accordance with all prevailing ordinances, codes, rules, and regulations governing same.

Therefore, unless otherwise provided by law, these *Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices* ("Maintenance Standards") hereby set forth in general the minimum level of standard of maintenance and repair or practice the Landlord expects of Tenant

[1] All capitalized terms used in these Tenant's Minimum Leasehold Maintenance Standards and Procedures are as used and defined in the underlying Lease unless otherwise defined herein.

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and Tenant (or any of its successors and or assigns) agrees to be obliged in order to comply with the terms and conditions of the Lease.

II. ***Governing Standard or Practice***: Section 8.A. of the Lease states the Tenant agrees to comply with all laws, ordinances, rules, regulations, directives, permits, policies or standards of any governmental authority, entity, or agency affecting the use of the Demised Premises; and any "Construction/Maintenance Standards and Specifications" published by Landlord or its Airport Manager governing such matters at the Airport, including the provisions of Section 11.B.

III. ***Terminology Used***: Unless otherwise provided herein, the definition and/or the description of certain terms used or referred to below shall be the same as defined in the Lease or ASTM International Standard E2018-15[2] (as it may be amended or modified from time to time or its equivalence as generally accepted by the United States commercial real estate industry at the time).

For the purpose herein the standard of being in "*good repair and in first-class condition*" generally means when the building component or system is serving its designed function, is of working condition and operating well, shows evidence of being well taken care of and does not require immediate or short-term repairs above its *de minimis* threshold or does not evidence a material physical deficiency.

Building System – Interacting or independent components or assemblies, which form single integrated units that comprise a building and its site work, such as pavement and flatwork, structural frame, roofing, exterior walls, plumbing, HVAC, electrical, etc. (ASTM E2018-15).

Component – A portion of a building system, piece of equipment, or building element (ASTM E2018-15).

Deferred Maintenance – Physical deficiencies that could have been remedied with routine maintenance, normal operating maintenance, etc., excluding *de minimus* conditions that generally do not present a material physical deficiency to the subject property (ASTM E2018-15).

Effective Age – The estimated age of a building component that considers actual age as affected by maintenance history, location, weather conditions, and other factors. Effective Age may be more or less than actual age (ASTM E2018-15).

Engineer: Designation reserved by law for a person professionally qualified, examined, and licensed by the appropriate governmental board having jurisdiction, to perform engineering services (ASTM E2018-15).

Expected Useful Life – The average amount of time in years that an item, component or system is estimated to function without material repair when installed new and assuming routine maintenance is practiced (ASTM E2018-15).

Fair Condition – To be found in working condition but may require immediate or short-term repairs above the *de minimis* threshold of not evidencing a material physical deficiency (ASTM E2018-15).

[2] ASTM Designation E2018-15; November 2015ASTM International, 100 Barr Harbor Drive, PO Box C700, West Conshohocken PA 19428-2929, United States

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Normal Wear and Tear - Defined as deterioration that results from the intended use of the commercial premises, including breakage or malfunction due to age or deteriorated condition, but the term does not include deterioration that results from negligence, carelessness, accident or abuse of the premises, equipment or chattels by the Tenant, by a guest or invitee of the Tenant (Section 93.006[b]); Chapter 93 of the Texas Property Code entitled "Commercial Tenancies"

Physical Deficiency (ies) – The presence of a conspicuous defect or defects and/or material deferred maintenance of a subject property's material systems, components, or equipment as observed. Specifically excludes deficiencies that may be remedied with routine maintenance, miscellaneous minor repairs, normal operating maintenance, etc. (ASTM E2018-15).

Poor Condition – Found not to be in working condition or requires immediate or short-term repairs substantially above the *de minimis* threshold of not evidencing a material physical deficiency (ASTM E2018-15).

Routine Maintenance - Repair that does not require specialized equipment, professional services, or licensed contractors but, rather can be corrected within the budget and skill set of typical property maintenance staff (ASTM E2018-15).

IV. ***Baseline Property Condition Assessment:*** Beginning on or about the tenth (10^{th}) anniversary but no later than the twelfth (12^{th}) anniversary of the Term, Tenant shall procure, at the sole cost of Tenant, a Property Condition Assessment baseline report (PCA) to be prepared, written and signed by a licensed professional engineer qualified to assess the condition of the Demised Premises and all Building Improvements, fixtures and equipment made a part thereto pursuant to the then-operative version of ASTM International Standard Designation E2018 as of the date the PCA is performed. If at that time, for any reason, ASTM International no longer publishes standards for conducting property condition assessments for commercial real estate in the United States, Landlord and Tenant shall mutually agree to adopt another similar standard of practice to be performed by qualified third parties recognized and accepted by the commercial real estate industry in the United States.

For any portion of the Demised Premises designed and constructed with the intent to be used for the storage and movement of aircraft, the PCA shall also include an aircraft pavement condition assessment performed for such areas in accordance with FAA Advisory Circular 150/5380-7A "*Airport Pavement Management Program*" and ASTM Standard Designation D5340 "*Standard Test Method for Airport Pavement Condition Index Surveys*" (or their respective operative standard in effect at the time of the PCA report date) (the "Pavement Standards"). If no such standard exists at the time, the pavement condition assessment shall be performed based on prevailing industry standards as of the date of the assessment.

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A. Within thirty (30) calendar days of the published date of the PCA report Tenant shall deliver to Landlord a complete signed original copy of the PCA report together with the aircraft pavement condition assessment, if any, together with:

(1.) "**Tenant's Remedy Plan**", a written plan prepared by Tenant itemizing and given in sufficient detail Tenant's plan to remedy and cure, at Tenant's sole cost and expense, any and all physical deficiencies and, or Deferred Maintenance matters identified and communicated in the PCA report. Tenant's Remedy Plan shall indicate, among other things, that all work will be completed in a good and workman like condition pursuant to all local building codes and ordinances as required by the Lease within one hundred and eighty (180) calendar days from the date of the PCA's published report date (the "Remedy Period") unless otherwise agreed to in writing by Landlord.

(a.) If the pavement condition index (PCI), as defined in the Pavement Standards, reflects a score less than 70 (or its equivalence) the Tenant's Remedy Plan shall set forth in sufficient detail Tenant's intended remedy and cost estimate necessary to increase the aircraft pavement PCI score to a minimum of 70 within the Remedy Period.

(b.) In the event the PCA recommends supplemental testing or evaluation of any building component including, but not limited to, structural, building envelope, roofing, HVAC, plumbing, electrical, fire alarm and suppression, elevator, hangar door and/or door operators, environmental, pavement and ADA, Tenant's Remedy Plan shall reflect Tenant's plan to complete such supplemental investigations as recommended within the Remedy Period.

(2.) "**Tenant's Facility Maintenance and Repair Plan**" (or "Maintenance Plan") which sets forth in sufficient detail Tenant's stated itemized objectives to maintain and keep all building components and systems, pavement and landscaped areas in good condition and repair together with any planned capital repairs, including those cited in the PCA report and any capital improvements planned within the next ten (10) years following the PCA published report date. Additionally, the Maintenance Plan should include but not be limited to the following:

(a.) Tenant's schedule and checklist for periodic self-inspection of all major building components and systems on annualized basis.

(b) Tenant shall periodically update the Maintenance Plan to reflect scheduled repairs made together with itemized repair costs given, new conditions found as a result of Tenant's periodic self-inspections and Tenant's plan to maintain or repair said condition.

B. If Tenant fails to deliver to Landlord a complete signed original Baseline PCA Report, Tenant's Remedy Plan and Tenant's Facility Maintenance and Repair Plan as required herein. Landlord may provide written notice thereof to Tenant. Tenant shall have sixty (60) business days after receipt of such notice to provide such report or plan. Tenant's failure to provide the documentation required herein shall be considered an event of default of the Lease. Tenant's failure to promptly remedy any physical deficiency (ies) identified and communicated in any PCA report as required herein is also considered an event of default under the Lease. In the event of such default(s), in addition to all other rights and remedies available to Landlord under the Lease

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and by law, Landlord may, but not be obligated to, cause such reports and plans to be prepared and implemented as deemed commercially reasonable; and all reasonable costs therefore expended by Landlord plus interest thereon as provided for in Section 39 of the Lease shall be paid by Tenant upon demand.

V. Requirement for Subsequent Baseline Property Condition Report Updates, Tenant Remedy Plan Updates and Tenant's Facility Maintenance and Repair Plan Updates:

A. Upon each ten (10) year anniversary of the Term (but not later than two (2) years after each 10-year anniversary) Tenant shall procure, at its sole cost and expense, a PCA update (including aircraft pavement condition assessment) with the subsequent PCA report being of similar form and scope as the initial baseline PCA outlined above. Consideration should be given to the age of all building components and whether any special assessments might be warranted. Within thirty (30) business days of the published date of the subsequent PCA report, Tenant shall deliver to Landlord a complete signed original of the subsequent PCA report together with the aircraft pavement condition assessment findings. Simultaneously, Tenant shall deliver to Landlord its Tenant Remedy Plan setting forth Tenant's itemized and detailed plan for remedying and curing all physical deficiencies and/or Deferred Maintenance matters identified and communicated in the subsequent PCA report. Similarly, Tenant shall also deliver to Landlord Tenant's Facility Maintenance and Repair Plan updated to reflect the most recent subsequent PCA report findings and recommendations.

B. With no less sixty (60) months remaining until the Lease Expiration Date, Landlord shall give written notice to Tenant whether to:

1. Procure, at Tenant's sole cost and expense, a final PCA report (including aircraft pavement condition assessment) with the final PCA report being of similar form and scope as the initial baseline PCA outlined above (the "Final PCA Report"). Consideration should be given to the age of all building components and whether any special assessments might be warranted. Within thirty (30) business days of the published date of the Final PCA Report, Tenant shall deliver to Landlord a complete signed original of the Final PCA Report together with the aircraft pavement condition assessment findings. Simultaneously, Tenant shall deliver to Landlord its Tenant Remedy Plan setting forth Tenant's itemized and detailed plan for remedying and curing all Physical Deficiencies and/or Deferred Maintenance matters identified and communicated in the Final PCA Report. Similarly, Tenant shall also deliver to Landlord Tenant's Facility Maintenance and Repair Plan updated to reflect the Final PCA Report findings and recommendations. which are to be implemented through the Lease Expiration Date.

or,

2. Plan for, prepare and implement the demolition and removal of the Building Improvements as set forth in Section 28.C. of the Lease.

VI. ***Qualification of Property Condition Reviewer***: The qualifications of a third-party consultant performing or overseeing the PCA shall be:

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1. Licensed in the state of Texas as a professional architecture or engineer;
2. Demonstrated experience working with general aviation type properties;
3. Having working knowledge of relevant FAA Advisory Circulars and ASTM Standards relating to facility and pavement maintenance and survey standards affecting the subject property type and scope (size and complexity, etc.); and
4. Experience preparing property condition reports.

VII. ***Record Retention***: Throughout the Term Tenant shall diligently gather and retain in an orderly manner all documentation affecting and relating to the Building Improvements and any fixtures or equipment made a part of the Demised Premises. To the extent possible the Tenant shall retain digital copies of all such documentation, which can be easily reviewed, inspected and sourced. All such documents are to be made available to each consultant assigned to perform the property condition assessment and pavement condition analyses.
Such documents to be retained should include but not be limited to:

1. Site plan – updated as necessary.
2. Property Survey – updated as necessary to reflect any changes to the leased premises.
3. Construction and "as-built" drawings together with written building specifications.
4. Certificate of Occupancy and building permits.
5. Building Owner's Manual received from the General Contractor.
6. Pavement Condition Assessment Reports (aircraft apron and other).
7. Insurance casualty claims and adjustment reports affecting the Building Improvements.
8. Description of future/planned material improvement or repairs.
9. Outstanding notices and citations for building, fire, and zoning code and ADA violations.
10. Previously prepared, if any, Property Condition Assessment reports or engineering testing and surveys pertaining to any aspect of the subject property's physical condition.
11. Lease listing literature, listing for sale, marketing/promotional literature such as photographs, descriptive information, reduced floor plans, etc.
12. Periodic inspection reports (self or third-party) and supporting documentation.
13. Irrigation plans updated as needed.
14. Operating manuals, instructions, parts lists.

VIII. ***Reversionary Process (at Lease Expiration or Early Termination):*** Provided Landlord has not already given written notice to Tenant that Landlord has elected to require Tenant to demolish and remove any or all of the Building Improvements from the Demised Premises as set forth in Section 28.C of the Lease; pursuant to the terms and conditions of the Lease, unless otherwise amended or modified the Lease is due to expire at the end of the Lease Expiration Date

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at which time any and all Building Improvements and any subsequent improvements and alterations made thereto as defined in the Lease revert and become under the ownership of the Landlord. If Tenant is not then in default of the Lease, Tenant shall have the right to remove all personal property and trade fixtures owned by the Tenant from the Demised Premises, but Tenant shall be required to repair any damage to the Demised Premises caused by such removal, which work shall be conducted in a good and workmanlike manner and at Tenant's sole cost and expense.

Accordingly, in order to facilitate an orderly transfer of all the ownership interests of the Demised Premises, Tenant shall deliver or cause to be delivered to Landlord all of the following on or before the Expiration Date, or earlier termination of the Lease:

Tenant's Representations: Tenant shall certify and attest in writing, in a form acceptable to Landlord:

1. Tenant conveys to Landlord in good and indefeasible title all the Building Improvements free and clear of any and all liens, assessments, security interests and other monetary encumbrances; and
2. There are no lessees or sub-lessees in possession of any portion of the Building Improvements, tenants at sufferance or trespassers; and
3. There are no mechanic's liens, Uniform Commercial Code liens or unrecorded liens against the Building Improvements, and all obligations of Tenant arising from the ownership and operation of the Demised Premises and any business operated on the Building Improvements including but not limited to taxes, leasing commissions, salaries, contracts, and similar agreements, have been paid or will be paid before the Expiration Date; and
4. There is no pending or threatened litigation, condemnation, or assessment affecting the Building Improvements; and
5. Tenant has disclosed to Landlord any and all known conditions of a material nature with respect to the Building Improvements which may affect the health or safety of any occupant of the Demised Premises; and
6. Except as otherwise disclosed in writing by Tenant to Landlord, the Building Improvements do not contain, to Tenant's actual knowledge, any known Hazardous Materials other than lawful quantities properly stored in containers in compliance with applicable laws. For the purpose herein, "Hazardous Materials" means any pollutants, toxic substances, oils, hazardous wastes, hazardous materials or hazardous substances as defined in or pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended, the Clean Water Act, as amended, or any other federal, state or local environmental law, ordinance, rule, or regulation, whether existing or subsequently enacted during the Term; and
7. Any Rent and monies due under the Lease unless paid in full; and
8. A Bill of Sale conveying personal property remaining or left on the Demised Premises, if any, free and clear of liens, security interest and encumbrances; and
9. All plans, drawings and specifications respecting the Building Improvements, including as-built plans and specifications, landscape plans, building system plans (HVAC,

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Telecom/Data, Security System, plumbing) air-conditioning in Tenant's possession or control; and

10. Inventory with corresponding descriptions and identification of all keys, lock combinations, access codes and other such devices or means to access every securable portion, compartment, cabinet, panel, closet, gate or point of entry within the Demised Premises; and
11. All soil reports, engineering and architectural studies, grading plans, topographical maps, feasibility studies and similar information in Tenant's possession or control relating to the Demised Premises; and.
12. A list and complete copies of all current service contracts, maintenance contracts, management contracts, warranties, licenses, permits, operating agreements, reciprocal easement agreements, maps, if any, applicable to the Demised Premises, certificate of occupancy, building inspection approvals and covenants, and conditions and restrictions respecting the Demised Premises; and
13. Copies of all utility bills (electric, water/sewer and gas) and similar records respecting the Building Improvements for the past three (3) months; and
14. A schedule of all service contracts, agreements and other documents not expressly referenced herein relating to the Demised Premises.

~End~

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LEASE ADDENDUM #2
EXISTING IMPROVEMENTS; DEMOLITION AND SITE PREPARATION

Note: Capitalized terms used herein are the same as defined in the Lease or any Addendum or other attached and made a part of the Lease unless otherwise expressly provided for. This Lease Addendum #2 is made a part of and hereby incorporated into the Lease by reference.

1. General Conditions: As of the Effective Date of this Lease there are certain building improvements existing upon the airport property comprising the Demised Premises pursuant to Section 1 of the Lease in its as-is, where-is condition as set forth in the Lease, which said building improvements are generally described as follows:

a. 13,600 square foot hangar and office facility comprised of metal clad siding over steel frame, metal roof, and partial brick façade, asphalt and concrete off-street parking (~20 spcs.) together with approximately 20,000 square feet of asphalt aircraft apron in fair to good condition

b. Three-bay executive T-hangar cluster totaling approximately 4,500 square feet, one 6,500 square foot conventional box hangar, off-street parking, and treed landscaping. The T-hangar cluster is constructed of metal-clad siding over steel frame, metal panel roofing covered with a DuraLast membrane system. Each unit is approximately 1,500 square feet with bi-fold hangar doors and private office/shop. The box hangar is of metal-clad siding over steel framing, a metal roof covered with a DuraLast membrane system and bi-fold hangar door.

2. TENANT AGREES TO INDEMNIFY AND HOLD HARMLESS THE TOWN, ITS OFFICIALS, OFFICERS, EMPLOYEES, CONTRACTORS, AND AGENTS, FROM ANY LOSS, INJURY, DAMAGE, CLAIM, LIEN, COST OR EXPENSE, INCLUDING ATTORNEYS' FEES AND COSTS, ARISING OUT OF TENANT'S EXERCISE OF ITS RIGHTS OF ACCESS OR ARISING OUT OF OR RELATED TO A BREACH OF THE COVENANTS CONTAINED IN THIS LEASE ADDENDUM #2INCLUDING, TENANT'S ACCESS TO, ENTRY UPON, INSPECTION, AND/OR TESTING OF THE PROPERTY. THE TERMS AND PROVISIONS OF THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS LEASE ADDENDUM #2.

3. Environmental Investigation: Landlord has delivered Tenant the Environmental Reports pursuant to Section 22.A of the Lease.

4. Except as otherwise agreed to in writing between the Parties, Tenant shall retain full interest in, right to, and ownership of all assessments, studies, reports, appraisals, surveys, and other documentation related to the due diligence which Tenant has commissioned or has conducted on its behalf ("Tenant's Inspection Reports"). Tenant shall make Tenant's Inspection Reports available to the Landlord for its review upon written

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request; however, the Landlord may only utilize the content of Tenant's Inspection Reports for the Landlord's own knowledge and information, unless otherwise authorized by Tenant in advance and in writing.

5. Town Due Diligence: Up to and until the Town's issuance of a Build Permit to construct the New Building Improvements, the Town may request, and Tenant shall timely remit to the Town, such documentation and information the Town deems necessary and appropriate for it to determine Tenant and its guarantors', if any, creditworthiness, financial condition, organizational structure, and governance suitability and capacity to perform under the terms and conditions of this Lease Addendum #2. If the Town is dissatisfied, at its sole discretion, with its due diligence findings, the Town has the right to terminate the Lease.

6. Demolition of Existing Improvements. If demolition of existing improvements has not already occurred upon Tenant's taking physical possession of the Demised Premises pursuant to Section 1 of the Lease, Tenant shall then, at Tenant's sole cost and expense, demolish or cause to be demolished all the Existing Building Improvements required by the Design Plan (as defined in Lease Addendum #3) following a Demolition Plan (as defined hereunder), which shall be (i) prepared by a licensed engineer; (ii) approved in advance and in writing by the Landlord; and (iii) determined by the Town of Addison's building official to be complete and approved for use for the issuance of all Town of Addison permits necessary for the demolition and removal of the Existing Improvements (the "Demolition Plan").

7. Commencement of Demolition. Demolition of the Existing Building Improvements shall not commence until the Landlord issues to Tenant its written Notice to Proceed, which shall be subject, but not limited to, Landlord's receipt and acceptance of the following:

a. Copy of a valid Demolition Permit issued by the Town of Addison; and

b. FAA Letter of Determination (Form 7460-1, Notice of Proposed Construction or Alteration) as described in Section A.6 of Lease Addendum #3 of the Lease; and

c. Valid certificates of insurance as required under Section 12 below; and

d. Delivery of a copy of a Payment and Performance Bond satisfying the requirements of Section 13 below.

8. Completion of Demolition Plan. Except for instances of delays covered by Force Majeure in conformance with Section 42 of the Lease or those delays caused by Landlord, Tenant's failure to cause substantial completion of the approved Demolition Plan within six (6) full calendar months following Landlord's Delivery of the Demised Premises as described in Section 1 of the Lease ("Demolition Deadline") shall be the Default of Tenant pursuant to Section 23 of the Lease. For this sub-section, 'substantial completion' shall mean: (i) the substantial completion of the Demolition Plan has occurred; and (ii) the Town of Addison has conducted and completed a final inspection of the completed demolition work. The Parties agree to exercise good faith efforts to work towards carrying

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out the Demolition Plan, including entering any written extensions of the Demolition Deadline, as necessary.

9. Insurance: During any period of demolition, Tenant or Tenant's general contractor shall obtain at Tenant's or Tenant's general contractor's sole cost and expense and keep in force and effect:

a. Commercial General Liability insurance in conformance with Section 13 of the Lease; and

b. Statutory limits of workers' compensation insurance in conformance with Section 13 of the Lease.

c. Such other insurance in such amounts and against other insurable hazards, which are commonly obtained within the construction industry for similar types of property and risks.

d. All insurance policies comply with the following and are endorsed explicitly as follows:

i. The Town of Addison shall be named as additional insureds, or loss payees, as the case may be, except with respect to professional liability and workers' compensation insurance, if any.

ii. All liability insurance policies that name the Town of Addison as additional insured must be endorsed to read as primary coverage and non-contributory, regardless of the application of other insurance.

iii. A waiver of subrogation in favor of the Town of Addison

10. Payment and Performance Bond Requirement: Tenant or Tenant's demolition general contractor shall provide the following bonds to Landlord before demolition work commences:

a. Tenant shall cause its contractors to provide a payment bond in an amount equal to the construction costs of the Tenant Improvements ("Payment Bond") to ensure that materials and labor are paid for. Upon completion of the work, Tenant shall record a release of the Payment Bond and provide Landlord with a copy.

b. Tenant shall cause its contractors to provide a performance bond in an amount equal to the total cost of the Tenant Improvements ("Performance Bond") to ensure that the work is completed according to the Construction Documents approved by Landlord. Upon completion of the work, Tenant shall record a release of the Performance Bond and provide Landlord with a copy.

c. Tenant shall provide copies of the Payment Bond and Performance Bond to Landlord prior to the start of any work. Each Bond shall name Tenant and Landlord as "obliges".

d. The surety company providing the Payment Bond and the Performance Bond shall have an A.M. Best rating of B+ VI or better for the past four (4) calendar quarters.

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All contracts for the demolition of the Existing Improvements shall include provisions of insurance and suretyship satisfactory to Landlord for the protection of Landlord; Tenant's laborers, suppliers, and subcontractors; and the public.

11. Other rights: Should Tenant be in default of the Lease after any applicable cure period pursuant to Section 23 of the Lease prior to substantial completion of the Demolition Plan, Landlord shall, in addition to and without waiving any other remedies available to Landlord under Section 24 of the Lease, be entitled to the following:

a. If Tenant has commenced work on the approved Demolition Plan but has not achieved substantial completion at the time Landlord delivers its written notice of such default under Section 23 of the Lease, Landlord shall have the right to re-enter the Demised Premises to complete or cause the completion of the demolition work in accordance with the approved Demolition Plan, which said costs of completion by Landlord shall be at Tenant's sole costs and expense. Tenant shall promptly reimburse Landlord within thirty (30) days of Tenant's receipt of Landlord's final invoice for said demolition work. Provided Tenant timely reimburses Landlord for the remainder of the demolition work, the Lease shall be declared null and void with no further obligation of one party to the other except where the Survivability of Rights and Remedies are provided for in Section 52 of the Lease.

b. Tenant's failure to timely reimburse Landlord under Paragraph 14(a) above shall be a default under the Lease and shall be eligible, without exception, for recovery by Landlord under the Payment and Performance Bonds required of Tenant under Paragraph 5 above.

c. In the event Tenant is required to surrender possession of the Demised Premises under this Paragraph 14, Tenant shall deliver the Demised Premises to Landlord in a commercially reasonable and safe condition. Notwithstanding the foregoing, in the event Tenant does not deliver the Demised Premises in a commercially reasonable or safe condition, Landlord shall provide Tenant written notice allowing Tenant fourteen (14) days to restore the Demised Premises to a commercially reasonable safe and clean condition. If Tenant fails to restore the premises to a commercially reasonable and safe condition, Landlord may without waiving any other of its rights and remedies available to it under the Lease and restore the Demised Premises to a commercially reasonable safe and clean condition at Tenant's sole cost and expense. Tenant shall promptly reimburse Landlord within thirty (30) days of Tenant's receipt of Landlord's final invoice for said demolition work. Provided Tenant vacates the Demised Premises as required herein and timely reimburses Landlord for the demolition work, this Lease shall be declared null and void with no further obligation of one party to the other except where the Survivability of Rights and Remedies are provided for in Section 52 of the Lease.

12. Time is of the Essence: The parties hereby agree and acknowledge time is of the essence with respect to the obligations of the parties under this Lease Amendment #2. Landlord and Tenant agree to collectively cooperate and coordinate with one another as necessary to facilitate the demolition work contemplated herein. The parties acknowledge that, due to the nature of the work contemplated in this Lease Addendum #2, unknown circumstances may arise that result in a material effect upon the timelines set forth herein

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that may not constitute an Event of Force Majeure under Section 42 of the Lease. In the event of such a circumstance and provided each party is diligently pursuing their respective duties and obligations herein, the parties may, upon mutual written agreement, amend or modify the timeline(s) to better suit the overall objective and outcome of the affected work.

~ End ~

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LEASE ADDENDUM #3

CONSTRUCTION OF NEW BUILDING IMPROVEMENTS

Note: Capitalized terms used herein are the same as defined in the Lease or any Addendum other attached and made a part of the Lease unless otherwise expressly provided for. This Lease Addendum #3 is made a part of and hereby incorporated into the Lease by reference.

A. New Building Improvements.

1. As a condition for Landlord to lease the Demised Premises to Tenant pursuant to the terms and conditions of this Lease, Tenant shall construct or cause to be constructed on the Demised Premises, at Tenant's sole cost, expense and risk, certain buildings and other improvements more fully described in **Exhibit 4** of the Lease, which is incorporated herein by reference (the "New Building Improvements").

2. The New Building Improvements are to be constructed in accordance with plans and specifications prepared by a state licensed architect and/or engineer retained by Tenant (the "Design Plan"), which said Design Plan shall be submitted to Landlord for approval evidenced by the issuance of a building permit necessary to construct the New Building Improvements. Landlord's approval of the Design Plan or any other plans and/or specifications does not impose on Landlord any responsibility whatsoever, including, without limitation, any responsibility for the conformance of the plans and specifications with any governmental regulations, building codes, and the like, for which Tenant and its contractors shall have full and complete responsibility. Landlord agrees its approval of the Design Plan shall not be unreasonably withheld, conditioned, or delayed.

3. The construction cost or value (separate and apart from the cost of design) of the New Building Improvements shall exceed Ten Million U.S. Dollars ($10,000,000.00) (the "Construction Value"), and Tenant shall submit to Landlord upon request all commercially reasonable evidence of such Construction Value in a form acceptable to Landlord (the "Construction Value Evidence"). For purposes hereof, reasonable evidence of Construction Value would be satisfied by the American Institute of Architects (AIA) G702 Application for Payment certified by the Tenant, owner, architect or engineer and, Tenant's general contractor to be true and correct to their best knowledge (or the equivalent thereof).

4. If Tenant fails to submit the Design Plan to the City for application of a building permit to construct the New Building Improvements within six (6) full calendar months following the Effective Date of the Lease, then such failure shall constitute a default of the Lease by Tenant, whereupon Landlord may, among its other remedies and at its sole discretion, terminate this Lease by giving written notice to Tenant pursuant to the Pre-Construction Termination provision in subparagraph 6 below. For clarification, such Design Plan does not have to be approved within six (6) months of submission, merely submitted. If any amendments are required by Landlord to the Design Plan, submission of such amendments will not be required within the time limits set forth in this Paragraph.

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5. FAA Determination and Conditions Precedent to Notice to Proceed:

a. Prior to Landlord's issuance of a Notice to Proceed with Construction for any Tenant Improvements or New Construction (as applicable under this Lease), Tenant shall, at its sole cost and expense, obtain a final Letter of Determination from the Federal Aviation Administration (FAA) pursuant to 14 C.F.R. Part 77 (or any successor regulation) confirming that the proposed construction does not constitute a hazard to navigable airspace. Tenant shall provide Landlord with a copy of such FAA Letter of Determination promptly upon receipt.

b. Tenant further covenants and agrees that it has or will obligate itself to undertake and complete, at its sole cost and expense, all actions and satisfy all conditions identified in the FAA Letter of Determination that are within Tenant's commercially reasonable control. For the purposes of this provision, "commercially reasonable control" shall include, but not be limited to, modifications to the design, materials, or construction methods of the Tenant Improvements or New Construction, and the implementation of any marking or lighting requirements specified in the FAA Letter of Determination that are feasible and proportionate to the benefit achieved, taking into account the nature of Tenant's intended use of the Premises.

c. Landlord's issuance of a Notice to Proceed with Construction shall be contingent upon Tenant's delivery of the aforementioned FAA Letter of Determination and Tenant's demonstration, to Landlord's reasonable satisfaction, that it has the present ability and legal obligation to comply with all conditions within its commercially reasonable control as outlined in the FAA Letter of Determination. Landlord reserves the right to withhold the Notice to Proceed if, in its reasonable judgment, Tenant has not adequately addressed or obligated itself to address such conditions.

6. Construction of the New Building Improvements shall commence within One Hundred Twenty (120) calendar days following Landlord's acceptance of all Tenant's pre-construction permits and approvals required in subsection 6.a-e below. However, if the Construction Commencement Date does not occur within twenty-four (24) calendar months after the Effective Date of the Lease, then such failure shall constitute an Event of Default, subject to the notice and cure provisions under Section 23. In the event Landlord terminates the Lease pursuant to Section 24, the Lease shall be and become null and void and, except for the obligation to pay any accrued but unpaid Rent, any provisions of this Lease regarding the condition of the Demised Premises (including all improvements thereon) upon the expiration or termination of this Lease, and any provisions of this Lease regarding any obligations or provisions that survive the Lease expiration or termination (including obligations regarding indemnity and environmental matters), neither party to this Agreement shall have any further rights one against the other, except that Landlord shall return to Tenant, if any, any deposits made by Tenant within five (5) business days following such termination.

7. The Construction Commencement Date shall be deemed to have occurred after all of the following events has occurred ("Construction Commencement Date"):

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a. Approval of the Design Plan by Landlord;

b. Tenant has been issued the required building permit(s) or licenses necessary to construct the New Building Improvements on the Demised Premises;

c. Tenant shall have received (and shall have provided a true and correct copy to the Landlord) FAA's determination to Tenant's filing of Form 7460 Notice of Proposed Construction or Alteration pursuant to sub-paragraph 6 above;

d. Execution of a contract with a qualified general contractor, proof of required insurance and, the Letter of Credit as required in Section B, below; and

e. Landlord delivers to Tenant its written Notice to Proceed affirming each of the foregoing items has occurred, been received or acknowledged, and sets forth the Construction Commencement Date for the purpose of this Lease.

8. Any architect or engineer of Tenant shall be duly licensed to practice architecture or engineering, as the case may be, in the State of Texas. Such construction shall be performed in a good and workmanlike manner and in compliance with all applicable building codes, standards, and ordinances, as set out in more detail, below. Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages (including incidental, special, and consequential damages) or injury (including, without limitation, claims for personal injury or death, or property damage or destruction, or economic loss), liens and any and all other liabilities and obligations which arise in connection with such construction, or, in the case of genuine dispute of such claim, lien, or potential liability or obligation, Tenant agrees to promptly bond around or take such actions to remove such claim, lien, liability, or obligation. In any event, Tenant **SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS LANDLORD AND MANAGER, AND THEIR RESPECTIVE OFFICIALS, OFFICERS, EMPLOYEES, AND AGENTS (IN BOTH THEIR OFFICIAL AND PRIVATE CAPACITIES) (THE "INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL SUCH COSTS, EXPENSES, CLAIMS, DAMAGES, PENALTIES, FINES, LIENS, LIABILITIES, AND OBLIGATIONS (TOGETHER, FOR PURPOSES OF THIS SUBSECTION, THE "DAMAGES"), INCLUDING SUCH COSTS, EXPENSES, CLAIMS, DAMAGES, PENALTIES, FINES, LIENS LIABILITIES, AND OBLIGATIONS WHICH ARE ALLEGED OR FOUND TO HAVE BEEN CAUSED BY OR RESULT FROM, IN WHOLE OR IN PART, THE NEGLIGENCE OF ANY OF THE INDEMNIFIED PARTIES (BUT NOT THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE INDEMNIFIED PARTIES), OR CONDUCT BY THE INDEMNIFIED PERSONS THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND, OR THE VIOLATION OF ANY TERM OF THE LEASE WITHOUT LIMITATION. HOWEVER, TO THE EXTENT GROSS NEGLIGENCE AND/OR WILLFUL MISCONDUCT ARE ALLEGED SIMULTANEOUSLY WITH CLAIMS REQUIRING DEFENSE AND INDEMNITY HEREIN, TENANT SHALL DEFEND ALL CLAIMS ALLEGED AGAINST THE INDEMNIFIED PARTIES. TENANT'S LIABILITY UNDER THIS INDEMNITY OBLIGATION SHALL BE REDUCED BY THAT PORTION OF THE TOTAL AMOUNT OF THE DAMAGES (EXCLUDING DEFENSE FEES AND COSTS) EQUAL TO THE INDEMNIFIED PARTIES' PROPORTIONATE SHARE OF THE NEGLIGENCE, OR CONDUCT THAT**

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WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND, THAT CAUSED THE DAMAGES. LIKEWISE, TENANT'S LIABILITY FOR THE INDEMNIFIED PARTIES' DEFENSE COSTS AND ATTORNEYS' FEES SHALL BE REDUCED BY A PORTION OF THE DEFENSE COSTS AND ATTORNEYS' FEES EQUAL TO THE INDEMNIFIED PARTIES' PROPORTIONATE SHARE OF THE NEGLIGENCE, OR CONDUCT THAT WOULD GIVE RISE TO THE STRICT LIABILITY OF ANY KIND, THAT CAUSED THE DAMAGES.

9. It is expressly understood and agreed that Tenant's construction of the Building Improvements shall include the finish-out in accordance with the plans and specifications for the New Building Improvements as submitted by Tenant to Landlord and approved in writing by Landlord, such approval not to be unreasonably withheld, delayed or conditioned.

10. Landlord's approval of the Design Plan or any other plans and/or specifications does not impose on Landlord any responsibility whatsoever, including, without limitation, any responsibility for the conformance of the plans and specifications with any governmental regulations, building codes, and the like, for which Tenant and its contractors shall have full and complete responsibility.

11. After the Construction Commencement Date, Tenant shall complete construction of the New Building Improvements with reasonable diligence, without material deviation from the Design Plan, and any material deviation from the Design Plan shall be subject to the review and approval of Landlord. If (i) construction of the New Building Improvements is not Substantially Complete ("Substantial Completion" as defined herein) on or before twenty-four (24) full calendar months after the Construction Commencement Date (the "Substantial Completion Date") [save and except for force majeure as described in Section 42.B. and provided, further, if construction of the New Building Improvements is seventy-five percent (75%) or more complete based on Construction Value (i.e., if the costs incurred and paid by Tenant to construct the New Building Improvements equals or exceeds $7,500,000.00) as of the Substantial Completion Date as substantiated by Construction Value Evidence presented by Tenant to Landlord, then the Substantial Completion Date shall be extended for up to an additional six (6) months, or longer if agreed upon in writing, so long as Tenant is diligently and continuously pursuing completion of construction], or if construction of the New Building Improvements is not Finally Complete ("Final Completion" as defined herein) no later than ninety (90) days after the Substantial Completion Date (save and except for force majeure as described in Section 42.B. and the extension of the Substantial Completion Date as aforesaid) then:

Landlord shall have the right to give written notice to Tenant of the following:

a. Tenant shall pay Landlord One Hundred Dollars ($100.00) as additional Rent for each and every day thereafter until such completion (whether "Substantial" of "Final" as contemplated by the preceding Paragraph) is achieved. Such additional Rent shall be invoiced by Landlord in arrears monthly, which said

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amount shall become due and payable by Tenant within ten (10) days following Tenant's date of receipt of said invoice; and

b. Landlord may terminate this Lease by providing thirty (30) days written notice to Tenant as an opportunity to cure. If Tenant fails to cure, the Lease shall be deemed terminated and the same shall become null and void and, except for the obligation to pay any accrued but unpaid Rent, any provisions of this Lease regarding the condition of the Demised Premises (including all improvements thereon) upon the expiration or termination of this Lease, and any provisions of this Lease regarding any obligations or provisions that survive the Lease expiration or termination (including obligations regarding indemnity and environmental matters), neither party to this Agreement shall have any further rights one against the other, except that Landlord shall return to Tenant any deposits made by Tenant within five (5) business days following such termination and Tenant shall at Landlord's request remove any portion of the New Building Improvements requested by Landlord and the applicable provisions of Section 28.C., below, shall apply to such removal.

c. If at Final Completion, the Construction Value fails to equal or exceed TEN MILLION Dollars ($10,000,000.00), for each and every Two Hundred Thousand U.S. Dollars ($200,000.00) shortfall in total Construction Value, the Term shall be reduced by eighteen months of Term (for example, if the actual Construction Value is $400,000 less than the contractual amount, the term shall be reduced by 36 calendar months [$400,000/$= 2 x 18 calendar months = 36 months rounded to the nearest whole calendar month]. Given the above example, if the original Term provided for in the Lease is 600 months, then the adjusted Term under this provision is 564 calendar months or, 47 years and 0 months). In such event, the parties shall execute a short-form Memorandum of Lease substantially in the form of **Exhibit 6** to be recorded in the Dallas County Official Public Records affirming the true and correct Term as hereby adjusted.

12. Tenant agrees that any construction or modification of the Building Improvements or any other improvements which may be authorized in writing by Landlord on or within the Demised Premises shall be performed strictly in compliance with all Laws. Tenant recognizes that construction/maintenance standards and specifications, the Town of Addison's building and related codes and zoning requirements, and all applicable state and federal standards (including, without limitation, Title III of the Americans With Disabilities Act of 1990, any state laws governing handicapped access or architectural barriers, and all rules, regulations, and guidelines promulgated under such laws, as amended from time to time) may be modified or amended from time to time and that compliance will be measured by such standards in effect at the time of a particular construction or modification of improvements after the initial construction of the Building Improvements pursuant to the approved Design Plan.

13. With respect to Title III of the Americans With Disabilities Act of 1990, Tenant acknowledges and agrees it shall remain fully responsible and obligated over the Term to construct, alter and maintain the Building Improvements in accordance with the prevailing

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ADA Act. Furthermore, Tenant shall ensure no person or groups of persons shall, on the grounds of race, color, sex, religion, national origin, age, disability, retaliation or genetic information, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the ADA Act. Tenant shall give Landlord written notice within ten (10) days of Tenant knowing or receiving written notice of any ADA Act violation or claim of violation from any governmental entity with authority on such matters or from any third party.

14. Tenant will properly and timely submit to the FAA, TxDOT, and/or any other appropriate governmental authority, entity, or agency having jurisdiction regarding the Airport, a Notice of Proposed Construction or Alteration, when and as required, and such other forms and information as may be required by the FAA, TxDOT, and/or other governmental entity or agency having jurisdiction over the Airport.

15. Tenant further agrees that the Landlord shall be authorized at all times during any project of construction to enter upon the Demised Premises and all parts thereof, during normal business hours, to observe the performance of such construction. Tenant agrees to provide the Landlord a construction schedule setting out the time of commencement, final completion, and completion of significant elements of the Building Improvements, which schedule shall be delivered to Landlord before the start of any construction project on the Demised Premises. Landlord shall coordinate access with Tenant's designated personnel before any and all site visits. Each party shall be solely responsible for complying with OSHA requirements in connection with its own activities. Tenant may deny Landlord access for any noncompliance with OSHA standards, provided such noncompliance is unrelated to any failure or contribution by Tenant.

16. A. "Substantial Completion of the New Building Improvements" or "Substantial Completion" shall be deemed to have occurred upon the issuance by Landlord of a certificate of temporary or final occupancy for any portion of the New Building Improvements, if required. "Final Completion" of the construction of the New Building Improvements shall be deemed to occur upon the issuance by Tenant's architect who designed the Building Improvements of such documentation as may be necessary to establish the final completion (closeout) of the construction of the New Building Improvements and the delivery by Tenant to Landlord of comprehensive As-Built drawings and documentation reviewed by Tenant's architect reflecting all approved changes and modifications to the Design Plan initially approved by Landlord.

B. Construction Insurance, Performance and Performance Bond or Irrevocable, Stand-by Letter of Credit:

In addition to the applicable insurance requirements set forth in Section 13 of the Lease:

1. During any period of construction, Tenant or Tenant's General Contractor shall obtain and keep in full force and effect a Builder's Risk Completed Value policy with an all-risks endorsement in an amount equal to the greater of the full-completed value or the amount of the construction contract including any amendments or change orders

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thereto. The policy shall provide "All Risk" Builder's Risk Insurance (extended to include the perils of wind, collapse vandalism, malicious mischief, and theft, including theft of materials whether or not attached to any structure). The deductible shall not exceed $10,000 or deductibles imposed by carrier due to state market conditions.

2. Tenant shall cause to be issued in favor of Landlord, at Tenant's sole cost and expense, and kept in full force and effect at all times during any period of construction, an irrevocable, stand-by letter of credit to secure the faithful performance of all construction work and the payment of all obligations arising during the construction (including, without limitation, the payment of all persons performing labor or providing materials under or in connection with the Building Improvements), in the amount of one hundred percent (100%) of the construction costs (the "Letter of Credit"), such Letter of Credit to be drawn upon by site draft conditioned only upon the certification of the Landlord that an event of default has occurred under this Lease with respect to the construction of the Building Improvements and Tenant has not cured the event of default after being given notice and a reasonable opportunity to cure as provided in this Lease. The form of such Letter of Credit is attached hereto and incorporated herein as **Exhibit 5**. Tenant shall cause the original executed Letter of Credit to be delivered to Landlord not later than the Construction Commencement Date. Upon written approval by Landlord on not less than ten (10) business days written notice to Landlord from Tenant, Tenant shall have the right to reduce the amount of the Letter of Credit on a calendar quarterly basis by an amount equal to the construction costs incurred and paid by Tenant during the immediately preceding calendar quarter as demonstrated by the Construction Value Evidence submitted to Landlord.

3. Alternatively to the letter of credit as contemplated by the preceding Paragraph, Tenant must cause to be issued in favor of the Town and keep in good standing during any period of Construction, Payment and Performance Bonds guaranteeing the faithful performance of all construction work and the payment for all persons performing labor and providing materials equal to or greater than 100% of the Construction Value in a form acceptable. The bonds must be executed by a corporate surety in accordance with Chapter 2253 of the Texas Government Code and identify Landlord as an obligee.

4. After the completion of the Building Improvements contemplated by this Lease, if Tenant subsequently requests the commencement of additional construction or improvements in an amount equal to or greater than Five Hundred Thousand Dollars ($500,000), then Tenant shall provide Landlord either a Payment and Performance Bond or Letter of Credit in the same manner as articulated above.

C. Events of Default.

Failure of the Parties to observe and comply with the requirements of this Lease Addendum #3, subject to notice and cure as provided in Section 23 of the Lease, shall be an Event of Default.

~ End~

2025 City Council Regular Meeting **5. a.**

Meeting Date: 10/28/2025

Department: Economic Development

Key Focus Areas: Economic Development and Revitalization

AGENDA CAPTION:

Pursuant to Section 551.087(1): Economic Development Negotiations to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations:

- Project Rushmore

BACKGROUND:

N/A

FISCAL IMPACT

N/A

RECOMMENDATION

N/A

2025 City Council Regular Meeting **7. a.**

Meeting Date: 10/28/2025
Department: Economic Development
Key Focus Areas: Economic Development and Revitalization

AGENDA CAPTION:

Present and discuss owner-occupied housing in Addison.

BACKGROUND:

Catalyst Urban Development, a nationally recognized firm specializing in urban and mixed-use development, will present a report outlining findings and observations related to opportunities for increasing owner-occupied housing in Addison. Led by Principal Paris Rutherford, who played a lead design role in the creation of Addison Circle while with RTKL. Catalyst brings extensive experience in the planning and execution of award-winning mixed-use and transit-oriented projects across the country.

The presentation will provide an overview of Addison's current housing composition and the market dynamics that have shaped it, including land economics, market feasibility, and product types that could support for-sale housing. Catalyst will also discuss implementation concepts and partnership approaches that could help diversify Addison's housing offerings over time.

No Council action is requested. This item is presented for discussion and to inform potential next steps.

FISCAL IMPACT

N/A

RECOMMENDATION

Information only.

Attachments

Presentation - Owner-Occupied Housing in Addison

Increasing Addison's Owner-Occupied Housing

October 2025

CATALYST
URBAN PLANNING

Assignment:

- *Understand what is required to increase owner-occupied housing*

Discussion Points:

1. *Baseline Questions*
2. *Addison's Context*
3. *For-Sale Alternatives*
4. *Implementation Concepts*

The Primary Questions

1. Why are there so many apartments?

Answer (a): ***Land economics*** *– Current commercial pricing $53.53/sf (vs. single family of $17.82/sf to land). Until recently, only apartments could afford these rates*

Answer (b): ***Growth strategy*** *-- The Town made strategic decisions to create mixed-use districts with urban apartments to position it as an "urban node"*

Answer (c): ***Household incomes*** *-- The Town's household incomes have not supported ownership at the percentages of other communities (due to rental)*

2. Can for-sale development pay commercial land rates?

Answer: ***It can.*** *Requires medium-to-high density formats that carry developer risk*

3. Can the Town change course and increase its homeownership percentage?

Answer: ***Yes.*** *The scarcity of available land, actions needed to mitigate development risk, and smaller market for certain types will temper the amount*

4. How can the Town make this happen?

Answer: ***Be Proactive.*** *Identify types that work (beyond typical townhomes), form relationships with related buildings/developers, incentivize early wins*

1. Establishing a Base Line Understanding

A. Current Entitled Conditions:

Total Housing Units	*11,575*
Total w/Entitled Units	*15,787*

Ownership Housing		Rental Housing	
Large Lot Single Family	*120*	*Multifamily Rental*	*9,104*
Small Lot Single Family	*1,268*		
Duplexes	*84*		
Townhomes	*392*		
Condo (Townhomes)	*266*		
Condo (Stacked Flats)	*341*		
	2,471		
Additional Entitled	*196*	*Additional Entitled*	*4,016*
Total Ownership	***2,667***	*Total Rental*	***13,120***
Current Entitled Mix	***16.9%***		***83.1%***

Takeaways: The Town's prior strategies to build urban mixed-use neighborhoods have been successful while also increasing its renter household percentage.

Citation: Town of Addison, Advance Addison 2050

2. Determining Target for Owner-Occupied Housing

A. Comparing % of owner-occupied housing in similar "Urban Nodes":

Urban Nodes	*Acres*	*% of owner-occupied*
Addison (part of the DFW Metroplex)	*2.8k*	*17% (of 10,042 HH's)*
Bellevue (part of the Seattle Metropolis)	*23k*	*20% (of 61,443 HH's)*
Las Colinas (part of the DFW Metroplex)	*12k*	*27% (of 18,121 HH's)*
Tysons (part of the Fairfax County VA Metropolis)	*3.1k*	*33% (of 14,011 HH's)*
Irvine (part of the Orange County CA Metropolis)	*42k*	*44% (of 118,759 HH's)*

Average % of owner-occupied households in urban nodes ***28%***

Citation: Related EDC's, Advance Addison 2050

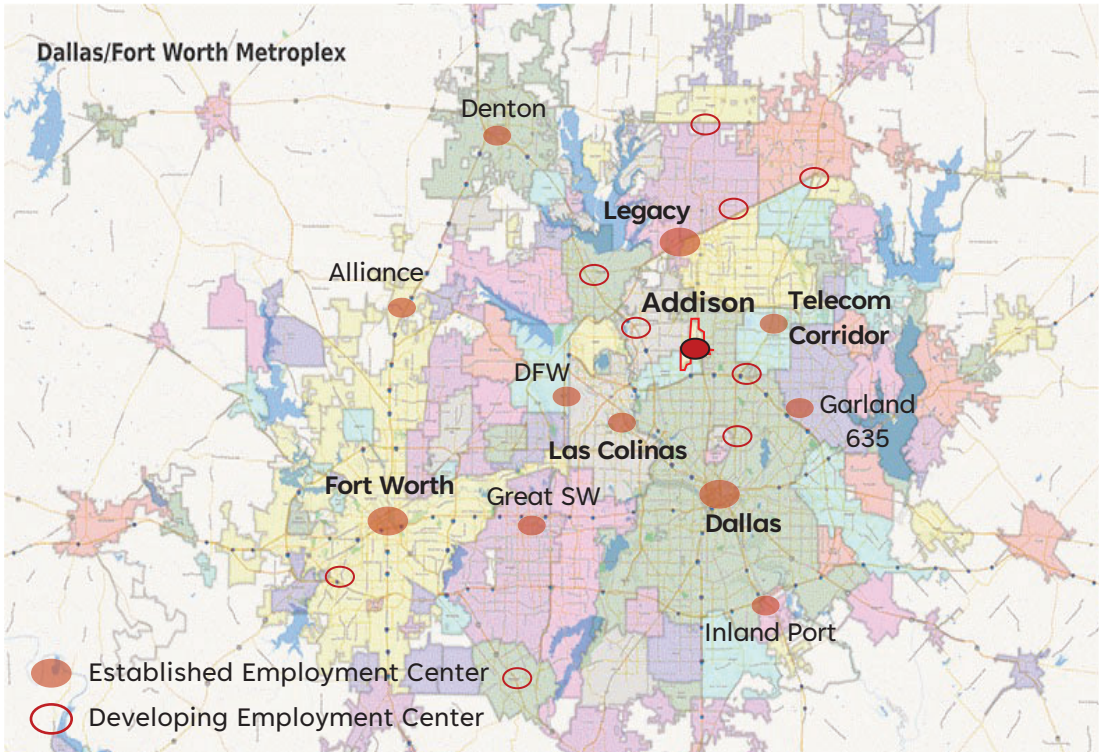
B. The Town's Positioning

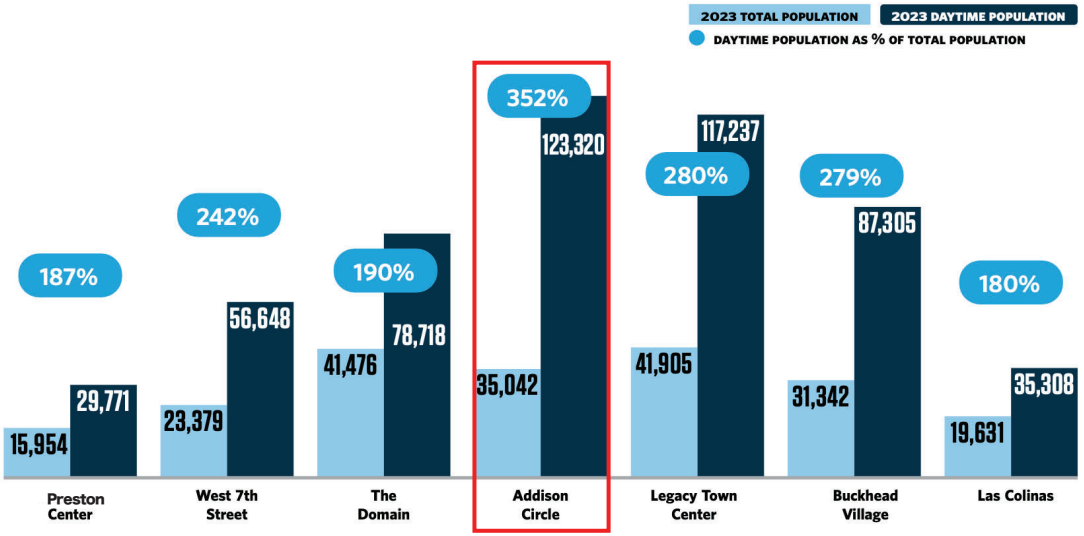
- *Addison leads its comparables in daytime population*
- *The Town is an "urban node" (ie, employment enhanced by amenities, services, housing & transportation*
- *There are 12 such "nodes" in DFW (but only 5 with quality placemaking like Addison)*

Takeaways:

(a) Addison's positioning makes it a "go-to" urban destination

(b) Demand for owner-occupied will follow if the market's related desires are provided for





Citation: Advance Addison 2050, Catalyst Group

C. Considering Town's Vacant Land

- ***Remaining vacant land in the Town:***
  8 ac (residential) / 72 ac (commercial)

Takeaways:

(a) If residential and ½ commercial vacant land developed at TH density:
660 units (15 du/ac)

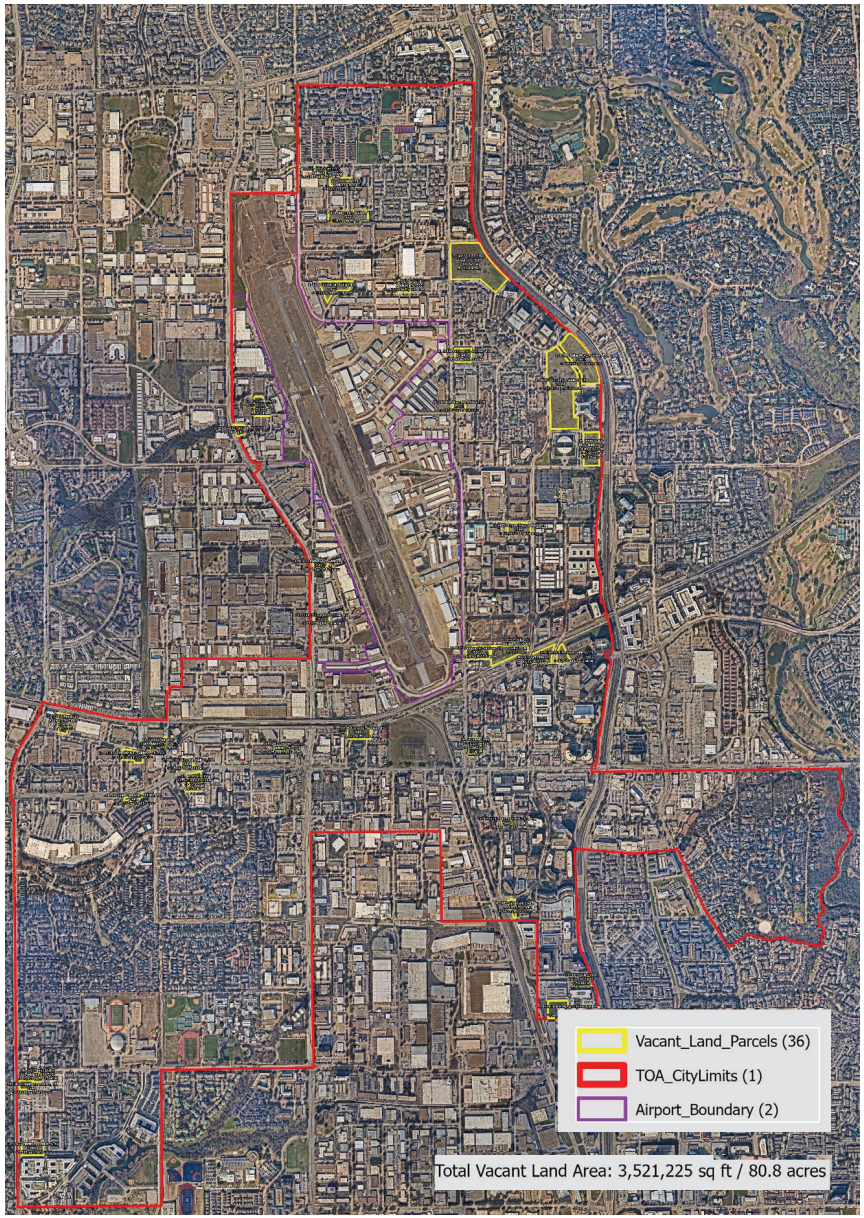
(b) Total if this land is developed to achieve a 28% owner-occupied target:
2,350 units (30 du/ac)

(c) At Town's land cost, this density is more difficult to achieve due to higher developer risk

Solutions: *(to increase %)*

(i) Allow more commercial land to be developed (above 50%) and/or

(ii) Allow key apartment buildings to be converted to ownership units



Citation: Town of Addison

3. Comparing Market Pricing and Incomes

	Local				Regional		National		
	Addison	Dallas	Richardson	DFW MSA	Austin	Houston	Los Angeles	New York	Total US
All Households (HH's)									
Total Households	10,042	528,038	45,822	2,825,878	475,680	878,906	1,460,167	3,313,316	128,700,000
Median Household Income	$ 82,858	$ 67,760	$ 95,170	$ 87,155	$ 91,461	$ 62,894	$ 79,701	$ 76,577	$ 78,538
Owner-Occupied HH's									
Median Home Sales Price	$ 466,000	$ 402,900	$ 521,300	$ 401,000	$ 505,000	$ 329,600	$ 1,100,000	$ 760,000	$ 410,800
First Time Buyers:									
Average Gross Monthly Payment*	$ 4,695	$ 4,223	$ 5,108	$ 4,208	$ 4,928	$ 3,704	$ 8,916	$ 6,344	$ 3,977
Payment % of Monthly Qual. Income	28%	28%	28%	28%	28%	28%	28%	28%	28%
Qualifying Income	$ 201,214	$ 180,986	$ 218,914	$ 180,343	$ 211,200	$ 158,743	$ 382,114	$ 271,886	$ 170,443
Current Households that can Qualify	**10%**	**15%**	**17%**	**28%**	**15%**	**17%**	**7%**	**9%**	**18%**
Delta between Median HH Income and Qualifying HH Income	$ (118,356)	$ (113,226)	$ (123,744)	$ (93,188)	$ (119,739)	$ (95,849)	$ (302,413)	$ (195,309)	$ (91,905)
Move-Up Buyers:									
Mortgage after avg DFW equity transfer	$ 199,000	$ 135,900	$ 254,300	$ 134,000	$ 305,525	$ 219,600	$ 740,000	$ 590,000	$ 288,300
Average Gross Monthly Payment*	$ 3,254	$ 2,738	$ 3,707	$ 2,722	$ 3,708	$ 3,005	$ 7,386	$ 6,035	$ 3,567
Payment % of Monthly Qual. Income	28%	28%	28%	28%	28%	28%	28%	28%	28%
Qualifying Income	$ 139,457	$ 117,343	$ 158,871	$ 116,657	$ 158,914	$ 128,786	$ 316,543	$ 258,643	$ 152,871
Current Households that can Qualify	**19%**	**27%**	**27%**	**37%**	**27%**	**22%**	**8%**	**10%**	**22%**
Delta between Median HH Income and Qualifying HH Income	(56,599)	(49,583)	(63,701)	(29,502)	(67,453)	(65,892)	(236,842)	(182,066)	(74,333)
Renter-Occupied HH's									
% of Renter-Occupied Housing	82%	58%	48%	40%	46%	58%	64%	50%	35%
Median Gross Monthly Rent	$ 1,463	$ 1,411	$ 1,499	$ 1,503	$ 1,424	$ 1,194	$ 2,188	$ 4,035	$ 1,639
Payment % of Monthly Q Income	30%	30%	30%	30%	30%	30%	30%	30%	30%
Qualifying Income	$ 58,520	$ 56,440	$ 59,960	$ 60,120	$ 56,960	$ 47,760	$ 87,520	$ 161,400	$ 65,560
% of Households that can Qualify	**40%**	**45%**	**65%**	**57%**	**28%**	**46%**	**26%**	**24%**	**50%**
Delta between Median HH Income and Qualifying HH Income	$ 24,338	$ 11,320	$ 35,210	$ 27,035	$ 34,501	$ 15,134	$ (7,819)	$ (84,823)	$ 12,978

Sources: US Census, NCTCOG, Census Reporter, Realtor.com, Apartments.com, MMG, FHA, Axios, CityData

* For first-time buyer assumes 10% down payment. For move-up buyer assumes $276k average equity carry over for DFW. All assume 6.25% rate, 30 year term, PMI, $12k annual other HH debt payments, and 1.75 median tax rate Dallas County

Takeaways:

- The Town is less affordable than its immediate peers, but more affordable than other exclusive communities ($466k median price vs. Prosper $886k, Southlake $1.2M, University Park $2.3M)

4. Understanding the Homebuyer Marketplace

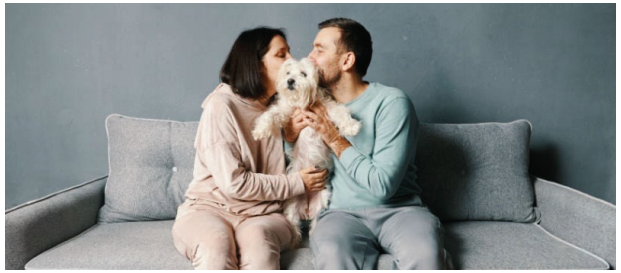
Where we buy is based on our household makeup and needs:

- *Families – Looking for the quality of nearby schools and parks*
- *Non-Families – Looking for flexible housing for different living styles, access to amenities, restaurants, and activities*

Urban Land Institute & Builder Magazine's Traits of Sought-After Communities

Household Marketplace: *What they are looking for*

Young Professionals



Childless Couples

Empty Nesters

- *Flexible housing types that meet diversified household needs*
- *Walkable environments that are safe, well-maintained, and convenient*
- *Proximity to work, shopping, coffee shops, music and entertainment*
- *Lifestyle and recreation amenities including dog-friendly spaces*
- *Neighborhoods with a thriving restaurant scene, theaters and culture*
- *Low maintenance living experience to allow more time for leisure*
- *Communities with like-minded neighbors and special events*

Takeaways: The Town already offers most of these traits and amenities. By evolving its housing portfolio and continuing its placemaking efforts, Addison is well-positioned to appeal to these households.

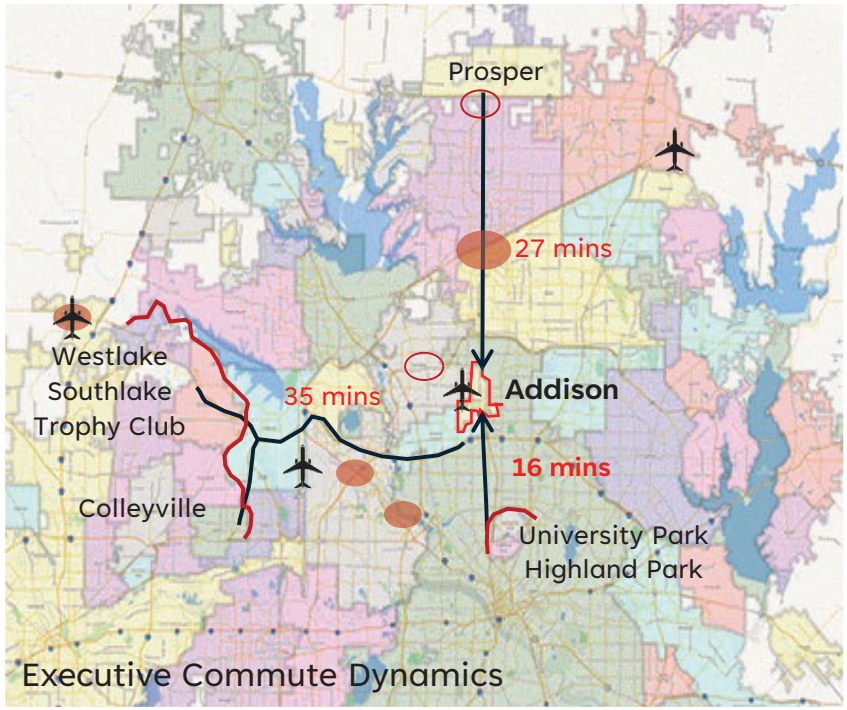
While new families will consider purchasing resale single-family homes, the emerging supply of townhome-style units is unlikely to meet their preferences.

Citation: Psychology Today, National Institutes of Health

Positioning for C-Suite Housing

- *Current corporate decision makers in Addison likely live in the Park Cities due to lower commute time and schools*
- *The Town should provide an appealing environment for these leaders (particularly older execs and/or those without children)*
- *This market has high expectations for the quality and offerings of its housing that is not offered (substantially) at present*

Takeaways: This market age and income reflects +/- 9% of the Town's forecasted growth, or 185 units of the 2066 units needed to reach 28%. *This equates to 1-3 high-end developments*



Executive Commute Dynamics

7 Wealthiest DFW Suburbs (and best ISD's)

Municipality	HH Income	Population
Westlake	$471,768	2,000
Highland Park	$429,832	9,000
University Park	$381,235	26,000
Southlake	$360,078	32,000
Trophy Club	$226,745	14,000
Prosper	$215,851	46,000
Colleyville	$196,298	26,000

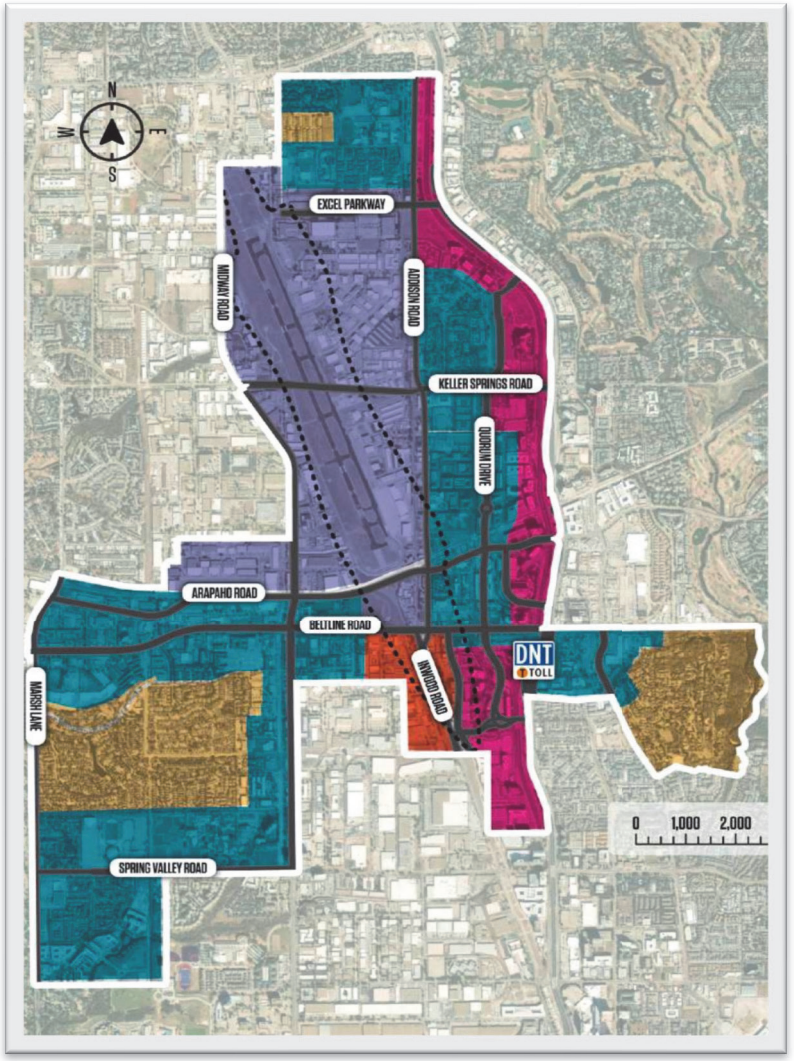
Citation: Yardi, Realtor,

5. Re-Positioning the Town's Districts

A. Planning Zones

- *For people to invest in home ownership at higher pricing, the quality of the physical community and amenities is a key point*
- *The Advance Addison 2050 Plan organizes the Town into five types of zones to accomplish this*
- *These "Place Types" identify sub-district goals and specific development intention*

Takeaways: This approach provides the Town with a sound planning framework from which to address reinvestment and new development.



Citation: Advance Addison 2050

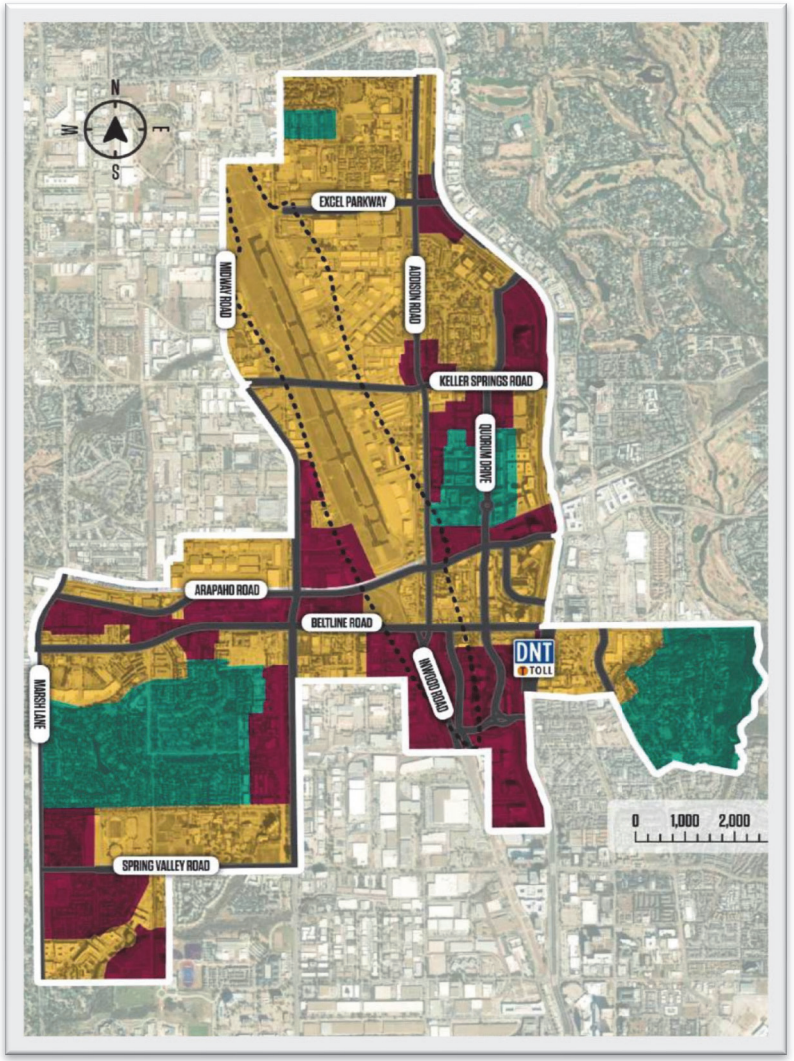
B. Urban Renovation

- *The Advance Addison 2050 Plan anticipates reinvestment in all 5 zones and identifies subdistricts for preservation (green), enhancement (orange) and redevelopment (red)*

Takeaways:

(a) This "Spectrum of Change" approach is well conceived. The market and financial viability of desired housing types should be considered in the redevelopment plans.

(b) Average $53.53/sf rate for the Town's commercial land ensures that traditional single family (which is valued at $17.82/land sf in Addison) is not viable; denser building types are needed.



Citation: Advance Addison 2050

6. Vetting For-Sale Housing Types

A. Towers

For Sale Towers

Locations where high-rise towers are envisioned include Addison Circle, Spectrum, and the Quorum (w/ market comparisons below).

Addison-Area Urban For-Sale Comparables:

Aventura: $323k(1)-$450k(2)-$N/A(3)
Bonaventure: $N/A(1)-$350k(2)-$580k(3)

< SF Equivalent (Celestial): $1.2M(3) >

Greater Market Tower For-Sale Comparables:

7901 Windrose (Plano): $1.45M(2)-$3.3M(3)
2800 Lakeside (FM): $1.67M(2)-$2.39M(3)
Hall Arts (Dallas): $NA(1)-$5M(2)-$5.95M(3)
The House (Victory): $6.6k(1)-$7.6k(2)-$2.4M(3)
Stoneleigh (Uptown): $N/A(1)-$4.3M(2)-$5M(3)
Ritz Carlton (Uptown): $N/A(1)-$3.56M(2)-$N/A(3)

For Lease Towers (for later conversion)

High-rise for-lease towers have been converted to condominiums over time and should be analyzed for market viability.

Addison-Area For-Rent Comparables:

Addison Circle Area: $1,875(1)-$5,900(2) (highest comparable)

< SF Equivalent (Les Lacs): $3,995(3) >

Greater Market Tower For-Rent Comparables:

12 Cowboys (Star): $3,708(1)-$7,924(2)-$13k(3)
Lvl 29 (Legacy): $2,930(1)-$3,950(2)-$14k(3)
Kincaid (Legacy): $2,461(1)-$3,900(2)-$10k(3)
Hanover (UP): $2,889(1)-$6,313(2)-$12k(3)
8111/9 Douglas (UP): $N/A(1)-$10,450(2)-$21k(3)
Selene (Uptown): $3,345(1)-$6,300(2)-$24k(3)

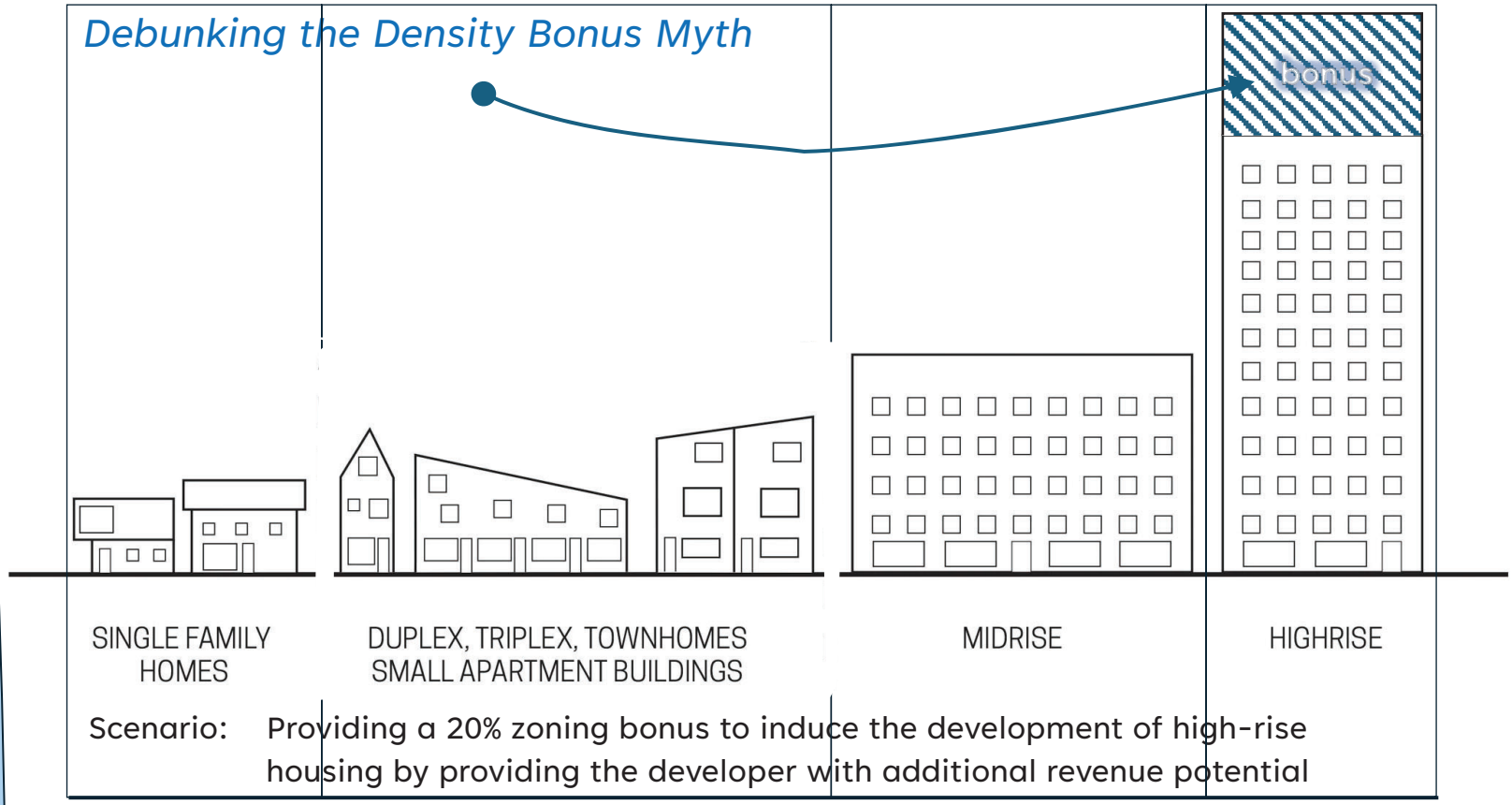
Takeaways:

Current market rates are at least 50% below what is needed to advance high-rise construction

- Less expensive housing types will be the driver because incentives would be too high
- Simultaneously, a strategy is needed to attract higher income households

Citation: Realtor.com

Debunking the Density Bonus Myth



Scenario: Providing a 20% zoning bonus to induce the development of high-rise housing by providing the developer with additional revenue potential

Clarifying the misunderstandings behind this Scenario:

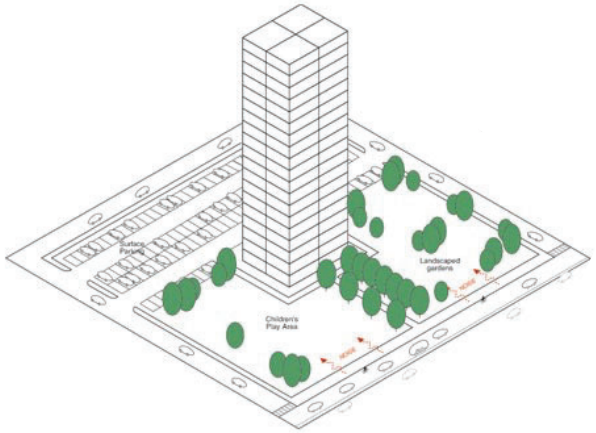
a. Unless there is a market for the sales (or lease) pricing needed to justify the development, additional units are irrelevant
b. Due to the inherent risk of condominium tower development, programming is generally kept to a smaller unit count than for-lease buildings. Therefore, added density is often irrelevant

Citation: WC Studio, Catalyst Group

Re-Considering Density

High-rise

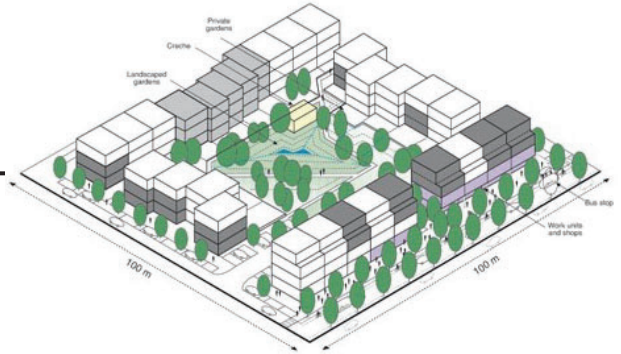
- <u>Most visible/impactful</u>
- Lowest lot coverage
- Highest open area (can risk security issues)
- Least engaging at street
- Commercial land rates



75 units
2.47 acres
30 du/acre

Mid-rise

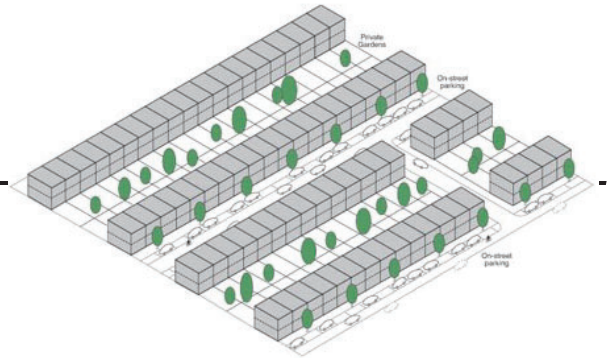
- Medium lot coverage with defined open space
- Interesting street massing and streetscape
- Most "urban" at street
- Commercial land rates



75 units
2.47 acres
30 du/acre

Low-rise

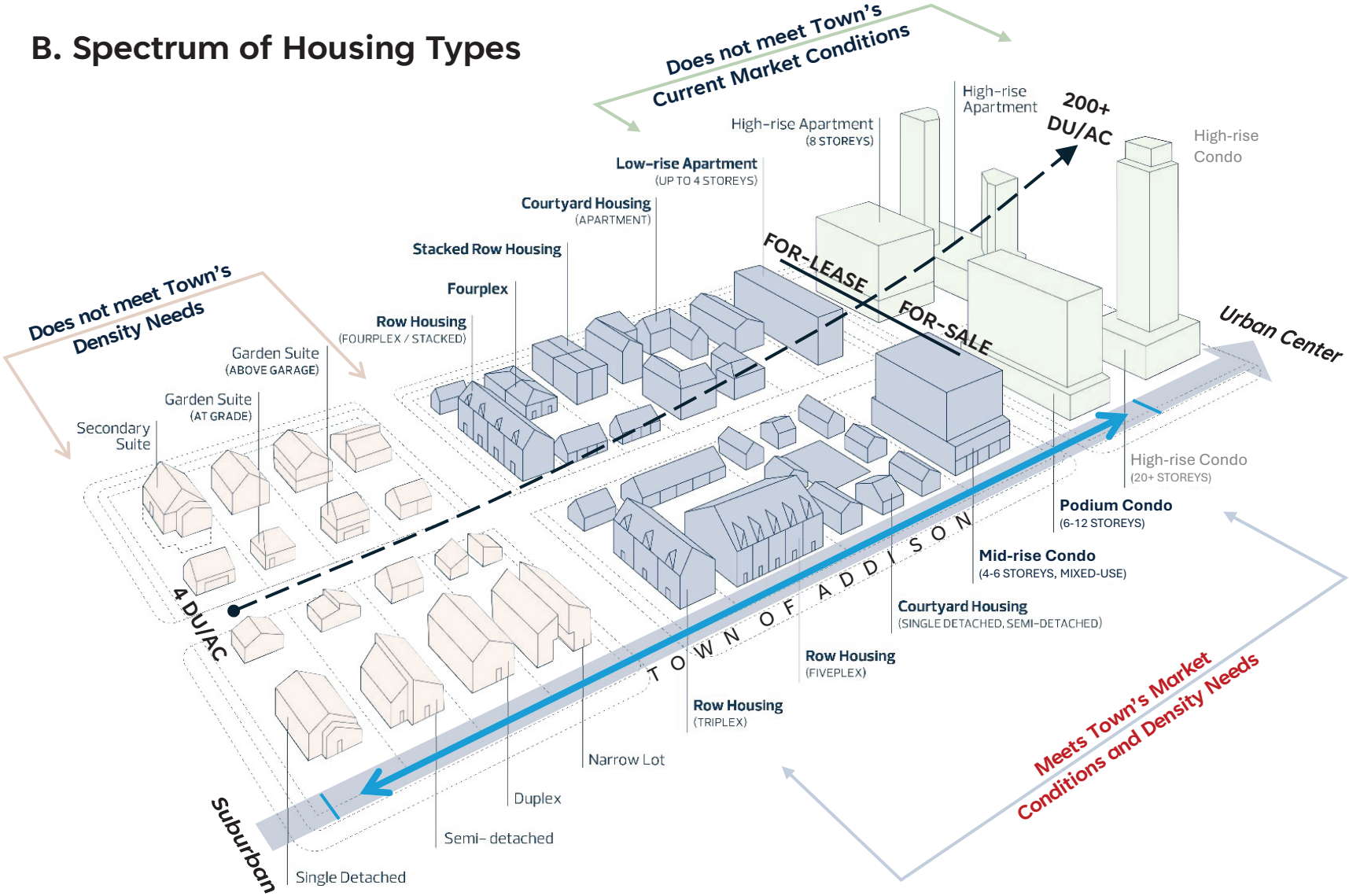
- Highest lot coverage
- Least greenery, needs parks
- Risks monotony, smaller development better
- Commercial land rates



75 units
2.47 acres
30 du/acre

Citation: Urban Task Force, Richard Rogers, Catalyst Group

B. Spectrum of Housing Types



Citation: City of Edmond, Catalyst Group

C. Housing Type Comparison

Takeaways:

- These housing types are viable but not being built in North Texas
- The Town can explore these to competitively position its presence as a key urban node

Detached SF	Lots	Density	Nuances
Accessory (ADU)	Smallest <600 sf	Doubles SF	Granny Flat
Tiny Home	Smallest < 1000 sf	20-50 du/ac	Avoid groupings
Zero Lot Line *	20-35' frontage	12-16 du/ac	Need alleys
Pocket Cottage	Internal lots	10-12 du/ac	Remote parking
Small Lot *	35'-60' frontage	4-8 du/ac	Need alleys
Medium Lot *	60'-80' lots	3-4 du/ac	Standard
Large Lot *	80'-120' lots	2-3 du/ac	Move-Up
Estate	½ Acre +	1-2 du/ac	Luxury

Attached SF	Lots / Sizing	Density	Nuances
Duplex (SFA) *	24'+ width	9-12 du/ac	Like 2 TH's
Triplex	24'+ width	10-14 du/ac	Duplex & ADU
Quadplex	24'+ width	12-24 du/ac	Like 2 Duplexes
Townhome *	1000-3000 sf	12-22 du/ac	Need alleys
Rowhouse	1000-3000 sf	12-22 du/ac	Rear yards
Live-Work	1000-3000 sf	12-20 du/ac	Code requirements
Mansion House	1000-2400 sf	15-30 du/ac	Remote parking
Motor Court	1000-2400 sf	20 du/ac	Parking plaza
Bungalow Court	800-1500 sf	22 du/ac	Remote parking
Courtyard Homes	800-1500 sf	25-40 du/ac	Needs alleys
Condo Flat *	800-2200 sf	30-100 du/ac	Apt conversions
Condo Tower	800-2200 sf	200 + du/ac	Parking garage

* Present in Addison

Typical in the North Texas market

Densities that achieve the 28% (without converting more than 50% commercial to residential), and types that carry commercial land values ($40-60/land sf)

Citation: Catalyst Group

D. **Land Economics** (Current Asking vs. Assessed Land Values)

Current Commercial Average Land Value	$53.53/sf (current improved) $19.00/sf (current unimproved)
Current Avg. Townhome Assessed Land Value	$51.00/sf (15 du/ac)
Current Avg. Condo Midrise Assessed Land Value	$19.50/sf (65 du/ac)
Current Avg. Single Family Assessed Land Value	$17.82/sf (3 du/ac)
Current Avg. Apartment Assessed Land Value	$20.00/sf (70 du/ac)

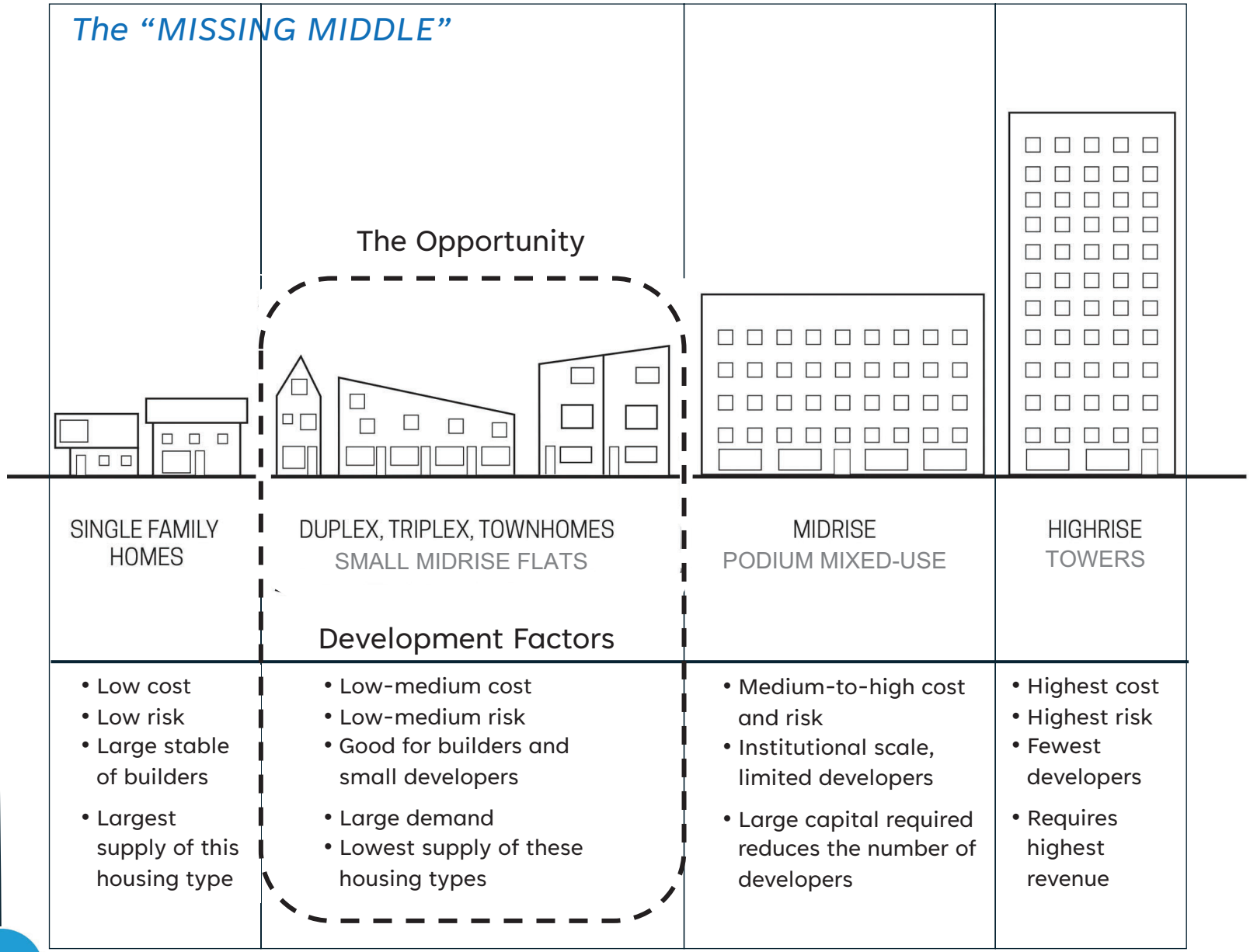
Takeaways:

(i) Densities in the 15-20 du/ac that can be fee simple ownership are within the range needed to pay the price of commercial land in Addison

(ii) The typical 3-story fee simple townhome does not meet the need of the full market spectrum; other types should be brought into the Town

Citation: DCAD, CoStar

The "MISSING MIDDLE"



Citation: WC Studio, Catalyst Group

Midrise “Urban Flats”

Citations: Aventura Condominiums, realtor.com

Community Statistics:

Midrise 8 level

- Architecturally significant
- Condominium ownership
- Integrated parking structure
- Urban amenities/views
- 60-70 du/ac
- 75’ max to top floor
- 2nd-tier cost structure

Midrise “Stacked Townhomes”

Citations: 2011 Cedar Springs Lofts, Xuan-Loc Nguyen, realtor.com

Community Statistics:

14 level Mini-Tower

- Architecturally significant
- Condominium ownership
- Integrated parking structure
- 2-story units and volume
- 35-45 du/ac
- 75’ max to top floor
- 2nd tier cost structure

Townhome/Rowhouse/Zero Lot Lines

Community Statistics:

Townhome 3 level
- Architecturally significant
- Fee simple ownership
- In-line garages
- Alley-fed
- 15-20 du/ac
- Standard product

Rowhouse 2 level
- Urban block form
- Fee simple ownership
- Attached garages
- Alley-fed parking
- Backyard options
- 12-18 du/ac

Zero Lot Townhome
- Urban block form
- Fee simple ownership
- Attached garages
- Private patios
- Alley-fed garages
- Side yard street access
- 10-16 du/ac

Citations: Opticos Design, Grenadier Homes

Courtyard, Mansion and Live/Work Homes

Community Statistics:

Courtyard Homes
- Stacked Condos
- 10-25 units, 1-2 bedroom
- 800 to 1100 sf
- 25-40 du/acre

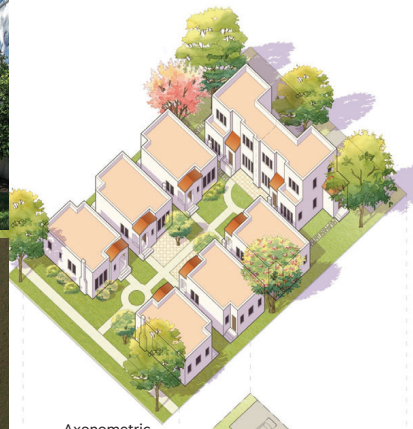
“Mansion” House
- Stacked Condos
- 6-12 units, 1-3 bedroom
- 800 to 1300 sf
- 15-30 du/acre

Live/Work Building
- Fee-Simple (like TH’s)
- 3-4 bed attached homes
- 2200 to 3200 sf
- 12-20 du/acre

Citation: Opticos Design

Citation: Opticos, Catalyst Group

Bungalow Court



Axonometric

Site Plan

Community Statistics:

- Horizontal condominium on 0.4 ac
- Common horizontal amenities
- 1 & 2-bedroom detached homes
- 840 sf to 1160sf homes
- Parking is not attached to every home
- 22 du/acre
- Have stood the test of time over 100 years

Pocket Cottage Community

Community Statistics:

- Horizontal condominium on 2.3 ac
- Common horizontal amenities
- 1, 2 & 3-bedroom detached homes
- 750 sf to 1760 sf homes
- Parking is not attached to homes
- 10-12 du/acre
- Achieving 40% premium over market

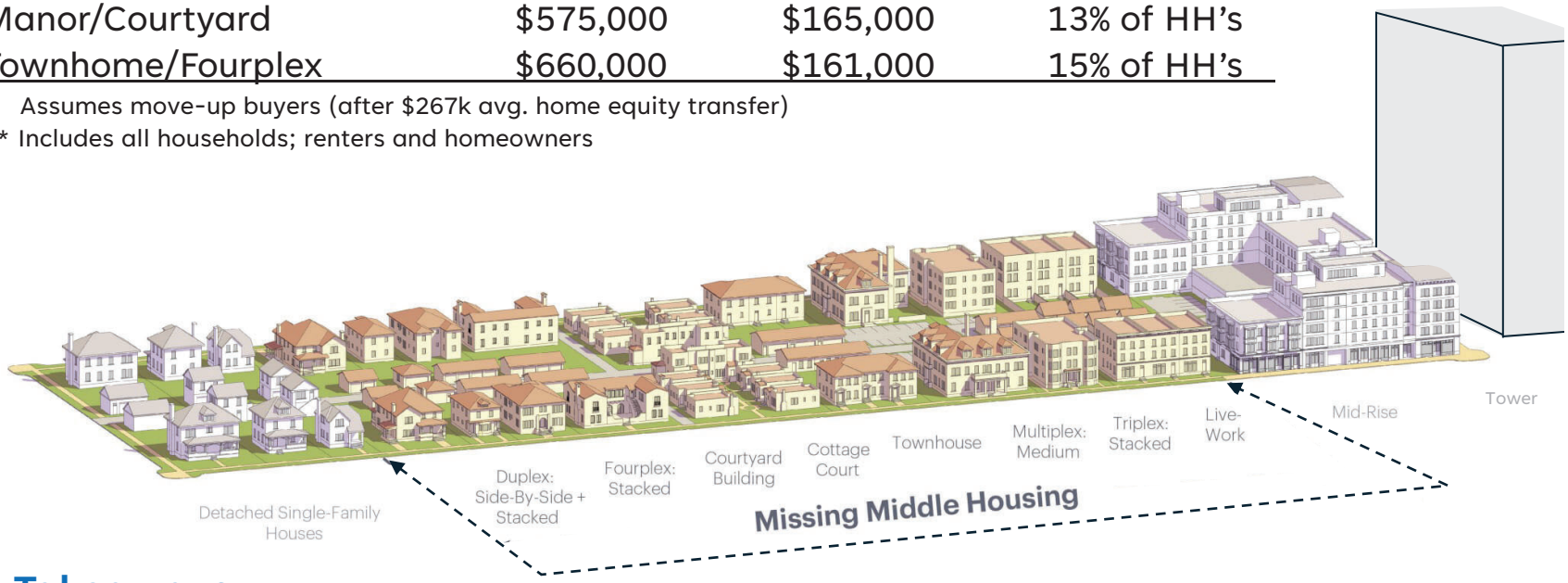
Citation: Opticos, Switchgrass Capital

E. Comparison to Addison's Households

Housing Type	Avg. Price	Qualifying Income *	Addison HH's **
Condo Midrise	$930,000	$260,000	5% of HH's
Cottage/Bungalow Court	$883,000	$246,000	7% of HH's
Duplex/Zero	$650,000	$177,000	12% of HH's
Manor/Courtyard	$575,000	$165,000	13% of HH's
Townhome/Fourplex	$660,000	$161,000	15% of HH's

* Assumes move-up buyers (after $267k avg. home equity transfer)

** Includes all households; renters and homeowners



Takeaways:

(a) These housing types are less expensive to build and have the largest market demand pool, thus carrying less risk for developer to implement

(b) These factors create more implementing agents *(i.e., builders and developers)*

Citation: Opticos, Catalyst Group

7. Implementation Action Plan

1. Prepare Tailored Strategy for Viable Housing Types

Analysis of forecasted growth demographics indicates the Town is positioned for up to **450-500 units over 5-year increments** of new construction tailored to owner-occupied households.

The Town should identify sites for each type including details on assessed value $/sf land, ownership, and existing use to determine which parcels can be acquired at market rates. Housing types would include:

• Zero Lot Line and Small Lot homes	20-30 units +/- per phase
• Pocket Cottage Communities	20-30 units +/- per phase
• Duplex (SFA), Triplex and Quads	20-30 units +/- per phase
• Townhomes and Rowhouses	30-50 units +/- per phase
• Mansion House and Live-Work Buildings	30-50 units +/- per phase
• Motor and Bungalow Courts	30-50 units +/- per phase
• Courtyard Homes and Condominium Flats	90-120 units +/- per phase (incentives likely)
• Condo Towers	90-120 units +/- per phase (incentives likely)

2. Identify Incentive Tool Kit (if needed) to Induce Key Initial Projects

Given this reflects a change to market paradigm, there will likely be incentives required to "prime" the developer marketplace. This includes fee waivers, infrastructure participation, zoning flexibility, and potential economic development grants.

3. Developer Identification and Discussion

The Town would meet with additional developers that have implemented or could implement these housing types and determine those that share the Town's vision. Once these partners are identified, the Town would work with selected developers to put deals together (in a similar manner that was used in the implementation of both Addison Circle and Vitruvian Park).

Appendix

A. Developer Context & Risk Factors by Housing Type

Owner-Occupied Housing Types -- Development Context		
Detached Single Family		
Accessory (ADU)		
	Meets Goal	Minimally, though does double SF lot density
	Location	Only appropriate as secondary infill
	Developers	Typically managed by the existing home owner, so could be a Town incentive policy
	Capital	Low risk due to small amounts involved
	Legal	Low risk due to small amount of capital and small number of occupants and/or fee simple ownership
Tiny Home		
	Meets Goal	Minimally, though if used on existing lots would double SF lot density
	Location	Only appropriate as secondary infill
	Developers	On existing lots would be small builders within large pool, otherwise managed through existing owner
	Capital	Low risk due to small amounts involved
	Legal	Low risk due to small amount of capital and small number of occupants and/or fee simple ownership
Zero Lot		
	Meets Goal	Somewhat meets policy goal if developed in larger format
	Location	Could be a good replacement for outdated commercial/industrial uses; alleys required
	Developers	Home developers / builders within larger pool to select from
	Capital	Low risk due to smaller amounts involved
	Legal	If executed on fee simple, low risk. If done as horizontal condominium, moderate risk due to #'s involved
Small Lot		
	Meets Goal	Somewhat meets policy goal if developed in larger format
	Location	Could be a good replacement for outdated commercial/industrial uses; alleys required
	Developers	Home developers / builders within larger pool to select from
	Capital	Low risk due to smaller amounts involved
	Legal	As these are fee simple ownership, low risk
Medium Lot		
	Meets Goal	Does not meet policy goals due to low density
	Location	These would likely involve replacment/upgrade to existing homes
	Developers	Home developers / builders within larger pool to select from
	Capital	Low risk due to smaller amounts involved
	Legal	As these are fee simple ownership, low risk
Large Lot		
	Meets Goal	Does not meet policy goals due to low density
	Location	These would likely involve replacment/upgrade to existing homes
	Developers	Home developers / builders within larger pool to select from
	Capital	Low risk due to smaller amounts involved
	Legal	As these are fee simple ownership, low risk
Estate Lot		
	Meets Goal	Does not meet policy goals due to low density
	Location	These would likely involve replacment and lot assembly of existing homes
	Developers	Higher quality expectations would redeuce the developer / builder pool
	Capital	Lower risk due to medium amounts involved
	Legal	As these are fee simple ownership, low risk

Owner-Occupied Housing Types -- Development Context		
Attached Single Family		
Duplex / SFA		
	Meets Goal	Somewhat meets policy goal if developed in larger format
	Location	Provides opportunity in smaller infill zones
	Developers	Home developers / builders within larger pool to select from
	Capital	Low risk due to small amounts involved
	Legal	If executed on fee simple basis, low risk
Triplex & Quads		
	Meets Goal	Meets goals due to medium density
	Location	Provides opportunity combined with other types to replace outdated commercial/industrial
	Developers	As these are not typical products in our market, would need to market to townhome/SFA builders
	Capital	Low risk due to small amounts involved
	Legal	If vertically integrated, higher risk due to condominium/HOA structure
Townhomes, Rowhouses & Live/Work Flats		
	Meets Goal	Meets goals due to medium density
	Location	Could be a good replacement for outdated commercial/industrial uses; alleys required
	Developers	Opportunity to market to larger home builder market; smaller pool of institutional developers
	Capital	Medium to high risk for smaller builders
	Legal	If executed on fee simple basis, low risk. If done as horizontal condo, higher risk
Live-Work		
	Meets Goal	Meets goals due to medium density
	Location	Could be a good replacement for outdated commercial/industrial uses; alleys required
	Developers	Opportunity to market to larger home builder market; smaller pool of institutional developers
	Capital	Medium to high risk for smaller builders
	Legal	If executed on fee simple basis, low risk. If done as horizontal condo, higher risk
Mansion House, Motor and Bungalow Court		
	Meets Goal	Meets goals due to medium density
	Location	Could be a good replacement for outdated commercial/industrial uses; alleys required
	Developers	Being non-typical products in our market, would need to market to smaller apartment developers
	Capital	Medium risk for institutional developers
	Legal	Higher risk due to condominium format. Need umbrella wrap policy.
Courtyard and Condo Flats		
	Meets Goal	Meets goals due to higher density
	Location	Needs to be in walkable, amenitized mixed-use zone near employment
	Developers	Being non-typical products in our market, would need to build interest in product with developers
	Capital	Medium risk for institutional developers
	Legal	Higher risk due to condominium format. Need umbrella wrap policy.
Condo Tower		
	Meets Goal	Meets goals due to high density
	Location	Needs to be in walkable, amenitized mixed-use zone near employment
	Developers	Few developers sized to handle these projects
	Capital	High risk due to high cost
	Legal	High risk due to condo format.

B. Developer Risk Factors

1. Tort Risk

Previously, a condominium regime risked on-going liability to the developer. State legislature amended the Texas Property Code in 2015 and greatly reduced this risk.

- **Texas Property Code Section 82.119** requires a condominium association with eight or more units to conduct a licensed professional engineer's inspection and obtain a report on construction or design defects before filing a lawsuit or arbitration, along with requiring notice to potential parties, and seeking owner approval for the claim. The implications are increased upfront costs, a longer process for associations to pursue claims, and reduced legal risk for developers by making it harder for associations to sue for construction issues.
- **Texas Property Code Section 82.120** allows a condominium declaration to require binding arbitration for certain construction or design defect claims. The primary implication is that it can prevent expensive and time-consuming litigation by forcing disputes into the arbitration process. This affects the rights of condominium associations, unit owners, and developers.

With these sections in place, condominium construction defects are now generally governed by the Statute of Repose for a 10-year period. As this is the case for other residential development types, this is an industry-wide condition.

➢ **How the Town may assist** – This is not needed due to the State's legislative action.

Source: Jeanne Katz, shareholder and co-chair of the planned community, mixed-use and condominium practice group for the Winstead law firm in Dallas, Texas

B. Developer Risk Factors

2. Market Risk

Texas home ownership culture has has believed owning a home and its land to preferable to owning a residence within a building. This has changing, condo towers are being built in key locations, but they continue to be a very small segment of the market.

The developer must put a compelling project together that overcomes these tendencies through the following:

- Market research -- Define what type of design, unit layout and sizing is market viable
- Manageable scale – Limit number of units (<200) to avoid a protracted pre-sales process
- Experienced design team – Only work with condo-experienced architects and engineers
- Desirable site – Locate near urban amenities and civic resources
- Well-conceived condo docs – Ensure proper maintenance and procedures for ongoing regime

➢ **How the Town may assist** – Most of these items are within the normal purview of the developer. However, the Town can proactively identify good sites that meet the criteria mentioned, orchestrate other redevelopment that strengthens these sites, and provide access to amenities (fitness center for instance), etc.

Source: Jeanne Katz, shareholder and co-chair of the planned community, mixed-use and condominium practice group for the Winstead law firm in Dallas, Texas

B. Developer Risk Factors

3. Development Risk

The successful investment return of a condominium tower is when all units are sold with profit. Risks to this outcome include the following concepts with related mitigation measures.

- Schedule delays – When the development schedule is delayed the developer incurs cost and greater risk. Mitigation: Make sure public improvements do not delay the project
- Faulty construction– This leads to time delays, problems with initial sales, and on-going brand challenges. To mitigate this, the developer must engage a qualified general contractor and ensure the key subcontracting trade partners are equally well qualified.
- Bonding and insurance -- The developer should ensure there is a payment and performance for the contractor. The developer should ensure there is a CSIP insurance policy (Contractor Controlled Insurance Program (CCIP) in place to provide wrap-up insurance where the contractor sponsors and manages a single insurance policy for a construction project, bundling workers' compensation, general liability, and other coverages for all participating parties.
- Buyer commitment – The developer should have a stout deposit program whereby the resident puts down a minimum of 20% of the cost of the unit. This helps ensure the residents maintain their commitment when it is time to turn over their unit.
- Cost mitigation – Cost is one of the largest risk factors the developer faces due to the sales price of units being set. Therefore, it is important the developer puts a well-researched and vetted budget together and looks for ways to save cost along the way.

Source: Jeanne Katz, shareholder and co-chair of the planned community, mixed-use and condominium practice group for the Winstead law firm in Dallas, Texas

C. Developer Risk Mitigation Measures

- **How the Town may assist** – The Town can reduce development risk through cost reductions in multiple ways:
  - Land -- If the Town owns property in positive locations for condo tower development, it can sell the land at lower-than-market pricing as an inducement
  - Tax abatement and incentives – While this does not help the developer, it does reduce the condominium association cost thereby making it more competitive in the condo marketplace. This can apply to the property tax as well as taxes on professional services associated with the ongoing maintenance of the property.
  - Fast-track entitlement and permitting – This helps speed up the development schedule and reduces related cost beyond current ordinance
  - Fee abatement – This reduces the development cost and can be used as part of an inducement package
  - Economic development grants – The Town could form a public/private partnership with a developer to help bring development cost down on specific development in locations that would make the greatest market impact.

Source: Jeanne Katz, shareholder and co-chair of the planned community, mixed-use and condominium practice group for the Winstead law firm in Dallas, Texas

D. Programming Forecast

- Despite the market imbalance for condominium towers, there is market demand to increase for-sale households within the Town
- It is forecasted there will be +/-**200 new households** that can *qualify* for the purchase of new residences in Addison through 2030
- Total need is forecasted to be 450 new for-sale residences over this time regardless of income qualification

Takeaway: The Town can undertake a proactive economic development strategy to target the development of missing housing types in the broader area that will induce market interest and expand its economic demographic segments.

Age vs. Income – Comparison of Qualifying Types

Age and Housing Demographic (2023)

Total:	Quantity	Percentage		
Under 5 years	804	4.69%		
5 to 9 years	379	2.21%		
10 to 14 years	447	2.61%		
15 to 17 years	153	0.89%	13.12%	Children
18 and 19 years	176	1.03%		
20 years	156	0.91%		
21 years	133	0.78%		
22 to 24 years	1,125	6.57%		
25 to 29 years	2,781	16.24%	46.05%	Rental & First-Time Buyer
30 to 34 years	2,111	12.32%		2030 Increase: **246 Units**
35 to 39 years	1,871	10.92%		
40 to 44 years	1,340	7.82%		
45 to 49 years	1,314	7.67%	25.19%	Move-Up Buyer
50 to 54 years	912	5.32%		2030 Increase: **135 Units**
55 to 59 years	749	4.37%		
60 and 61 years	233	1.36%		
62 to 64 years	680	3.97%		
65 and 66 years	439	2.56%	12.82%	Empty Nest Buyer
67 to 69 years	340	1.99%		2030 Increase: **69 Units**
70 to 74 years	503	2.94%		
75 to 79 years	278	1.62%		
80 to 84 years	104	0.61%	2.81%	Senior/Assisted
85 years and over	100	0.58%		
	17,128	100.00%		

911 People Forecasted to Move to Addison by 2030
536 New Housing Units Forecasted (All Categories)
450 Units in For-Sale Categories

Life-Cycle Needs

46%

38%
84% of Addison's Households

Market Implications:
- Income is weighted towards First-Time buyers; age is weighted towards Move-Ups
- This results in an imbalance between lifecycle need and mortgage qualification requirements
- This is also driving older First-Time buyers

Household Income and Housing Market Type (2023)

Total:	Quantity	Percentage		
Less than $10,000	468	4.66%		
$10,000 to $14,999	59	0.59%		
$15,000 to $19,999	331	3.30%		
$20,000 to $24,999	163	1.62%	20.05%	Low Income Housing
$25,000 to $29,999	278	2.77%		2030 Increase: 107 Units
$30,000 to $34,999	99	0.99%		
$35,000 to $39,999	263	2.62%		
$40,000 to $44,999	352	3.51%		
$45,000 to $49,999	401	3.99%	13.10%	Affordable & Subsidized Rental
$50,000 to $59,999	914	9.10%		2030 Increase: 70 Units
$60,000 to $74,999	1,282	12.77%	29.11%	Market Rental
$75,000 to $99,999	1,641	16.34%		2030 Increase: 156 Units
$100,000 to $124,999	1,370	13.64%	22.11%	Luxury Rental & First Time Buyer
$125,000 to $149,999	850	8.46%		2030 Increase: **118 Units**
$150,000 to $199,999	675	6.72%	15.64%	Move-Up and Empty Nest Buyer
$200,000 or more	896	8.92%		2030 Increase: **84 Units**
	10,042	100.00%		

911 People Forecasted to Move to Addison by 2030
536 New Housing Units Forecasted (All Categories)
202 Units in For-Sale Categories

Qualifying Income

22%

16%
38% of Addison's Households

Citation: U.S. Census Bureau (2023). *American Community Survey 5-year estimates*

E. Family Household Marketplace: *Analysis of Nearby K-12 Schools (10 min drive)*

Public Schools:

❖ *DISD – (**#50** in DFW)*
- Accountability Rating B / Average SAT 1080
- Average teacher salary: $58.8k, 9.9 yrs experience

*Carrollton/Farmers Branch – (**#36** in DFW)*
- Accountability Rating B / Average SAT 972
- Average teacher salary: $61.4k, 9.2 yrs experience

➢ *The Town's public school ratings are lower than those of its nearby competition:*

*Frisco ISD – (**#8** in DFW)*
- Accountability Rating A / Average SAT 1156
- Avg. teacher salary: $62.7k, 10.5 yrs experience

*Highland Park ISD – (**#10** in DFW)*
- *Accountability Rating A / Average SAT 1300*
- *Average teacher salary: $66k, 13.6 yrs experience*

*Plano ISD – (**#15** in DFW)*
- Accountability Rating B / Average SAT 1290
- Average teacher salary: $61k, 10.9 yrs experience

*Richardson ISD – (**#23** in DFW)*
- Accountability Rating B / Average SAT 1167
- Average teacher salary: $58.6k, 9.8 yrs experience

Private Schools:

❖ *Greenhill School -- (**#2** in DFW)*
- (K-12, 16:1) 1322 students / Avg SAT 1410
- Acceptance rate (25%), Cost $41k
- *Using capture of 25%, +/- 38 students could be admitted annually from Addison*

*Westwood School -- (**#5** in DFW)*
- (K-12, 7:1) 293 students / Avg SAT 1290
- Acceptance (25%), cost $25k
- *Using capture of 25%, +/- 15 students could be admitted annually from Addison*

*Trinity Christian -- (**#6** in DFW)*
- (K-12, 20:1) 1401 students / Avg SAT 1350
- Acceptance rate (50%), cost $28k
- *Using capture of 25%, +/- 36 students could be admitted annually from Addison*

*Prince of Peace -- (**#18** in DFW)*
- (K-12, 12:1) 760 students / Avg SAT 1210
- Acceptance rate (85%), cost $21k
- *Using capture of 25%, +/- 12 students could be admitted annually from Addison*

➢ *101 students annually = 52 HHs / 36 white collar jobs / 12k sf office space*

2025 City Council Regular Meeting **7. b.**

Meeting Date: 10/28/2025
Department: Economic Development
Key Focus Areas: Economic Development and Revitalization

AGENDA CAPTION:

Present and discuss a Tax Increment Financing (TIF) tool used to incentivize economic development within a Tax Increment Reinvestment Zone (TIRZ).

BACKGROUND:

The concept of establishing a Tax Increment Reinvestment Zone (TIRZ) was first recommended in the 2017 Inwood Corridor Enhancement Zone Study and reaffirmed in the 2019 Addison Circle Special Area Study as a tool to fund and incentivize redevelopment in key areas of Addison. At the July 23, 2024 Regular City Council Meeting, Council received a Tax Increment Financing 101 presentation during the Work Session and directed staff to evaluate the creation of a TIRZ to help fund public infrastructure improvements and economic development incentives associated with the transit-oriented development.

In this Work Session, staff will present analysis from the Preliminary Financing and Project Plan, share recommended boundaries for the proposed TIRZ, and seek Council direction to finalize the Preliminary Financing and Project Plan documents and move forward with the creation of the zone.

FISCAL IMPACT

N/A

RECOMMENDATION

Staff seeks Council direction on whether to finalize the Preliminary Financing and Project Plan and associated analysis for the preferred zone and to move forward with preparation and adoption of the TIRZ Creation Ordinance.

Attachments

Presentation - Tax Increment Finance Zones

Proposed Tax Increment Reinvestment Zone #1

October 28, 2025

Wayne Emerson, Director of Economic Development

Item Summary

- Background
- Tax Increment Reinvestment Zone 101
- Proposed Tax Increment Reinvestment Zone #1
- Next Steps
- Questions

Background

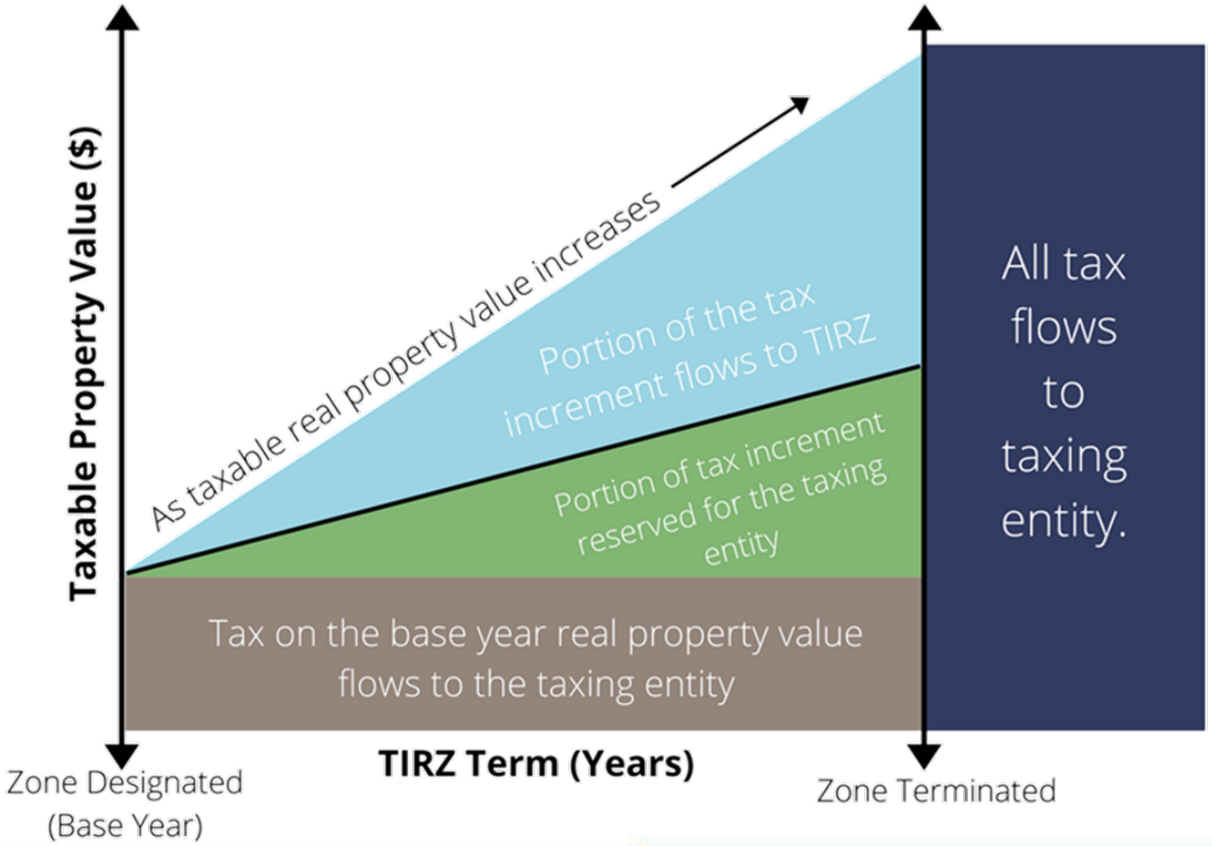
- **2017 Inwood Corridor Enhancement Zone Study**
– Recommended establishing a TIRZ to support redevelopment and infrastructure reinvestment.

- **2019 Addison Circle Special Area Study**
– Reaffirmed the use of a TIRZ as a funding and incentive mechanism to spur redevelopment in Addison Circle and surrounding areas.

- **July 23, 2024 – Council TIF 101 Presentation**
– Council received a briefing on Tax Increment Financing (TIF) tools.
– Directed staff to evaluate creation of a TIRZ to help fund incentives and public improvements for the Transit-Oriented Development.

Tax Increment Financing (TIF)

- **Not a *new* tax on development**
  - Redirects a portion of tax generated from new development within TIRZ



Two ways to create new tax increment:

- New construction/investment; and/or
- Annual appreciation of real property (i.e. "organic growth")

Frequently Asked Questions

Is TIRZ an additional tax burden? No, TIF does not impose a new tax. Instead, it uses improvements to spur development and raise property values within a zone. Then it funnels some of the tax collected on that increase in value into a fund that pays for the improvements.

Which taxing units can participate in TIRZ? Any taxing unit that collects ad valorem taxes from property in the TIRZ may participate in a TIF project, but only a city or county can initiate a TIF project and create a TIRZ. The governing body of the city or county that creates the TIRZ is responsible for the TIF project.

How many board members are required for a tax increment project? For a normal TIRZ, the board of directors must consist of at least five members and usually does not exceed 15.

Who appoints the board members? The city and the other participating taxing units appoint board members. **The City Council can serve as the board members.**

Frequently Asked Questions

How are the project costs paid? The board of directors makes all payments for project costs from the tax increment fund. Project costs can be paid over time as tax increments are collected, or the city can sell tax increment bonds to raise revenue immediately.

Can a city change the boundaries of a TIRZ? Yes, but only if the changed boundaries continue to meet the restrictions for the creation of TIRZ, and only with a public hearing and an ordinance describing the new boundaries.

Can a TIRZ be terminated? Yes. A city that created a TIRZ can terminate it by approving an ordinance that designates a termination date. Termination also occurs when all project costs, tax increment bonds and interest on those bonds, and other obligations have been paid in full.

What happens to money that remains in the fund after a TIRZ is terminated? After all project costs and other obligations have been paid, any money remaining in the fund is disbursed back to the participating taxing units in proportion to each jurisdiction's share of the total tax increments collected.

TIRZ Creation Process

- Chapter 311 outlines the various procedures for creating and amending a TIRZ. Two main documents:
  - Creation ordinance; and
  - TIRZ Project and Financing Plan
- Creation ordinance establishes five key elements:
  - Boundary (does not have to be contiguous);
  - Term;
  - City Participation
  - TIRZ Board (can be City Council); and
  - Preliminary Project and Financing Plan
- Upon TIRZ creation the Final Project and Financing Plan is approved by the TIRZ Board and then the City Council by separate ordinance
- Identify potential projects suitable for a TIRZ

Example Communities

- Allen*
- Arlington
- Austin
- Carrollton*
- Dallas
- Denison
- El Paso
- Farmer's Branch*
- Fort Worth
- Frisco*
- Garland
- Grapevine*
- Grand Prairie
- Irving*
- Flower Mound*
- Lewisville*
- McKinney*
- Plano*
- Prosper
- Richardson*
- Rowlett
- Stephenville
- University Park*
- Waxahachie

*Comparison City

Why Create A Tirz?

- Private development activity is expected to occur within a designated area.
- Benefits an area at large, rather than being project specific.
- Provides a funding source without impacting the current amount of general fund revenues.
- Ability to leverage revenues from taxable property within the TIRZ to generate a larger increment.
- Attracts potential developers and investment into area that may not otherwise occur.
- Demonstrates a commitment to creating a sense of place and identity.

Addison Junction TOD

Zone Boundary Considerations

- **Increment-Producing Areas:** Include parcels with capacity for new development or redevelopment that will generate future tax increment.

- **Reinvestment Needs:** Target aging or underperforming areas where public investment can incentivize private investment.

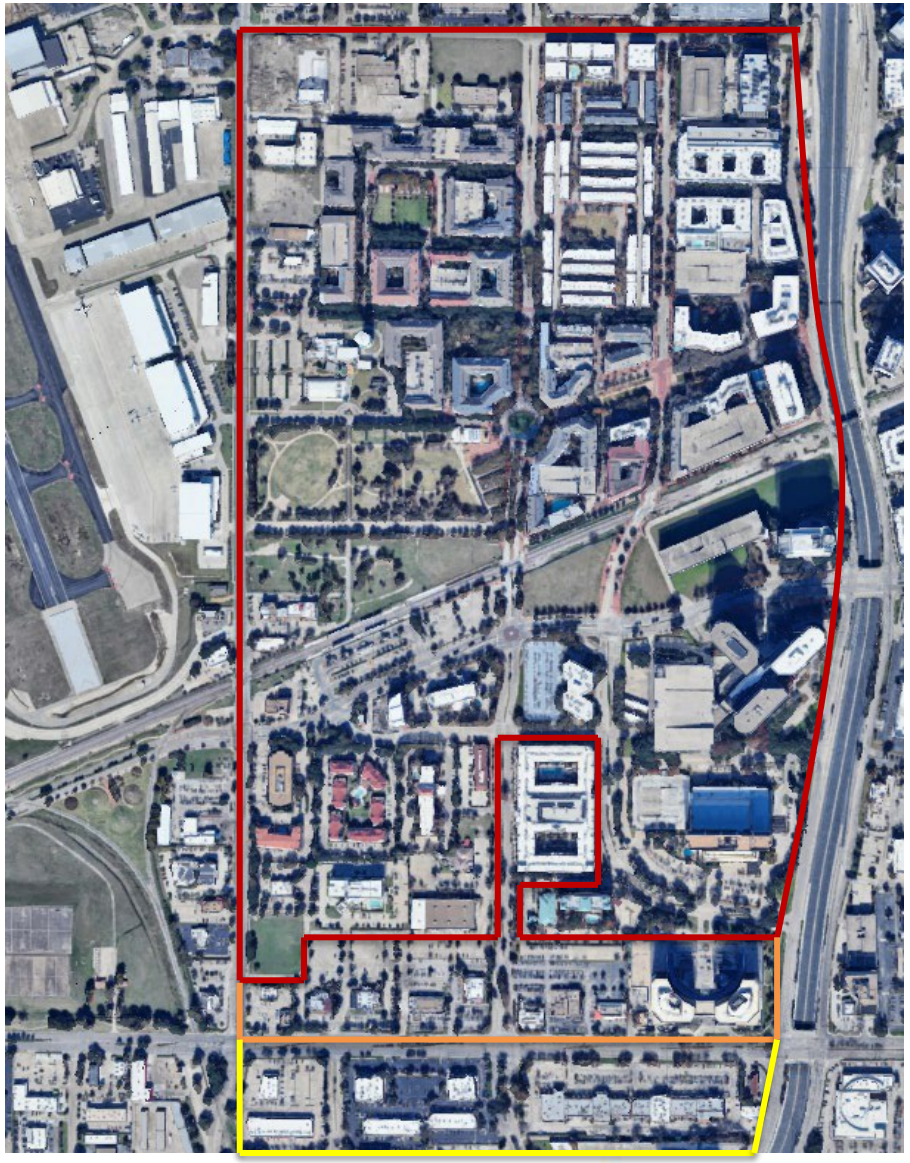
- **Sales-Tax Generating Properties:** Incorporate commercial and retail sites that contribute sales tax revenue, supporting DART's participation.

DART Participation

On **June 9, 2025**, the DART Board of Directors approved a framework that allows the agency to contribute a portion of its sales tax revenue to Tax Increment Reinvestment Zones (TIRZs) created by its member cities. The framework establishes consistent terms for participation and is intended to support redevelopment and transit-oriented development near DART facilities.

- **Transit Anchor:** Must include a DART station or related facility within 5 years;
- **Eligible Uses (Ch. 452):** Streets, sidewalks, signals, bike infrastructure, parking garages, TOD costs (acquisition, construction, DART ground leases);
- **DART Contribution:** Up to 55–60% for Joint Development with FTA;
- **City Match:** Equal match due at Year 5 and Year 10 audits;
- **Term:** 10 years

Proposed TIRZ Boundaries



- **Red Zone:**
  - 2025 AV Base Year Value = $1,294,322,120
  - Sales Tax Q4 24 - Q3 25 = $1,011,749
- **Orange Zone:**
  - 2025 AV Base Year Value = $213,942,130
  - Sales Tax Q4 24 - Q3 25= $273,097
- **Yellow Zone:**
  - 2025 Base Year Value = $56,474,40
  - Sales Tax Q4 24 - Q3 25 = $379,214

Projected Tax Revenue

Proposed Red Zone

- **30 Year Term, terminating in 2055.**
- **Total Taxes Generated includes Real Property Tax and Sales Tax.**

Taxing Jurisdictions	Total Taxes Generated
Town of Addison	$294,104,957
Dallas County	$102,122,118
Dallas ISD	$473,930,163
Dallas College	$50,183,413
Dallas Area Rapid Transit	$4,290,580
Total	**$924,631,231**

Taxing Jurisdictions	Total Taxes Generated
Town of Addison	**$294,104,957**
Town of Addison - Real Property	*$289,814,377*
Town of Addison - Sales	*$4,290,580*

Town of Addison	Total Taxes Generated
Growth of the Base	$149,989,299
New Development	$144,115,658
Total	**$294,104,957**

Projected Participation

Proposed Red Zone

Taxing Jurisdictions	Total Taxes Generated	50% TIRZ Participation	Net Benefit
Town of Addison	$294,104,957	$144,907,188	$149,197,768
Dallas County	$102,122,118	$0	$102,122,118
Dallas ISD	$473,930,163	$0	$473,930,163
Dallas College	$50,183,413	$0	$50,183,413
Dallas Area Rapid Transit	$4,290,580	$0	$4,290,580
Total	**$924,631,231**	$144,907,188	**$779,724,043**

Taxing Jurisdictions	Total Taxes Generated	65% TIRZ Participation	Net Benefit
Town of Addison	$294,104,957	$188,379,345	$105,725,612
Dallas County	$102,122,118	$0	$102,122,118
Dallas ISD	$473,930,163	$0	$473,930,163
Dallas College	$50,183,413	$0	$50,183,413
Dallas Area Rapid Transit	$4,290,580	$0	$4,290,580
Total	**$924,631,231**	$188,379,345	**$736,251,886**

Taxing Jurisdictions	Total Taxes Generated	80% TIRZ Participation	Net Benefit
Town of Addison	$294,104,957	$231,851,501	$62,253,455
Dallas County	$102,122,118	$0	$102,122,118
Dallas ISD	$473,930,163	$0	$473,930,163
Dallas College	$50,183,413	$0	$50,183,413
Dallas Area Rapid Transit	$4,290,580	$0	$4,290,580
Total	**$924,631,231**	$231,851,501	**$692,779,729**

- Proposing that the Town of Addison would contribute **50%-85%** of the real property increment within the Zone, above a 2025 base.
- Proposed stair-step approach: Town participation at **80% (Years 1–10)**, **65% (Years 11–20)**, and **50% (Years 21–30)**.

Project Financing

Proposed Funding Structure:

- Economic Development Grants will be financed with available cash reserves from the General Fund, Infrastructure Investment Fund, Self-Funded Projects Fund, and Streets Self-Funded Projects Fund and ***repaid by the TIRZ*** as increment revenue is generated.

- Street and Infrastructure Improvements will be financed with CO's and will be ***repaid by the TIRZ*** as increment revenue is generated.

- Parking and Transit Improvements will be financed with General Obligation Bonds from the 2012 Bond Election and CO's and will be ***repaid by the TIRZ*** as increment revenue is generated to include DART's participation.

Project Financing

Proposed Funding Structure Continued:

- Pedestrian Enhancements will be financed with available cash reserves or CO's **and *repaid by the TIRZ*** as increment revenue is generated

- Open Space, Park and Recreation Facilities and Improvements, Public Facilities and Improvements will be financed with available cash reserves and ***repaid by the TIRZ*** as increment revenue is generated.

- Public Utilities will be financed by Utility and Stormwater Fund CO's or cash reserves from those funds.

Proposed Project Costs – Assuming 65% Participation

Proposed Project Costs - TIRZ #1		
Public Utilities	**$ 9,418,967**	**5%**
Water Facilities and Improvements, Sanitary Sewer Facilities and Improvements, Storm Water Facilities and Improvements		
Parking and Transit Improvements	**$ 28,256,902**	**15%**
Street and Intersection Improvements	**$ 28,256,902**	**15%**
Pedestrian Enhancements	**$ 33,908,282**	**18%**
Streetscape, lighting, public art, and other amenities that enhance the pedestrian experience		
Open Space, Park and Recreation Facilities and Improvements, Public Facilities and Improvements	**$ 28,256,902**	**15%**
Economic Development Grants	**$ 56,513,803**	**30%**
Administrative Costs	**$ 3,767,587**	**2.0%**
Total	$ 188,379,345	100%

- The categories listed in the table above are meant to include all projects eligible under Chapter 311, Section 311.002 of the Texas Tax Code.
- The costs illustrated are estimates and may be revised. Savings from one line item may be applied to a cost increase in another line item
- It is anticipated that the individual TIRZ project cost allocations will be evaluated on a case by case basis, consistent with the categories listed above, and brought forward to the TIRZ board and City Council for consideration

Next Steps

- **Step 1:** Public Hearing and the Creation Ordinance
  - Creation Ordinance establishes five key elements:
    - Boundary;
    - Term;
    - TIRZ Board;
    - City Participation; and
    - Preliminary Project and Financing Plan
- **Step 2:** Upon TIRZ creation the Final Project and Financing Plan is approved by the TIRZ Board and then the City Council by separate ordinance.
- ***Consideration***: Base Values are set on January 1 of the new calendar year.

Requested Direction

Provide direction whether to finalize the Preliminary Financing and Project Plan and associated analysis for the preferred zone and to move forward with preparation and adoption of the TIRZ creation ordinance.

Questions?

2025 City Council Regular Meeting **7. c.**

Meeting Date: 10/28/2025

Department: Public Works

Key Focus Areas: Public Safety
Mobility and Connectivity
Infrastructure Development and Maintenance

AGENDA CAPTION:

Present and discuss the 2025 Draft Master Transportation Plan to include updates from the 2016 Master Transportation Plan, improved roadway cross-sections, incorporation of the Advance Addison 2050, pedestrian toolbox, and revised speed limits, public comments received along with an overview of upcoming project recommendations as prepared by Kimley-Horn and Associates, Inc. in coordination with Town staff.

BACKGROUND:

As part of the Town's long-term infrastructure and mobility planning efforts, staff engaged Kimley Horn and Associates, Inc. to prepare a comprehensive update to the Town of Addison's Master Transportation Plan. The purpose of the plan is to provide a strategic framework for future transportation improvements that address roadway capacity, safety, multimodal access, pedestrian and bicycle connectivity, and regional mobility.

Town staff and Kimley Horn presented the draft Master Transportation Plan to the City Council for review on September 9, 2025. Staff and Kimley Horn will answer questions and receive feedback during this Work Session presentation. A final version of the Master Transportation Plan Draft is scheduled to be presented to the City Council for consideration and adoption in November or December 2025.

FISCAL IMPACT

There is no fiscal impact associated with this work session discussion.

RECOMMENDATION

This item is presented for discussion and feedback only. No action is required at this time.

Attachments

Presentation - Draft Master Transportation Plan Update

Master Transportation Plan Update

Work Session #2
October 28th, 2025

Rebecca P Diviney, P.E.
Public Works and Engineering

Kimley»Horn

Christian DeLuca, P.E.
David Halloin, P.E.

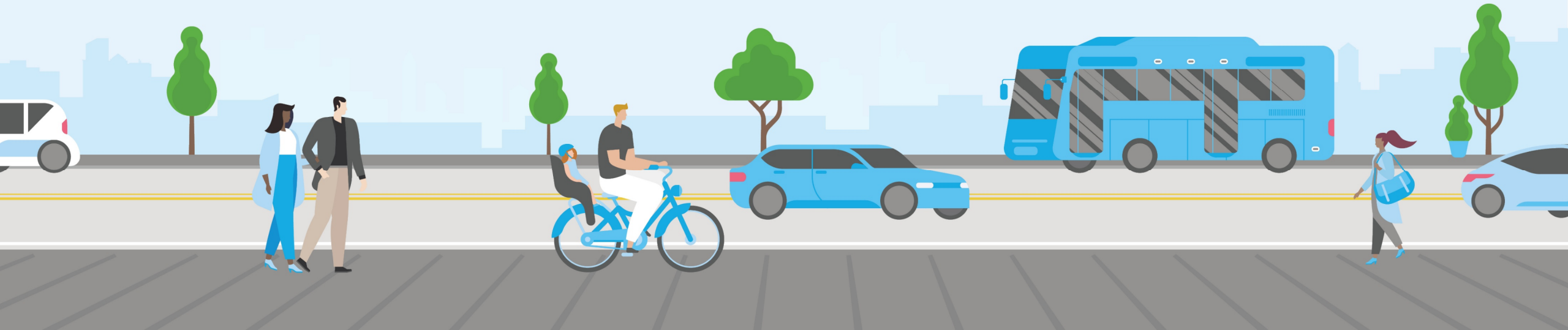
Work Session #1 - Summary

- Purpose & Vision
- Plan Foundation
- Community Engagement
- Data-Driven Insights
- Flexible Cross Sections
- Thoroughfare Plan
- Active Transportation Plan
- Pedestrian Crossing & Traffic Calming Toolbox
- Speed Limit Evaluation
- Priority Projects

What is the details of pedestrian and cyclist crashes in Addison?

Are we recommending Micro-mobility programs or policy?

The 2025 Master Transportation Plan is Addison's roadmap for making it safer, easier and more enjoyable to get around. It guides future projects to support our community's growth, connect people to jobs and destinations, and keep Addison a vibrant, welcoming place to live, work, and visit.



History

1998

Capacity of Roadways

Connectivity of Roadways

2016

1998 Goals +

Complete Streets

Pedestrian Facilities

Sidewalk Gaps

2025

2016 Goals +

Context-Sensitive Cross-Sections

Crossing Improvements

Safety Considerations

Coordination Across Plans & Partners

PLAN REVIEW AND INTEGRATION

Reviewed and aligned with the 2016 Master Transportation Plan, UDC, 2021 Citywide Trails Master Plan, and other local and regional plans to ensure continuity and build on previous investments.

COMMUNITY ENGAGEMENT

Used surveys, open houses, focus groups, and pop-up events to gather input from residents, employers, and community groups. Public feedback helped define priorities and shape plan recommendations.

GUIDANCE FROM ADVANCE ADDISON 2050

Grounded the plan in the town's vision, values, and decision-making principles —especially the goals of walkability, transit accessibility, and fiscal sustainability.

MULTIMODAL NETWORK PLANNING

Evaluated all travel modes and identified opportunities to improve connectivity, safety, and comfort for users of all ages and abilities.

TRANSIT COORDINATION

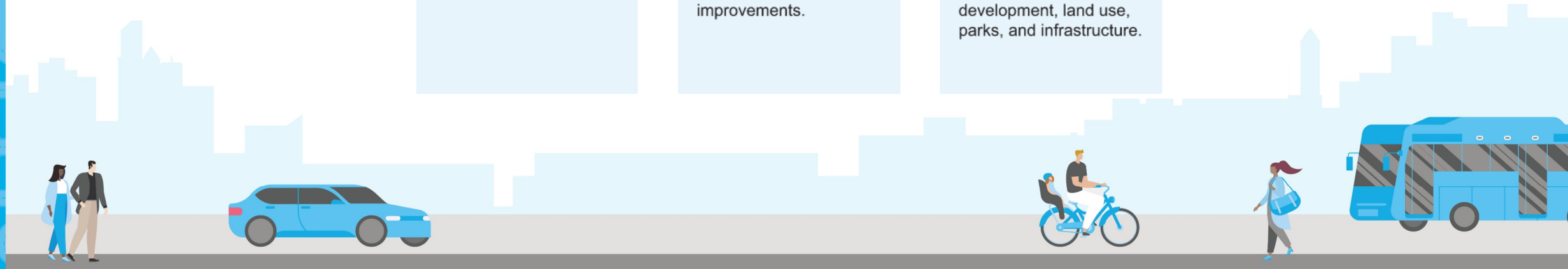
Focused on first/last mile connections and development strategies surrounding the upcoming DART Silver Line Addison Station.

DATA ANALYSIS

Assessed transportation system performance, crash data, traffic patterns, and land use context to identify needs and test future improvements.

CROSS-DEPARTMENTAL COLLABORATION

Worked with multiple Town departments to ensure the MTP supports broader goals related to economic development, land use, parks, and infrastructure.



Plan Review & Integration

- **2016 Master Transportation Plan**
  - Continued focus on multimodal travel through Complete Streets principles.
  - Established cross-section framework that shaped today's flexible, context-sensitive cross sections.

- **Citywide Trails Master Plan (2021)**
  - Provided the backbone for the Active Transportation Plan.
  - Identified priority trail corridors and connections to regional networks.
  - Informed MTP's integration of crossing improvements.

- **Inwood Road Enhancement Zone**
  - Envisions redevelopment into a connected, mixed-use district.
  - Guides new roadway segments and grid improvements to enhance mobility.

Community Engagement

- Surveys
- Open House – July 2025
- Spring Town Hall
- Advance Addison 2050 Community Feedback

> ***Sidewalks are missing in too many places. Please prioritize making it safer to walk to work and school.***
>
> – Survey Response #24

> ***It's hard to get across Belt Line without a car—crossings are far apart or don't feel safe.***
>
> – Open House Comment

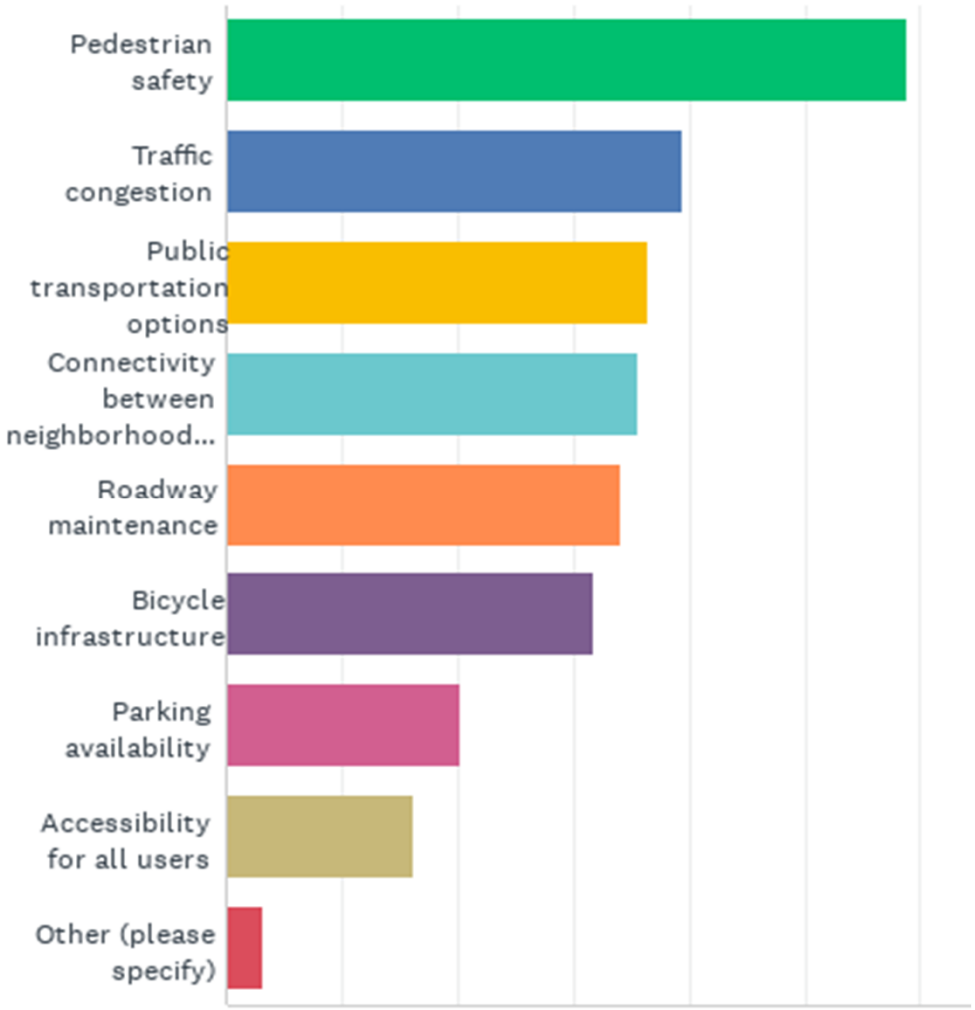
> ***There's no safe way to bike through Addison if you're not already on a trail.***
>
> – Survey Response #15

> ***The intersections around Addison Circle are too complex—drivers don't always yield.***
>
> – Open House Dot Board (Intersection Priorities)

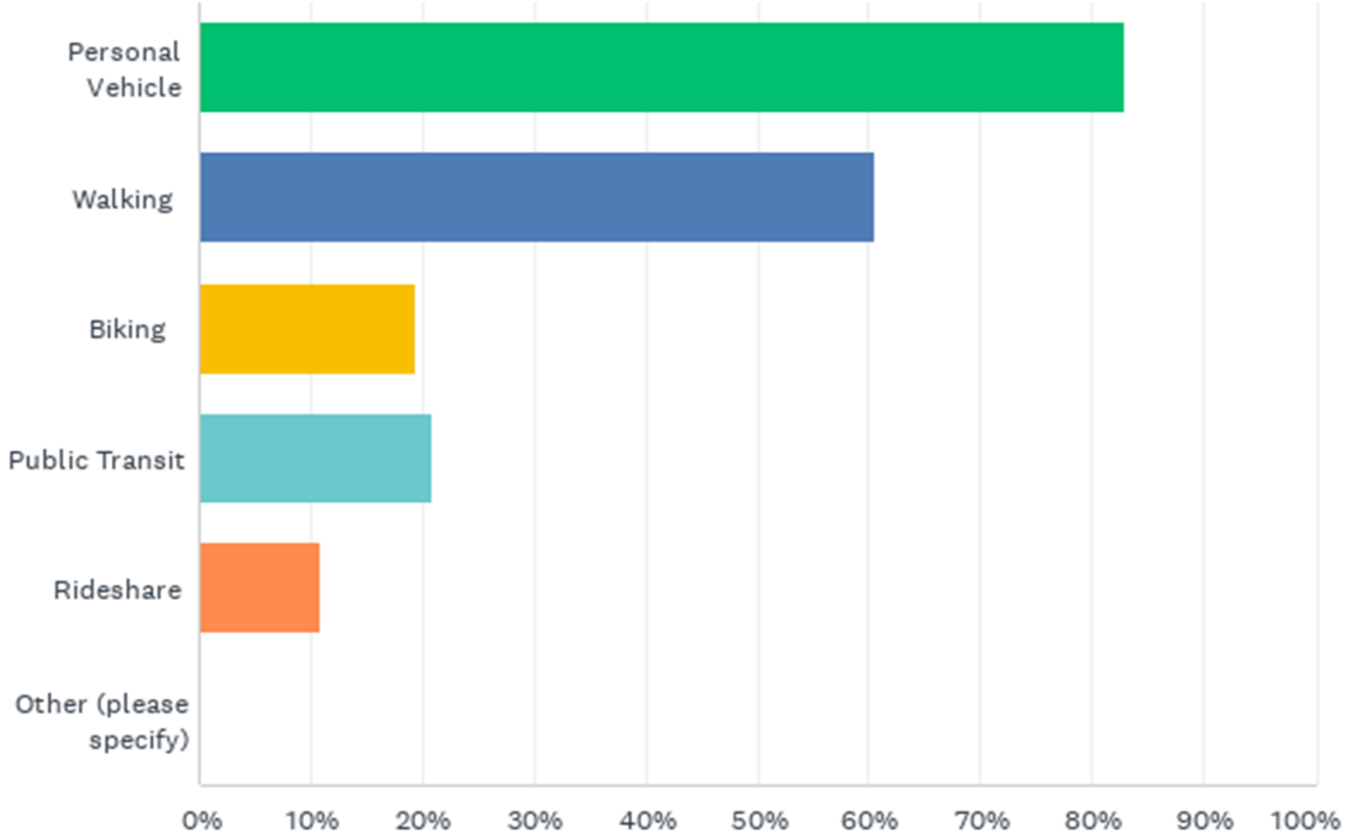
COMMUNITY ENGAGEMENT

Community Engagement - Surveys

Most Important Transportation Issues



Most Used Mode of Travel



COMMUNITY ENGAGEMENT

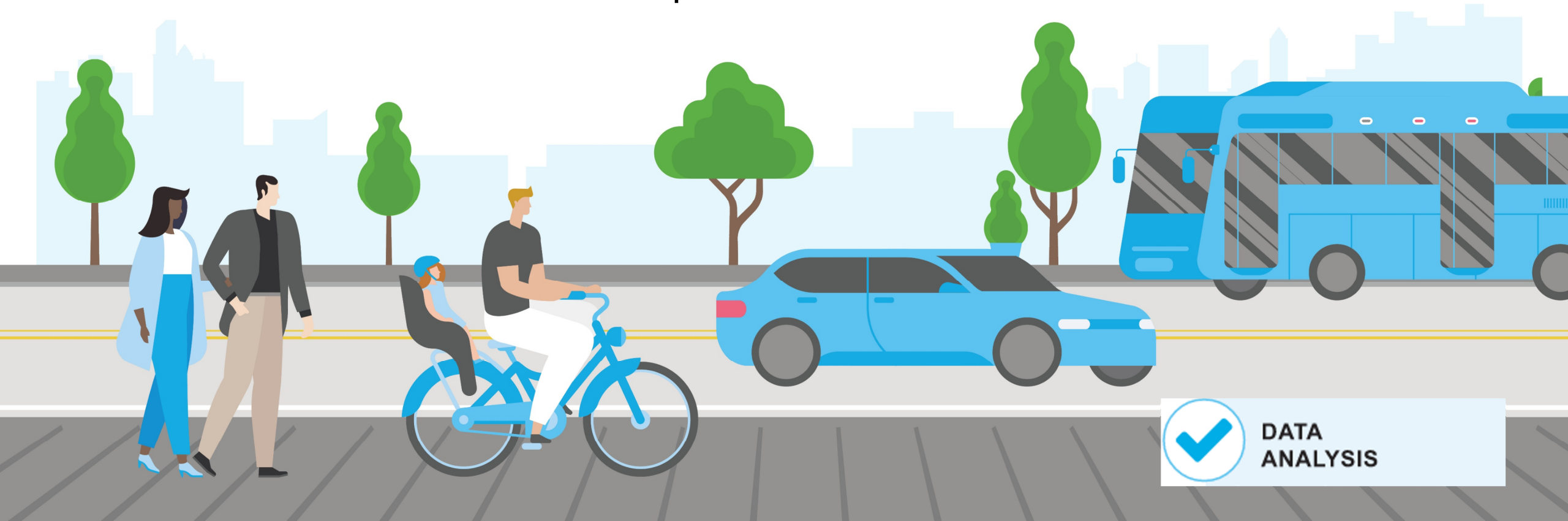
Guidance from Advance Addison 2050

- **Mobility Goals –** Advance Addison vision for walkable, connected streets using Complete Streets and context-sensitive design.
- **TOD Recommendations –** Implementation of urban local cross-section and safer crossings to support Addison Circle area and Urban Center designation.
- **Future Land Use –** Cross-section standards tailored to redevelopment, requiring sidewalks and right-sized streets with new projects.
- **Community Outreach –** Strong public support for slower speeds and safer crossings translated into specific MTP projects.

GUIDANCE FROM ADVANCE ADDISON 2050

Data Analysis

- Daily Traffic Volume
- Traffic Volume Growth Rates
- Existing Level of Service
- Crash Heatmap
- Pedestrian Trips
- Bicycle Trips
- Roadway Characteristics
  - Number of Lanes
  - Speed Limits
- Transit Connectivity



DATA ANALYSIS

Traffic Volumes

- **Traffic Count Dashboard Resource –** Public-facing tool tracks volumes, turning movements, and trends at 90+ street segments and 37 intersections, supporting data-driven decisions.
- **Analyzed Traffic Volume Trends –** Major arterials like Belt Line, Marsh, and Midway remain stable despite Town growth; localized increases in redevelopment zones
- **Forecast Future Trends –** Redevelopment-focused traffic growth is expected. Goal is to shift short local trips from driving to walking, easing congestion without costly roadway expansions.

[Addison's Traffic Dashboard]

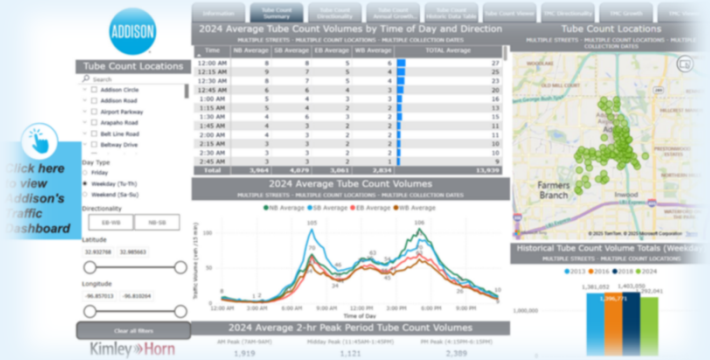
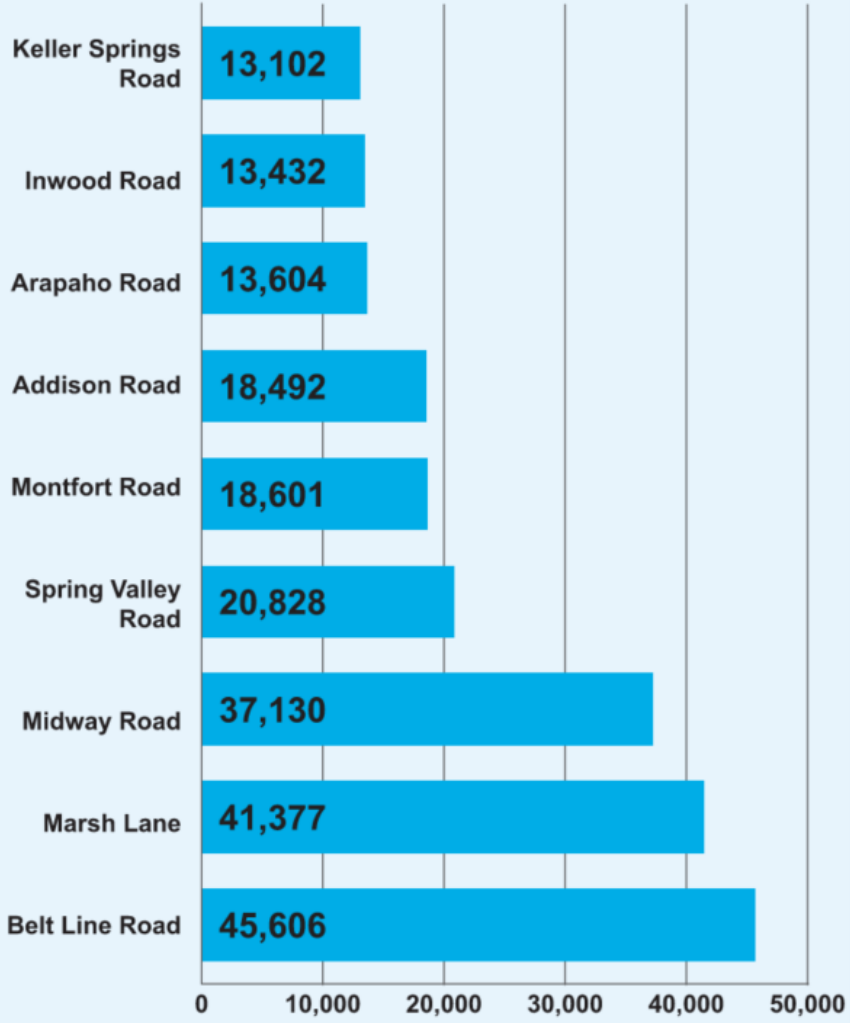
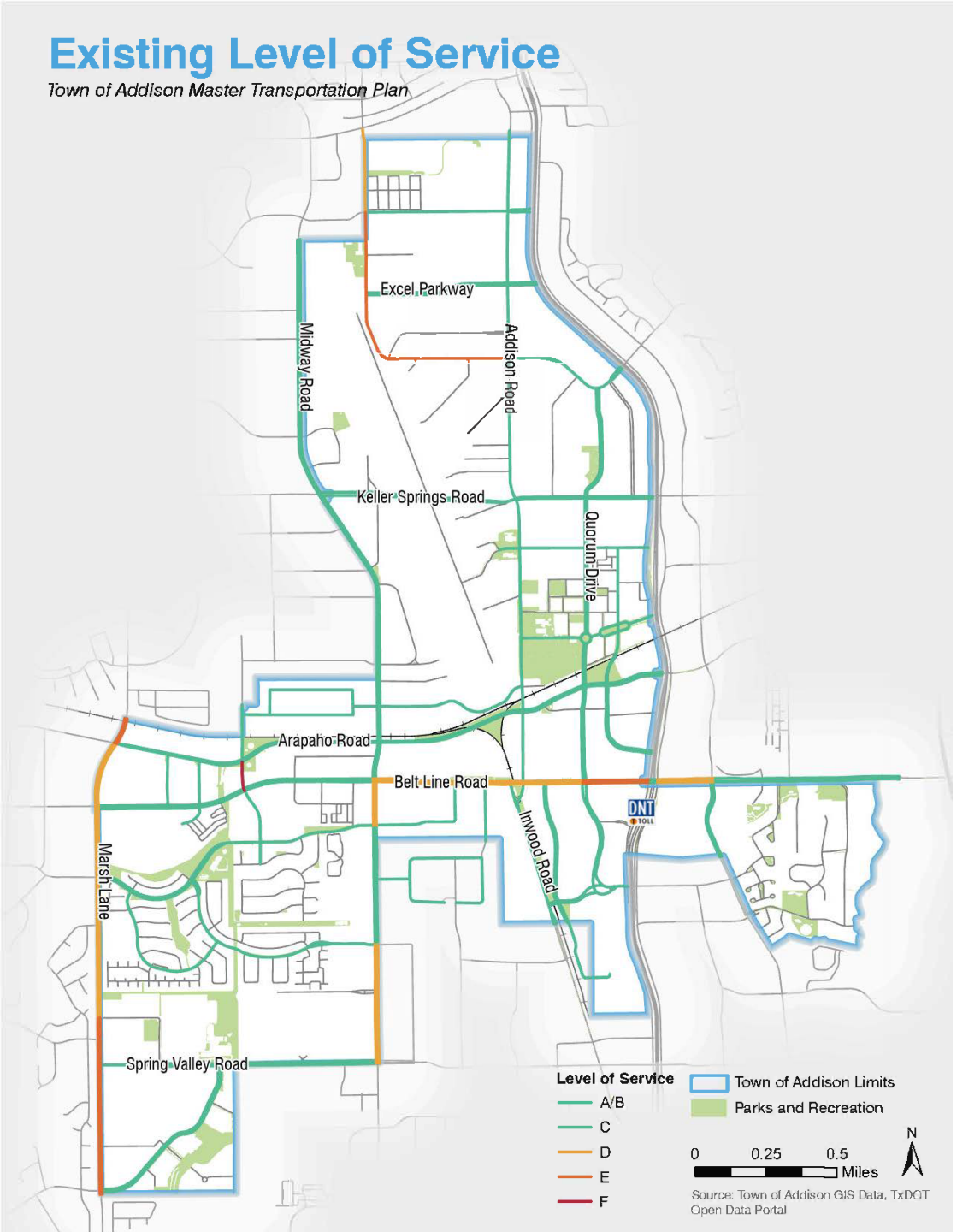


FIGURE 4. VEHICLES TRAVELED PER DAY



Existing Level of Service

Town of Addison Master Transportation Plan



Per the Town of Addison's policies, **LOS D or better** is considered acceptable. Corridors operating at **LOS E or F** should be evaluated for improvement strategies that may include signal timing adjustments, intersection turn lane modifications, or potential roadway reconfiguration.

FREE FLOW Low volumes and no delays.	LOS **A**	
STABLE FLOW Speeds restricted by travel conditions, minor delays.	LOS **B**	
STABLE FLOW Speeds and maneuverability closely controlled because of higher volumes.	LOS **C**	
STABLE FLOW Speeds considerably affected by change in operation conditions. High density traffic restricts maneuverability; volume near capacity.	LOS **D**	
UNSTABLE FLOW Low speeds; considerable delay; volume at or slightly over capacity.	LOS **E**	
FORCED FLOW Very low speeds; volumes exceed capacity; long delays with stop-and-go traffic.	LOS **F**	

Based on this reports operational analysis of all Addison roadway segments:

60% *of segments* **operate at LOS A/B**	**25%** *of segments* **operate at LOS C**	**8.7%** *of segments* **operate at LOS D**	**5.8%** *of segments* **operate at LOS E**	**0.6%** *of segments* **operate at LOS F**

Safety Analysis

Distracted Driving
862

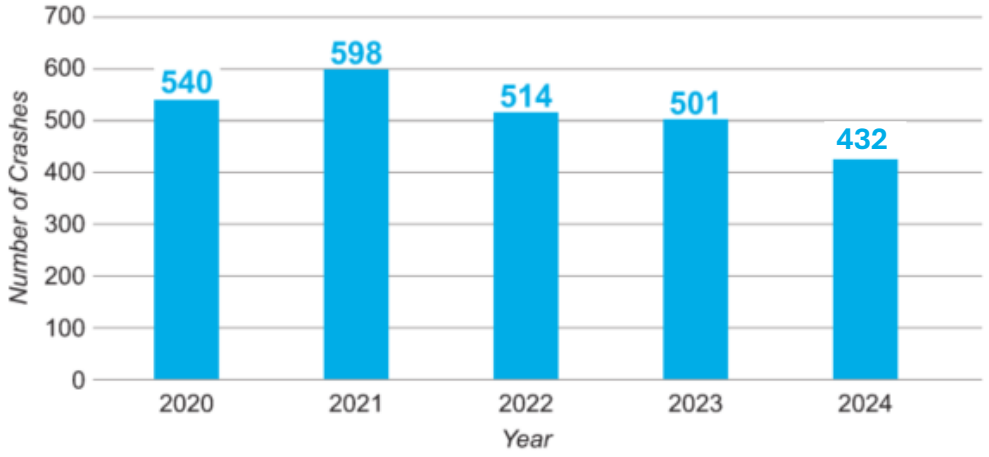
Speed-Related
464

Roadway Departure
409

Impaired Driving
166

Red Light Running
135

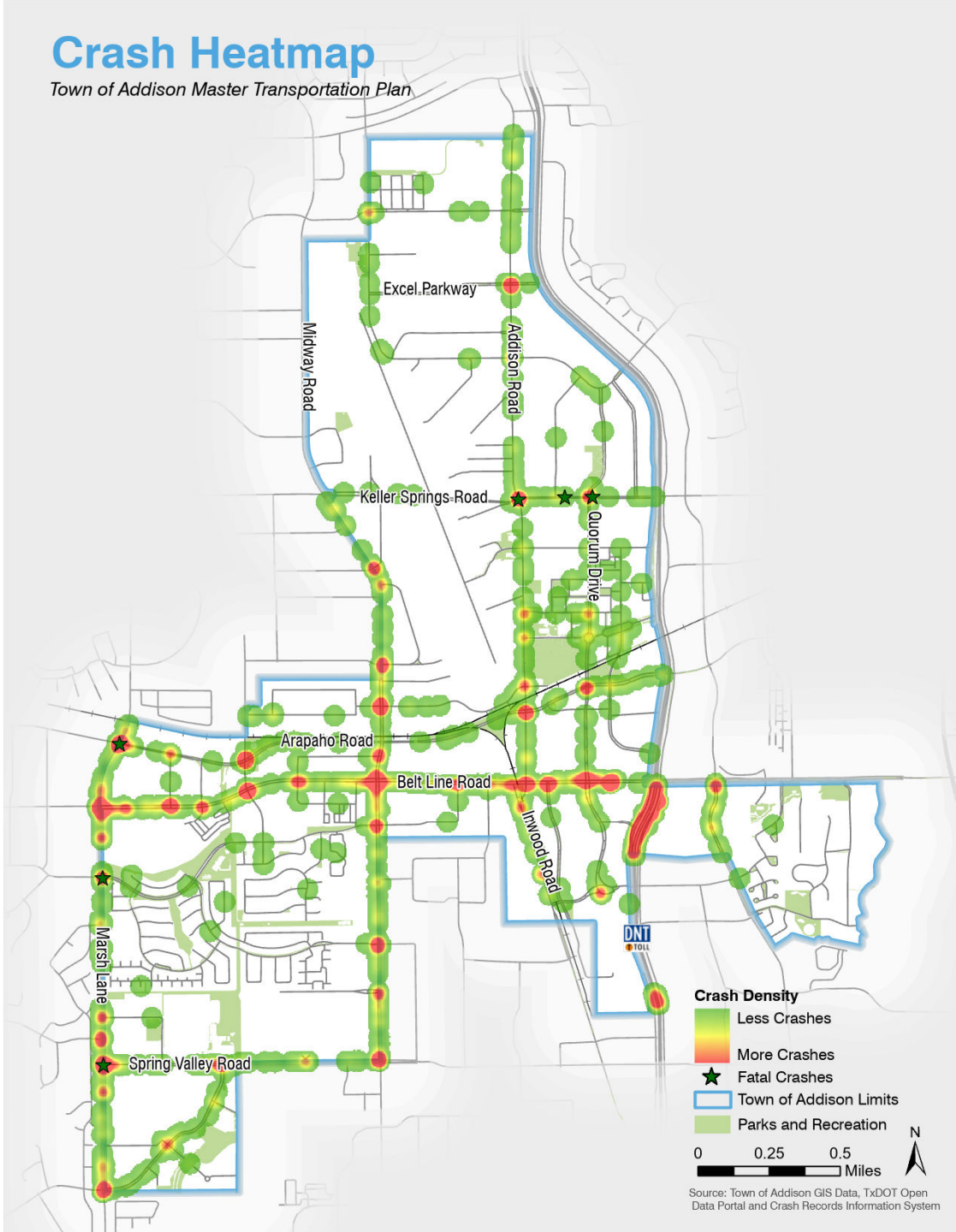
Pedestrian or Cyclist Involved
43



Data reported from the Texas Department of Transportation's Crash Records Information System (CRIS), by calendar year.

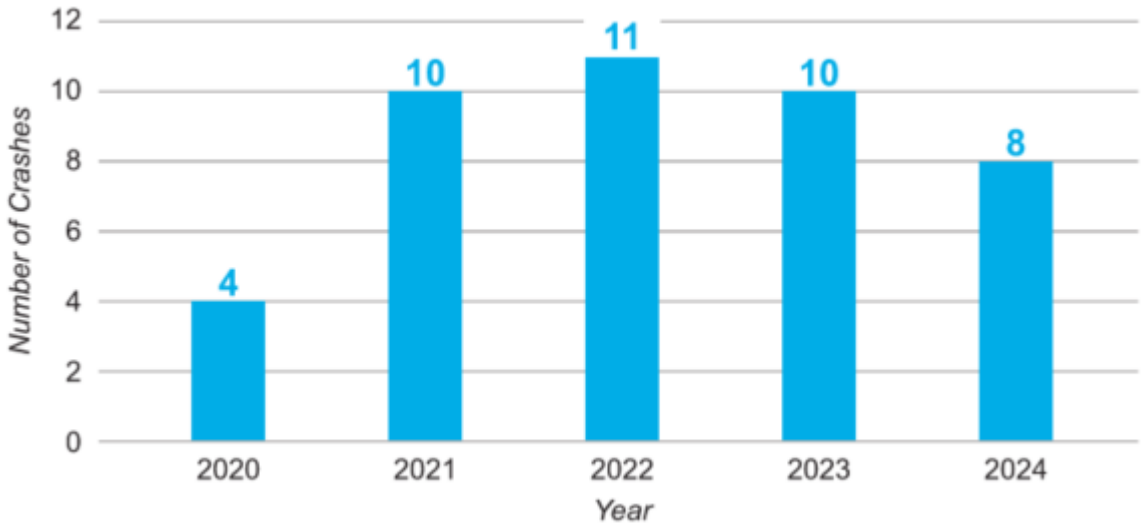
Crash Heatmap

Town of Addison Master Transportation Plan



Protecting People on Foot

43 **43 crashes** involving pedestrians or cyclists were reported from 2020–2024.

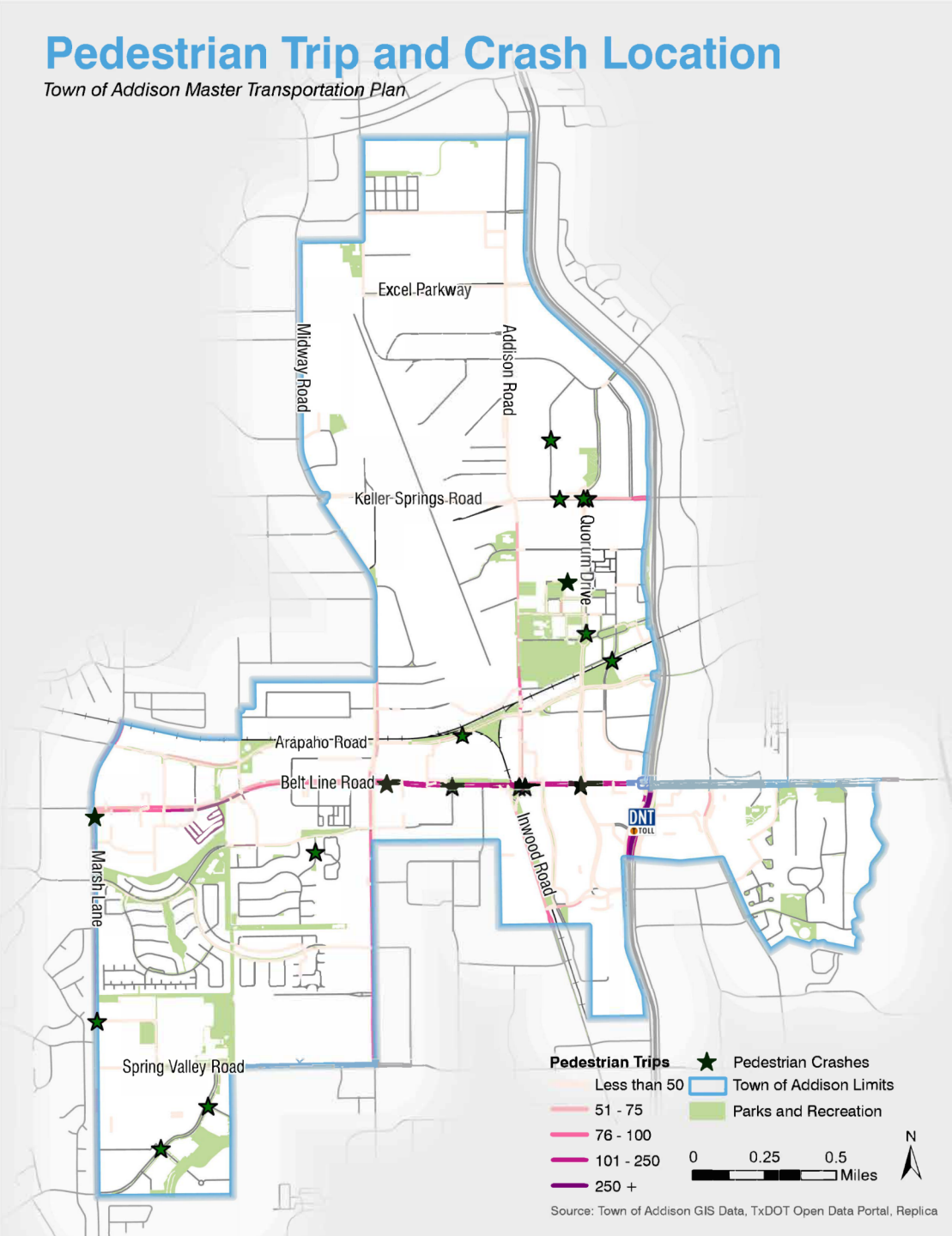


0 **No pedestrian or bicycle fatalities** occurred in 2024, and total pedestrian/bike crashes are trending down.

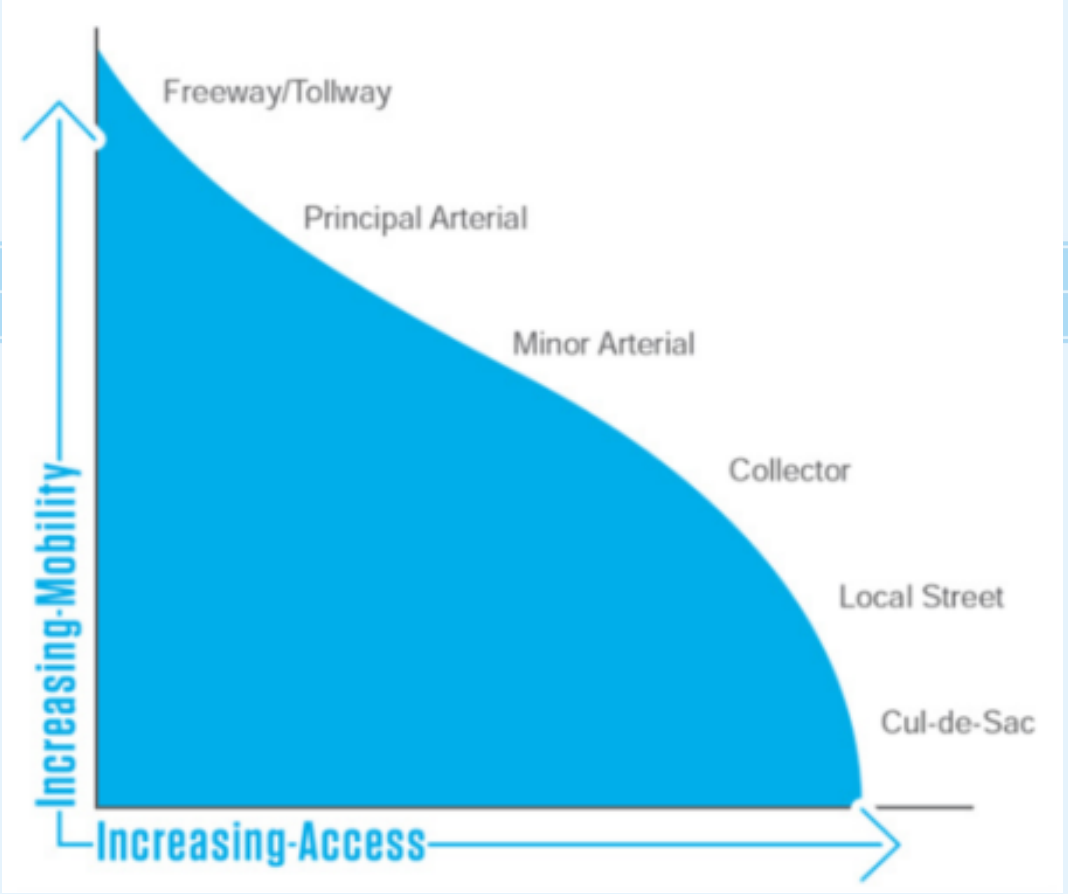
Data reported from the Texas Department of Transportation's Crash Records Information System (CRIS), by calendar year.

Pedestrian Trip and Crash Location

Town of Addison Master Transportation Plan



Typical Cross Sections



1

Principal Arterial

High-capacity corridors facilitating regional traffic flow.

2

Minor Arterial

Roadways connecting neighborhoods and commercial areas.

3

Urban Collector

Streets supporting multimodal travel within walkable centers.

4

Residential Collector

Roads linking local streets to arterials, balancing traffic volumes with multimodal access.

5

Urban Local

Streets in mixed-use, walkable areas with high pedestrian activity.

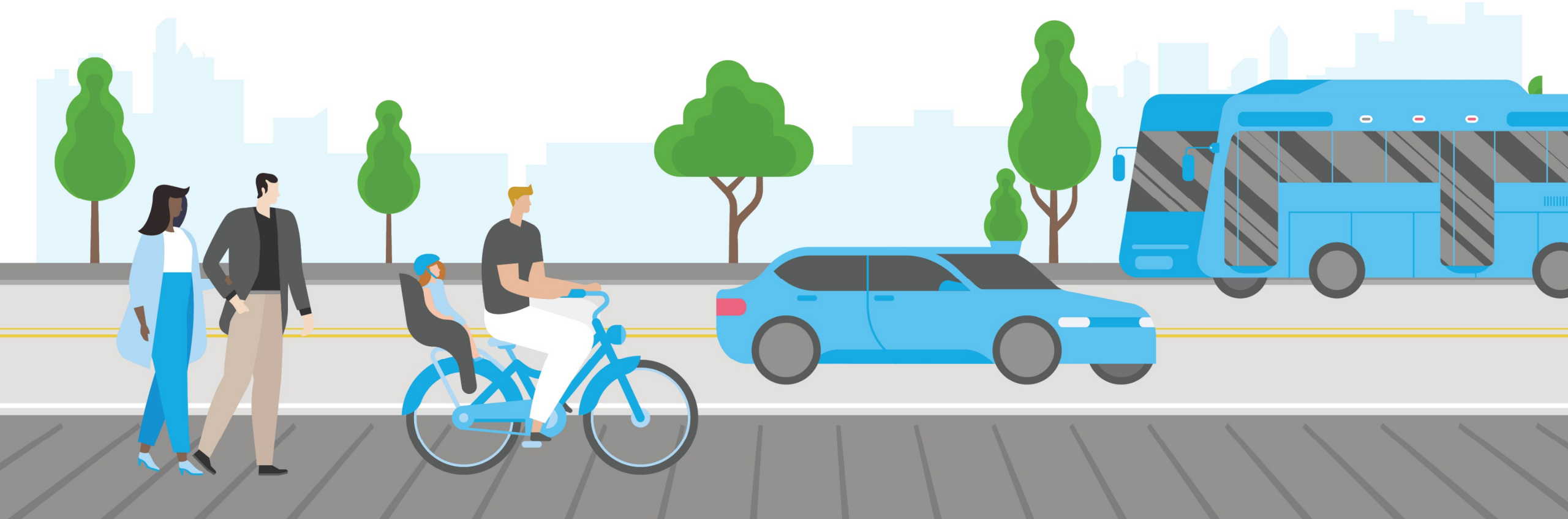
6

Residential Local

Neighborhood streets prioritizing pedestrian comfort and local access.

Goals

- **Increased Flexibility**– Provide adaptable cross-section “envelopes” so staff can deliver cost-effective roadway modernizations tailored to context and available right-of-way.
- **Hold Developers Accountable –** Establish clear, enforceable standards that ensure private projects build their portion of streets to Town specifications.
- **Deliver Addison’s Vision –** Guarantee that all new or reconstructed streets meet the Town’s expectations for walkability, safety, and quality design.



Context Sensitive Approach

- **Key Principles:**
  - **Fit the Place –** Match street design to surrounding land use and context.
  - **Serve All Users –** Provide safe, comfortable options for walking, biking, driving, and transit.
  - **Enhance Character –** Use streetscape, shade, and public space to strengthen Addison's identity.

- **In Practice for Addison:**
  - Wide sidewalks and shade trees in mixed-use areas like Addison Circle.
  - Narrower lanes and traffic calming in residential neighborhoods.
  - Streetscape upgrades in Urban Village redevelopment zones.

What are Flexible Cross Sections?

- **Key Principles:**
  - **Adapt to Context** – Allocate space differently in urban centers and residential streets.
  - **Right-Size Roadways** – Align lane widths and counts with actual traffic demand, allowing room for sidewalks, bike facilities, or landscaping.
  - **Streamline Delivery** – Simplify coordination with developers and reduce redesign costs for Town projects.

- **Benefits for Addison:**
  - **Cost-Effective Modernizations** – Staff can implement large-scale roadway updates without excessive right-of-way acquisition.
  - **Consistent Quality** – Ensure all roadway segments are designed to Addison's standards, by evaluating each project individually to meet both community priorities and regional mobility needs.

PRINCIPAL ARTERIAL

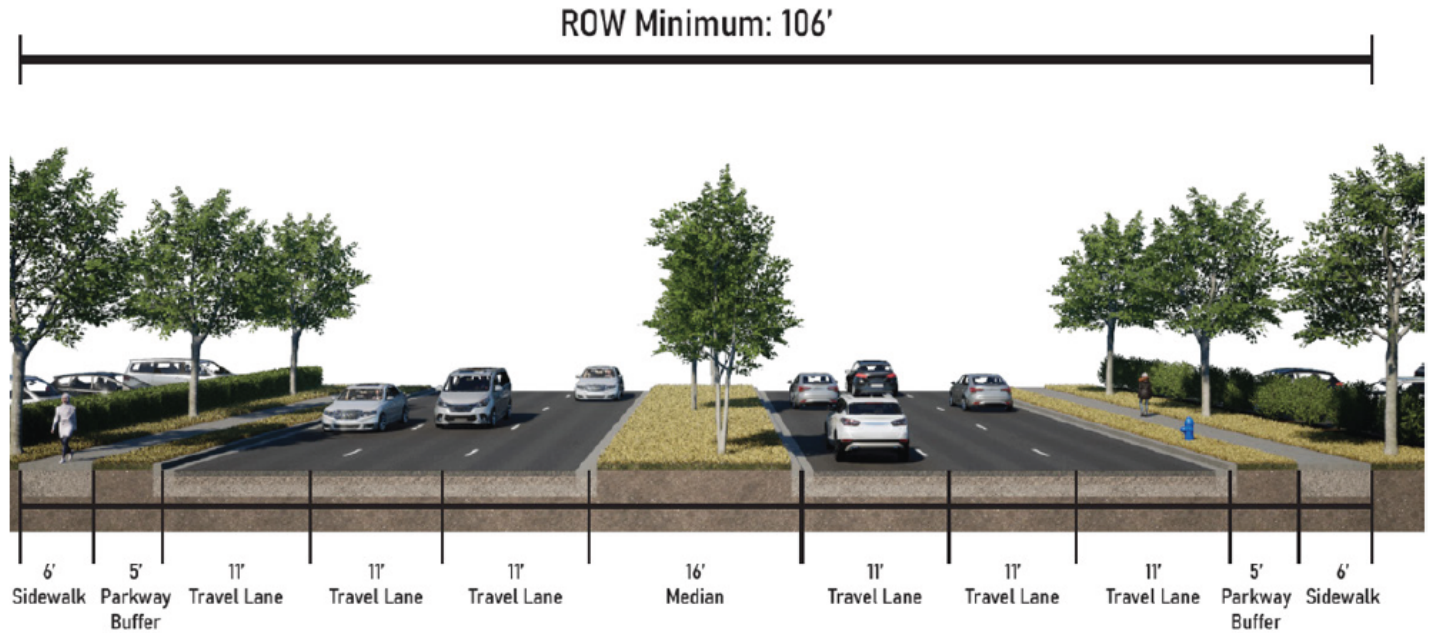
Description: Principal Arterials are the highest-capacity streets in the city network, connecting major destinations and carrying significant volumes of commuter, freight, and transit traffic. These corridors must balance efficient movement with safety and multimodal access, providing a durable, future-ready streetscape framework.

Implementation Note: Principal Arterials should support regional mobility and be designed to safely accommodate the highest volumes of all travel modes. Transit lanes and enhanced bus stop zones can be considered on high-frequency corridors. Bicycle facilities, if present, should be separated and physically protected where feasible, with wide shared-use paths as a preferred alternative in constrained corridors. Median treatments should balance turning movements with safety and may be landscaped to improve corridor identity. Access management and signal coordination should be used to ensure smooth and safe traffic flow.

TABLE 2. PRINCIPAL ARTERIAL COMPONENTS

CATEGORY	COMPONENT	RANGE
Width	Right-of-Way Minimum	106 ft
	Right-of-Way Maximum	130 ft
	Pavement Width	72–90 ft
Streetscape	Sidewalk	6–10 ft
	Parkway Buffer	3–10 ft
	Curb & Gutter	1.5–2 ft
Travelway	Number of Lanes	4–6
	Lane Widths	10–12 ft
	Median Width	15 –20 ft (5ft if adjacent to turn lane)
General	Design Speed	40–45 mph
	Design Service Volumes	30,000–45,000+ vpd

FIGURE 11. PRINCIPALARTERIALCOMPONENTS



RESIDENTIAL COLLECTOR

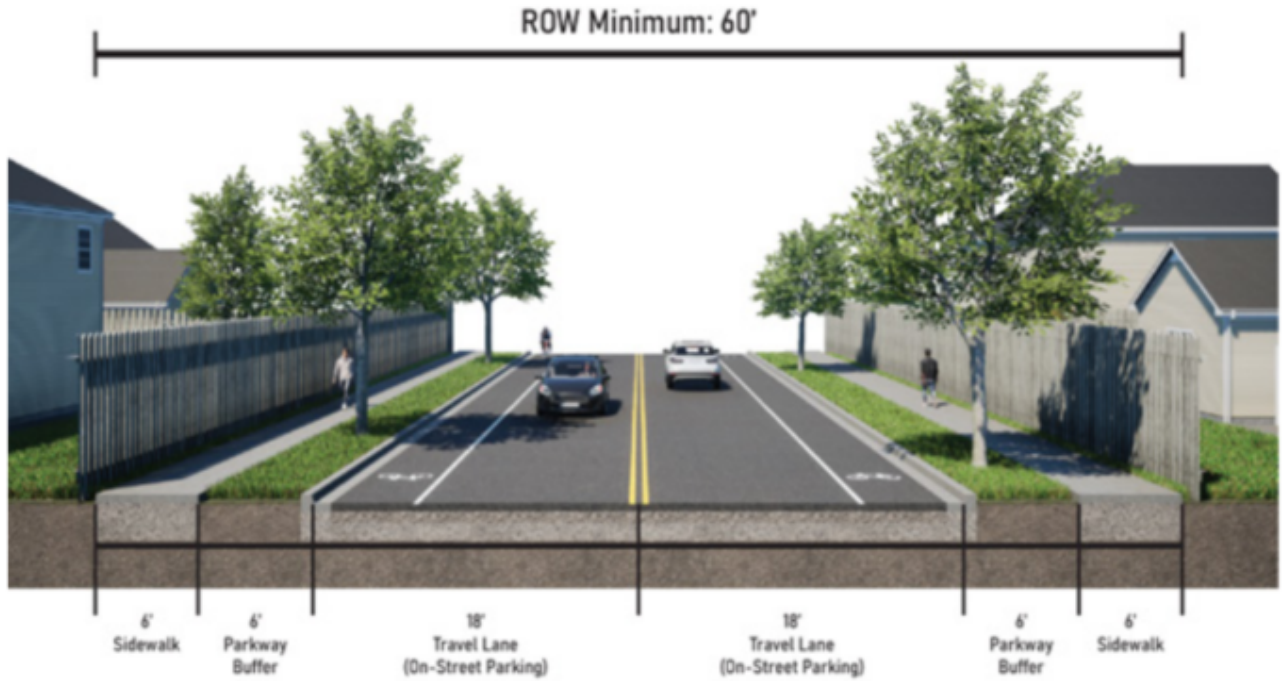
Description: Residential Collectors connect local streets to arterials and are designed to balance low to moderate traffic volumes with multimodal access. They serve key community destinations and can provide space for bicycle facilities and traffic calming elements like medians or crossing islands.

Implementation Note: Final cross-section design will be determined during project development through a context-sensitive approach. However, ROW dedication should follow the maximum width to ensure the City's long-term transportation vision can be realized. For Residential Collector streets: Bike lanes may be used instead of parking lanes where appropriate. These trade-offs should be determined through a public engagement process. Parking lanes may be removed at key intersections to accommodate a dedicated turn lane for improved access to major roadways.

TABLE 5. RESIDENTIAL COLLECTOR COMPONENTS

CATEGORY	COMPONENT	RANGE
Width	Right-of-Way Minimum	60 ft
	Right-of-Way Maximum	80 ft
	Pavement Width	36–44 ft
Streetscape	Sidewalk	5–6 ft
	Parkway Buffer	3–6 ft
	Curb & Gutter	1.5–2 ft
Travelway	Number of Lanes	2–3
	Lane Widths	10–11 ft
General	Design Speed	25–30 mph
	Design Service Volumes	5,000–10,000 vpd

FIGURE 14. RESIDENTIAL COLLECTOR COMPONENTS



URBAN LOCAL

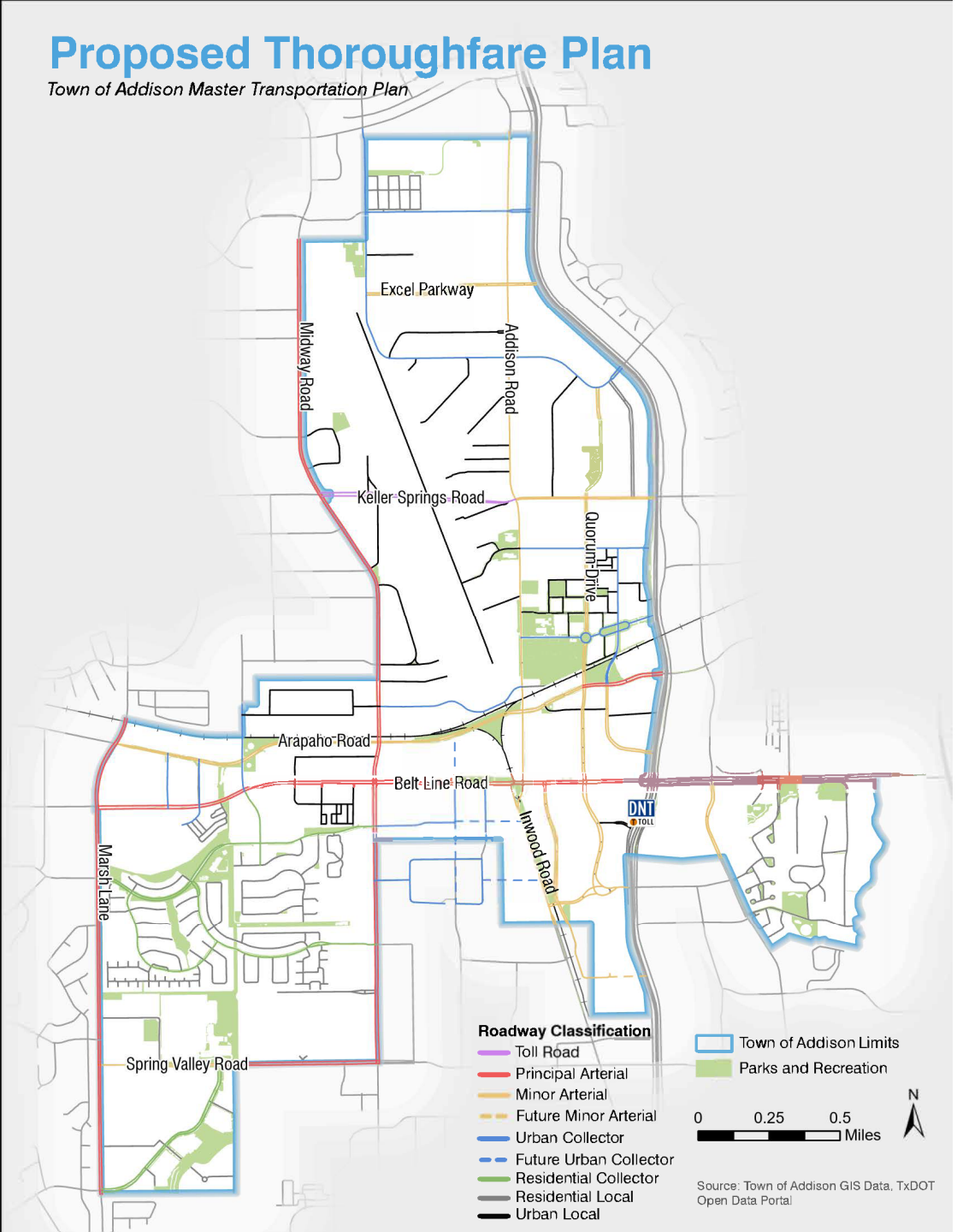
Description: Urban Local streets are intended for mixed-use and walkable areas with higher pedestrian activity than Residential Local streets. These streets prioritize wide sidewalks, parkway space can be replaced with furnishing zones, and the roadway should provide parking on both sides of the street to support adjacent land uses and ground-floor activity.

Implementation Note: Urban Local streets should integrate active design elements that reflect high levels of pedestrian activity and mixed-use development. Parking on both sides should be maintained where feasible but may transition to bike lanes, loading zones, or expanded pedestrian areas. Pedestrian-friendly tools such as bulb-outs, midblock crossings, and raised intersections should be heavily considered to enhance safety and access near ground-floor activity.

TABLE 6. URBAN LOCAL COMPONENTS

CATEGORY	COMPONENT	RANGE
Width	Right-of-Way Minimum	60 ft
	Right-of-Way Maximum	70 ft
	Pavement Width	36–40 ft
Streetscape	Sidewalk	6–12 ft (enhanced)
	Parkway Buffer	Minimal or replaced by furnishings
	Furnishing Zone	4–8 ft
	Curb & Gutter	1.5–2 ft
Travelway	Number of Lanes	2
	Lane Widths	10–11 ft
General	Design Speed	25 mph
	Design Service Volumes	<5,000 vpd

FIGURE 15. URBAN LOCAL COMPONENTS



Thoroughfare Plan:

What is it? A plan for Addison's major streets. It designates classifications and cross-sections..

- **New Classifications –** Introduces Urban Local and Urban Collector to better match walkable, mixed-use areas.
- **Development Standards –** Ensures developers construct their share to Town specifications, including right-of-way dedications.
- **Future Segments –** Identifies key new connections to improve circulation and support redevelopment.

Future Roadway Segments

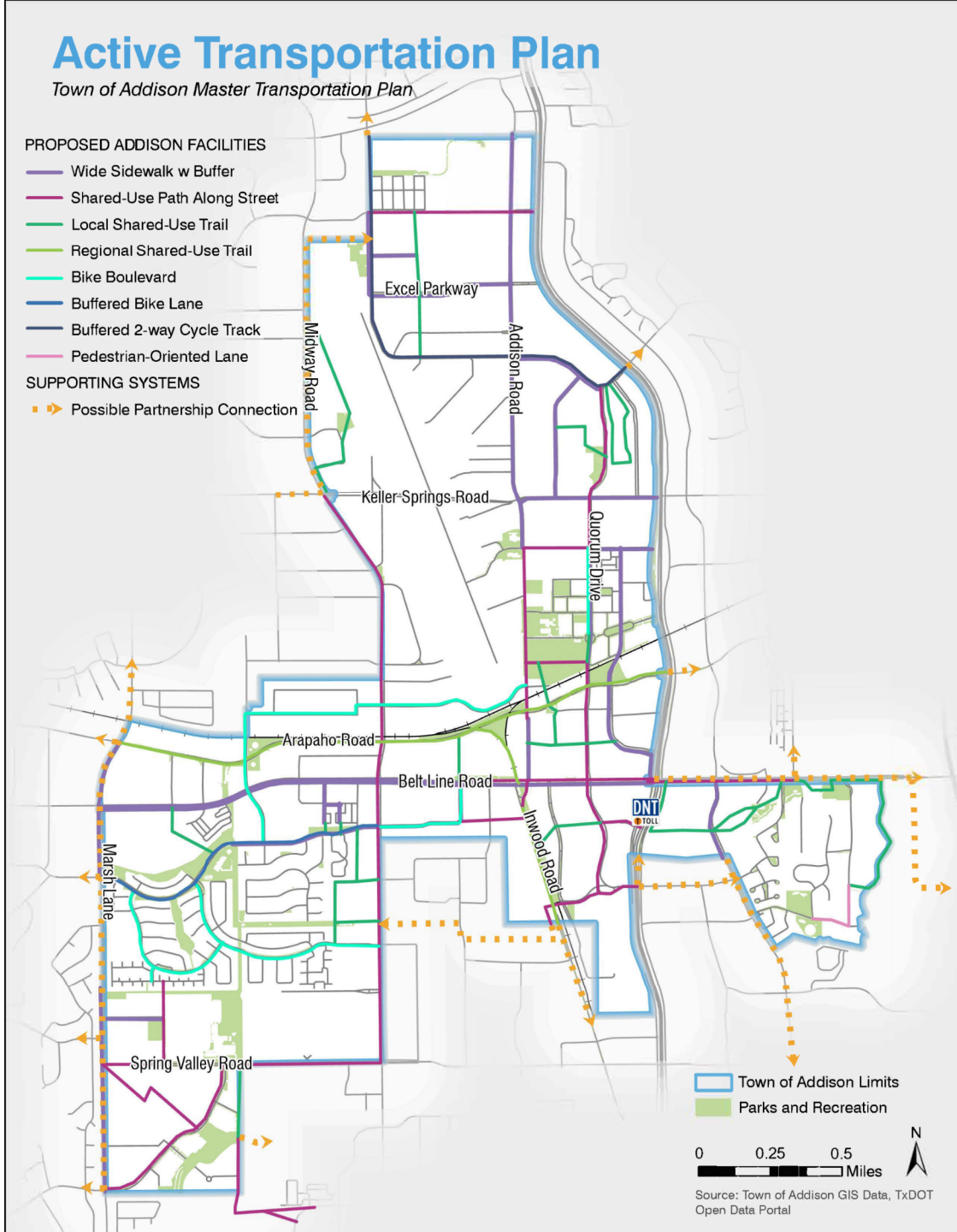
Improvement Location	Project Limits	Recommendation	Status
Alpha Rd/Bella Ln*	Near Vitruvian	Connection completed	Complete
Beltway Drive – East–West Segment*	Current terminus to Inwood Road	Consider future extension in coordination with redevelopment opportunities; follow Inwood Enhancement Zone study	Planned
Landmark Boulevard*	Extend to DNT	Project infeasible under current conditions	Planned
Beltway Drive – North–South Segment*	Arapaho Road to Belt Line Road and current north–south terminus to South Town Limit	Consider future extension in coordination with redevelopment opportunities; follow Inwood Enhancement Zone study	Planned
Beltwood Parkway*	Extend to Inwood Rd	Consider with future redevelopment; align with Inwood Enhancement Zone	Planned

Future Roadway Modifications

Improvement Location	Project Limits	Recommendation	Status
Midway Road	Spring Valley Rd to Keller Springs Rd	Roadway modernization including side path, utilities, ADA-compliance, and modern lighting	Complete
Keller Springs Road	Addison to Dallas North Tollway	Enhanced sidewalks and pedestrian improvements along the corridor	Under Construction
Montfort Drive*	Belt Line Rd to Celestial Road	Add pedestrian enhancements along the street; potential installation of a new traffic signal with pedestrian crossing at one of the drives at Village on the Parkway	Design Phase
Quorum Drive*	DNT to DART ROW	Maintain planned upgrades for drainage, bicycle, and pedestrian enhancements	Design Phase
Airport Parkway	Addison to Dallas North Tollway	Roadway modernization including enhanced sidewalk, utilities, traffic signals ADA-compliance, and modern lighting	Design Phase
Addison/Inwood Road*	Keller Springs Rd to South Town Limit	Widen to 4D in the remaining locations as right-of-way becomes available	Planned
Addison Road	North Town Limit to Keller Springs Rd	Reduce from 4-lane undivided to 3-lane to accommodate side path; aligns with Trails Master Plan	Planned
Marsh Lane	North Town Limit to South Town Limit	Roadway modernization including side path, utilities, ADA-compliance, and modern lighting	Planned
Arapaho Road*	Quorum to Dallas North Tollway	Widen to 6D in the remaining locations as right-of-way becomes available	Planned
Quorum & Westgrove Intersection*	Westgrove to Dallas North Tollway	Reconfigure the intersection when the adjacent property develops so that Quorum is the through movement at Westgrove	Planned

Active Transportation Plan

- Incorporates the adopted 2021 Citywide Trails Master Plan.
- Updates with recent bicycle and trail projects such as Midway Shared-Use Path and Vitruvian connections.
- Provides a long-range vision for a connected walking and biking network along Addison roadways.
- Not all projects are immediate priorities—priority projects are outlined in the report.



Active Transportation Priority Projects

Improvement Location	Project Limits	Recommendation	Status
Crossing Improvements	Citywide	Provide safe crossings in frequent intervals on all thoroughfares.	Ongoing
Bicycle Parking	Citywide	Install bicycle parking in high-traffic areas	Ongoing
Quorum Drive	DART to Westgrove	Two-way cycle track from DART Station to Belt Line, a bike boulevard from Airport Parkway to DART Station, and a shared-use path from Airport Parkway to Westgrove.	Under Consideration
Westgrove Drive	Quorum to Trinity Mills	Buffered cycle track; connect to Quorum facilities	Under Consideration
Tollway Crossing	Belt Line	Continue coordination with NTTA & City of Dallas for potential pedestrian/bike sidepath.	Planned
Belt Line Road	Beltway to Winnwood Park	Buffered shared-use path & crossings	Planned
Inwood "Rail Trail"	South Town Limit to Belt Line	Add sidepath; extend to Surveyor	Planned
Spring Valley Road	Bush Elementary to Midway	Shared-use path via Silver Line Trail coordination	Planned
Micro-Mobility Options	Citywide	Implement and regulate micro-mobility options, such as bike-share and scooter-share programs	Planned
Addison Road	Belt Line to North Town Limit	Buffered path + 3-lane cross-section	Further Study Needed

Pedestrian Toolbox

PHB

Shared-Use Path

Marked Crosswalk

Curb Ramps

RRFB

Sidewalk

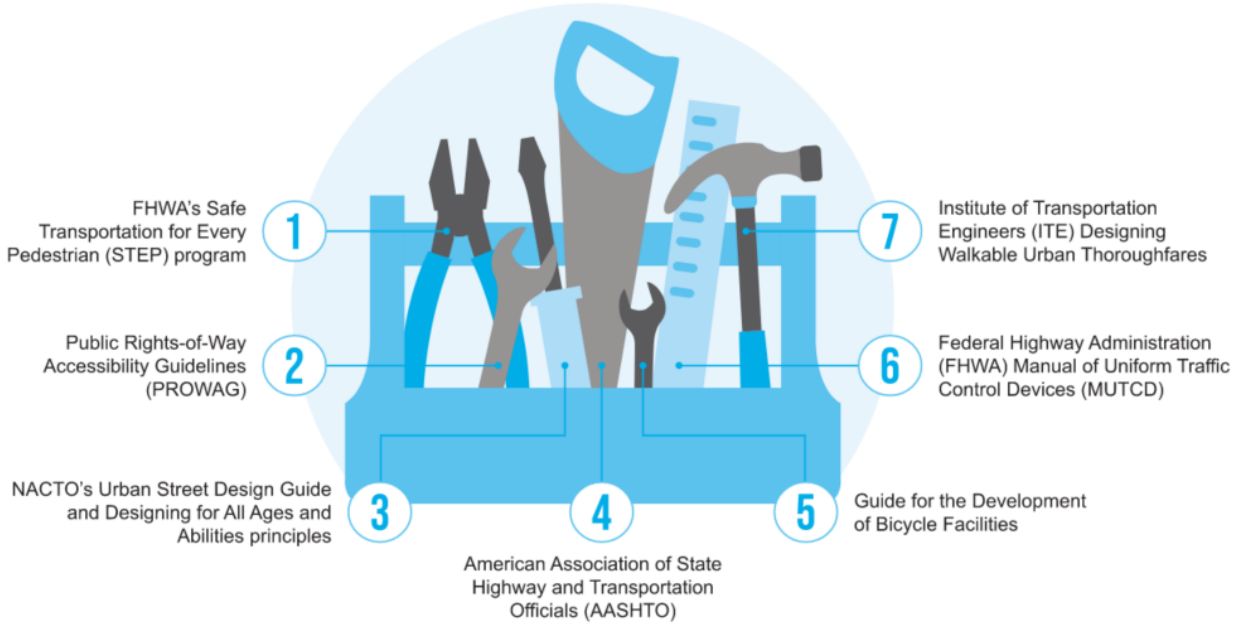
Crossing Islands

LPI

Improved Slip Lanes

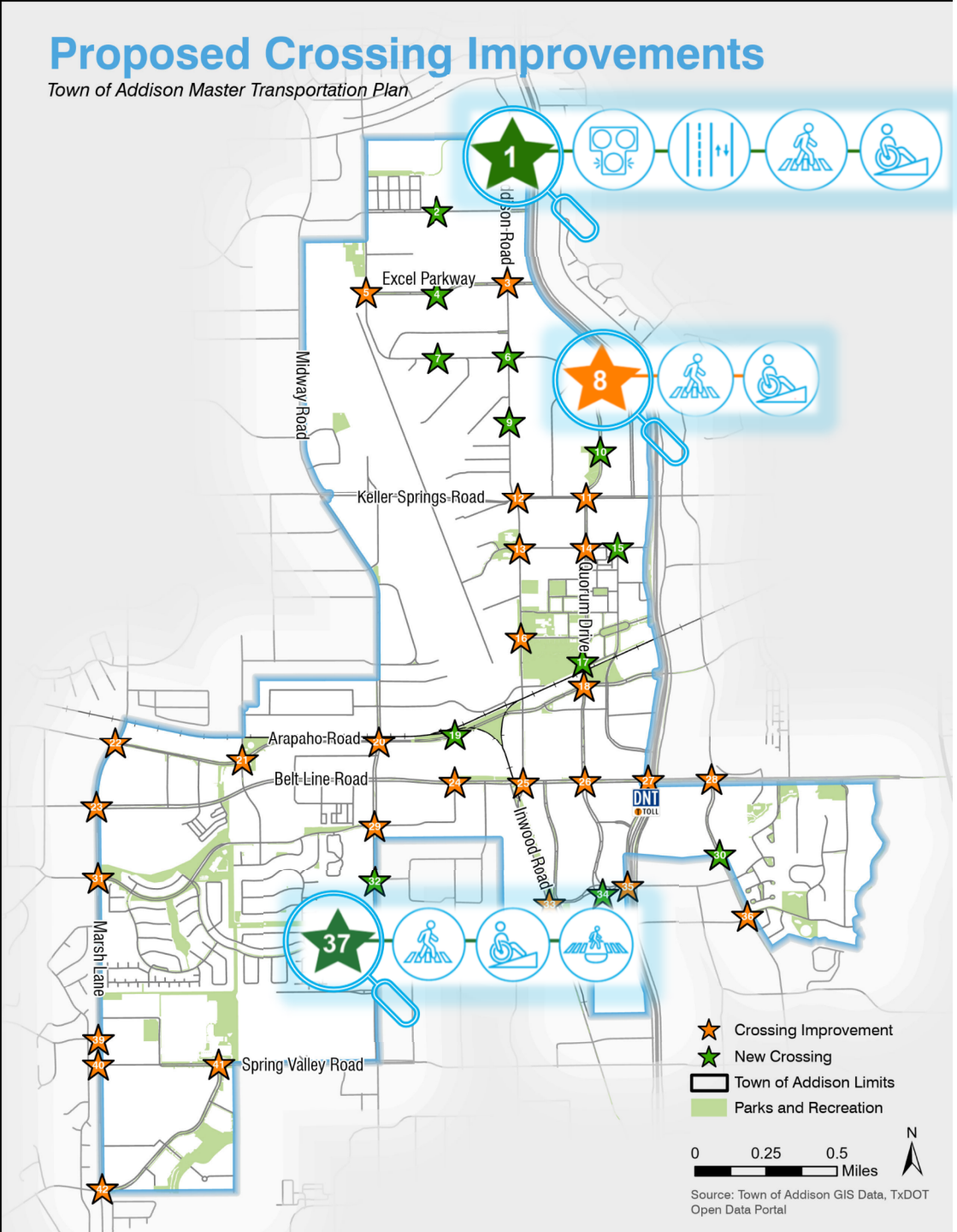
Pedestrian Countdown

Curb Extensions

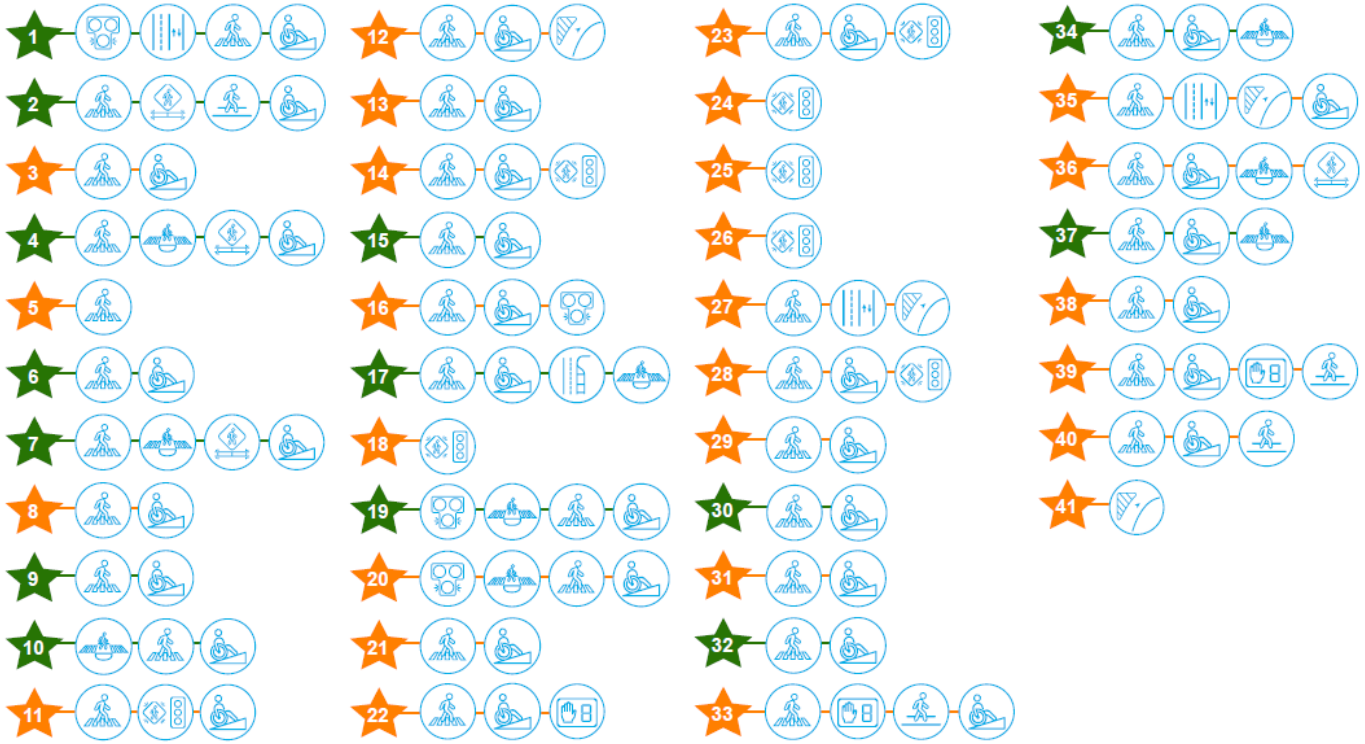


Proposed Crossing Improvements

Town of Addison Master Transportation Plan



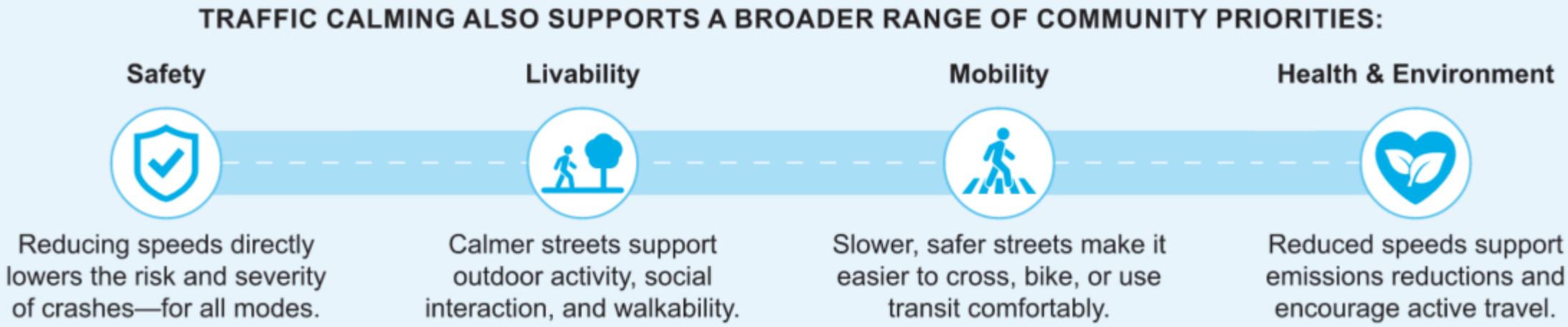
Crossing Improvements



Note: For all Crossing Improvement locations, the listed pedestrian toolbox applications are based on initial analysis and should be evaluated further. Each location should undergo site-specific study using the **Crossing Guidelines** outlined in this report to confirm or refine the proposed treatments.

Traffic Calming Toolbox

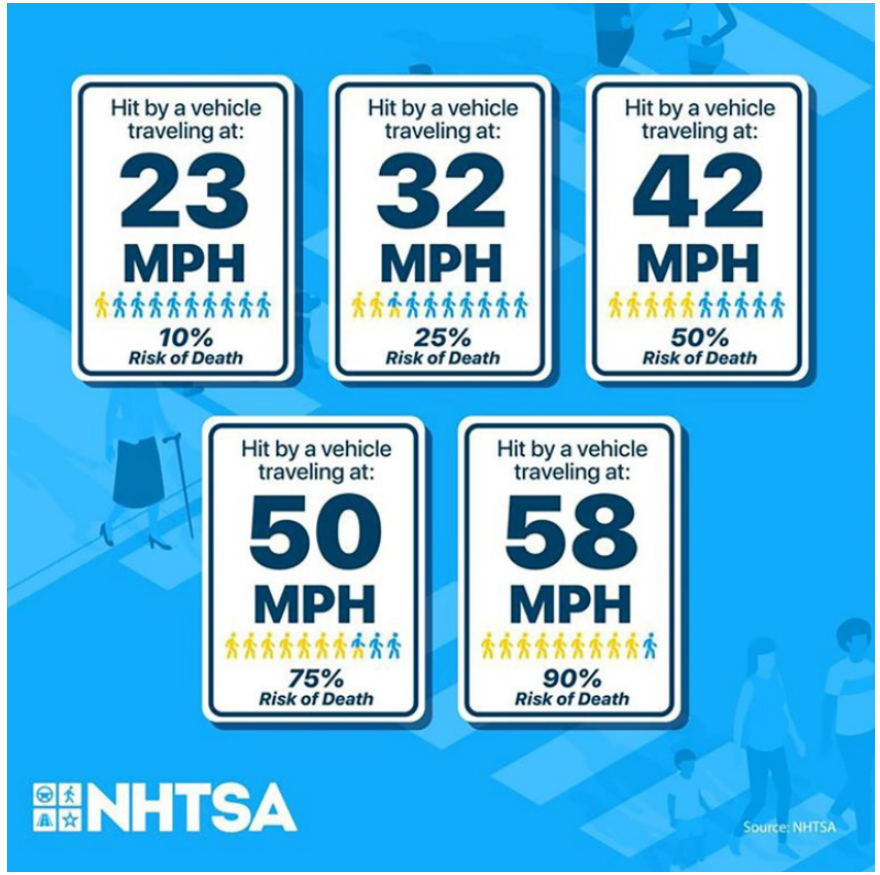
- **Purpose:** Reduce vehicle speeds, improve safety, and enhance comfort for people walking, biking, and driving.
- **Four Categories of Tools:**
  - Speed Management – Raised intersections and radar speed signs.
  - Roadway Delineation Tools – Pavement markings and dividers & medians.
  - Intersection Tools – Roundabouts, curb extensions, in-street crosswalk signs, pedestrian refuge islands, and corner radii's.
  - Community Enhancement Tools – Textured pavement, Street trees & landscaping, and gateway treatments.



Speed Limit Evaluations

- **Legal Framework** – New TMUTCD guidance allows speed limits to consider land use, safety, and engineering judgment—not just the 85th percentile; cities have authority to adjust local/collector speeds.
- **Data-Driven Evaluation** – INRIX speed data used to identify corridors where posted limits don't align with actual driver behavior.
- **Key Findings** – Recommended speed limit reductions on multiple roadways in Addison.

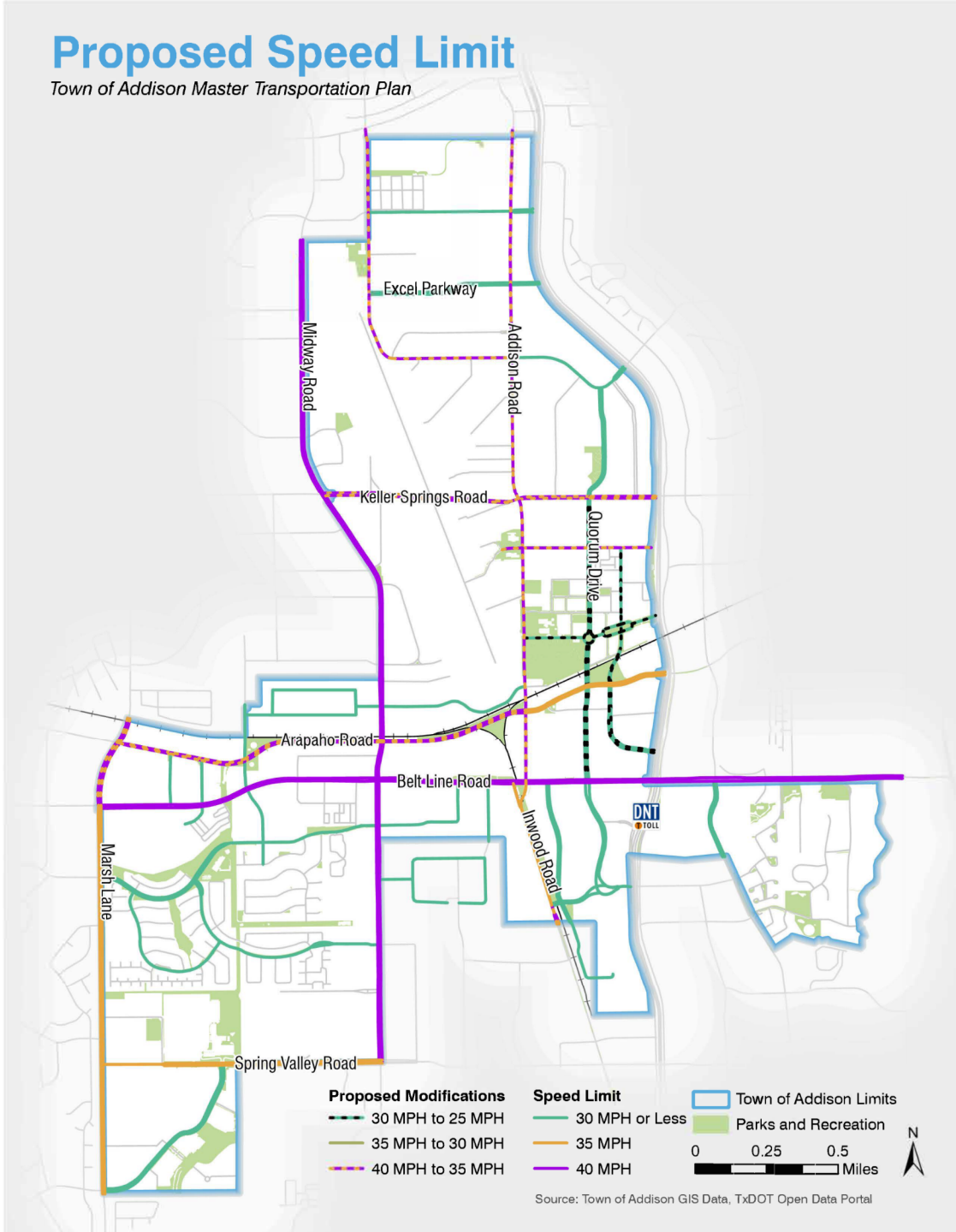
ROADWAY NAME	85TH PERCENTILE SPEED (TIME-BASED)	POSTED SPEED LIMIT
EB Westgrove Drive	37 mph	40 mph
WB Westgrove Drive	37 mph	40 mph
NB Quorum Drive	29 mph	30 mph
SB Quorum Drive	28 mph	30 mph
EB Arapaho Road	41 mph	40 mph
WB Arapaho Road	39 mph	40 mph
SB Addison Road	36 mph	40 mph
NB Addison Road	36 mph	40 mph



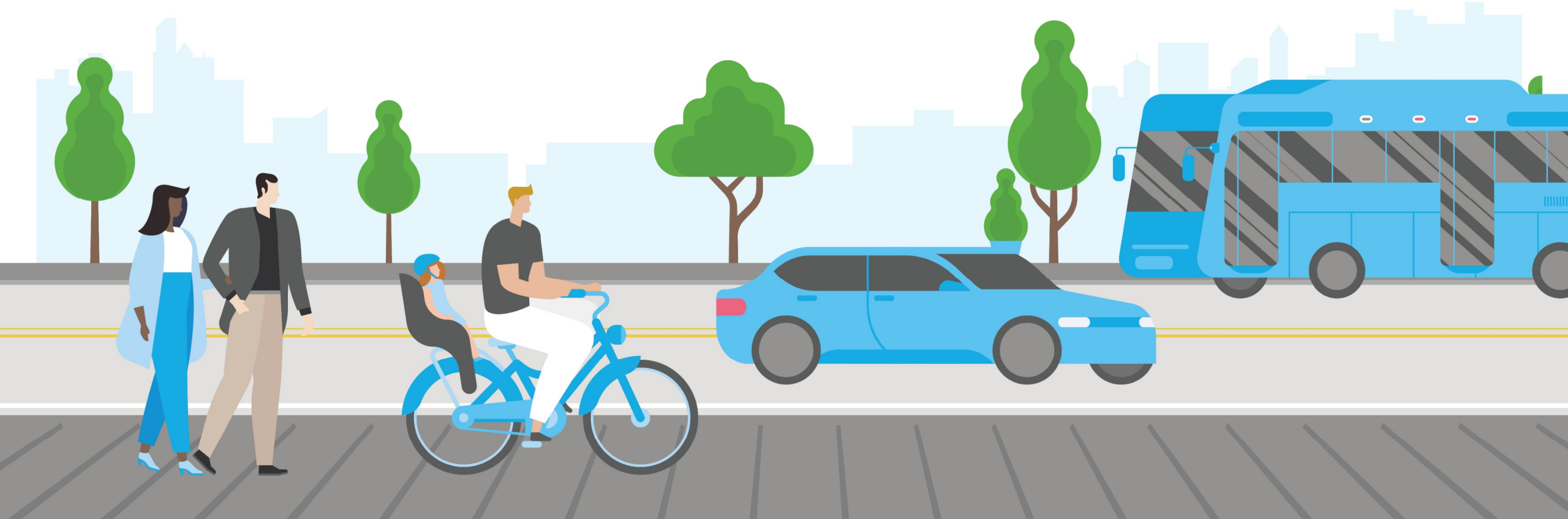
Speed Limit Recommendations

Roadway	Project Limits	Existing Speed Limit	Proposed Speed Limit
Westgrove Drive	Northern Limits to Addison Road	40 MPH	35 MPH
Addison Road	Northern Limits to Belt Line Road	40 MPH	35 MPH
Keller Springs Road	Midway Road to DNT	40 MPH	35 MPH
Airport Parkway	Addison Road to DNT	40 MPH	35 MPH
Arapaho Road	Marsh lane to Addison Road	40 MPH	35 MPH
Quorum Drive	Keller Springs Road to Belt Line Road	30 MPH	25 MPH
Spectrum Drive	Airport Parkway to DNT	30 MPH	25 MPH
Addison Circle	Addison Road to DNT	30 MPH	25 MPH

Note: Proposed speed limit reductions reflect safety data, roadway configurations, land use context, and TxMUTCD guidance, with changes reinforced by traffic calming design tools or enforcement.



Questions?



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TOWN OF ADDISON

MASTER TRANSPORTATION PLAN

DRAFT – SEPTEMBER 2025

PREPARED FOR:

ADDISON®

MASTER TRANSPORTATION PLAN

PREPARED BY:

Kimley»Horn

ACKNOWLEDGMENTS

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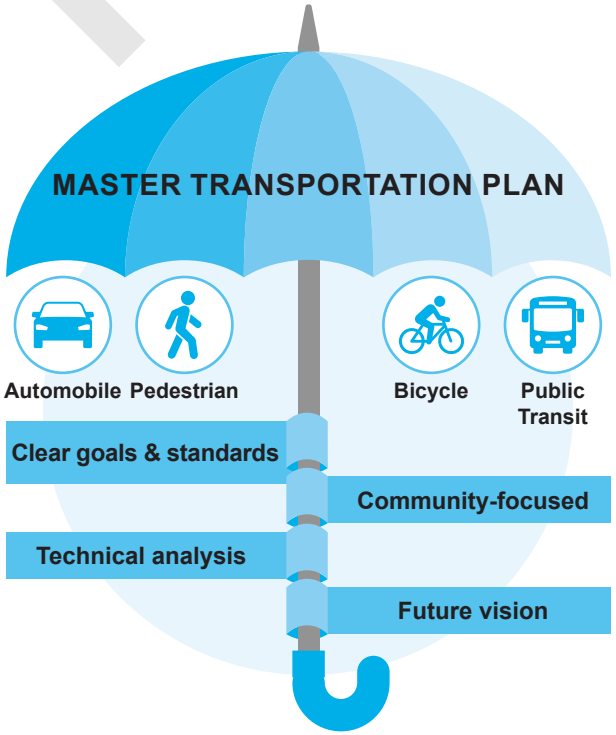
CHAPTER 1:

INTRODUCTION & PROJECT OVERVIEW

The Town of Addison is undertaking a comprehensive update of its Master Transportation Plan in 2025 as an evolution of the 2016 plan. This updated Master Transportation Plan (MTP) will serve as the guiding document for all major transportation-related improvements within Addison, addressing all travel modes—automobile, pedestrian, bicycle, and public transit—and establishing clear goals and standards for each. The plan is crafted to be accessible and community-focused, meaning it is written in plain language for residents and stakeholders to understand, while still incorporating the necessary technical analysis and standards that engineers and planners require. In essence, the MTP provides a long-range blueprint for mobility in Addison that aligns with the town's broader vision for the future. This chapter outlines the purpose of the plan, the process by which it is being developed, the timeline of related planning efforts, and the guiding principles shaping its recommendations.



MOVING FORWARD WITH ADVANCE ADDISON 2050

Addison's transportation planning does not occur in a vacuum—it is closely tied to the Town's land use planning and community goals. In fact, the MTP update is being coordinated with the Advance Addison 2050 Comprehensive Plan, a visionary policy document guiding land use, transportation, and community facilities through the year 2050.

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The comprehensive plan was developed with extensive public input from October 2023 through April 2025, reflecting the community's aspirations for Addison's future. By updating the transportation plan in concert with this new comprehensive plan, Addison ensures that transportation policies and investments support the Town's desired development character, quality of life, and economic vitality. Ultimately, the Master Transportation Plan's project overview can be summarized as follows: it is a strategic yet user-friendly roadmap for improving how people move in and around Addison, tailored to community needs and bolstered by technical best practices.

PURPOSE OF THE PLAN

The primary purpose of the 2025 Master Transportation Plan is to establish a cohesive long-term vision and actionable strategy for Addison's transportation system. The plan updates and replaces the previous 2016 MTP, responding to new developments and opportunities that have emerged in the past decade.

The guiding principles of this Master Transportation Plan reflect the community values and mobility priorities outlined in the Advance Addison 2050 Plan. These principles ensure that transportation policies and projects align with Addison's broader goals of putting people first, enhancing quality of life, and supporting sustainable growth.

The key guiding principles include:

People First: Addison prioritizes its people—residents and visitors—over their automobiles in every decision; accordingly, this plan emphasizes pedestrian-friendly design, safety, and human-centered mobility choices across the network.

Aesthetics Matter: The Town is committed to high-quality design and materials in the built environment. The MTP upholds this by promoting streetscape enhancements and comfortable, attractive infrastructure that make walking, biking, and transit pleasant experiences.

Leadership & Innovation: Addison has a legacy of innovative leadership and intends to lead in the future of mobility. The plan embraces forward-thinking solutions—from adopting new transit technologies to creative street designs—to keep Addison on the cutting edge of transportation planning.

High Quality of Life: Providing the "highest quality of life in North Texas" is a core principle for Addison. Thus, this plan seeks to improve everyday mobility for all ages and abilities, ensuring convenient access to jobs, services, parks, and entertainment through a variety of transportation options.

Economic Prosperity: Easy access to local employers, retail, and entertainment is critical to Addison's fiscal health and vibrancy. Guided by this principle, the MTP prioritizes investments that connect key commercial centers and employment hubs—such as enhancing transit service and filling gaps in the trail and sidewalk network—to support economic growth.

These guiding principles, drawn from the comprehensive plan's vision and decision-making framework, provide a consistent point of reference. They ensure that as we develop transportation projects and policies, we remain focused on people-oriented, well-designed, and future-focused solutions that enhance community well-being and prosperity.

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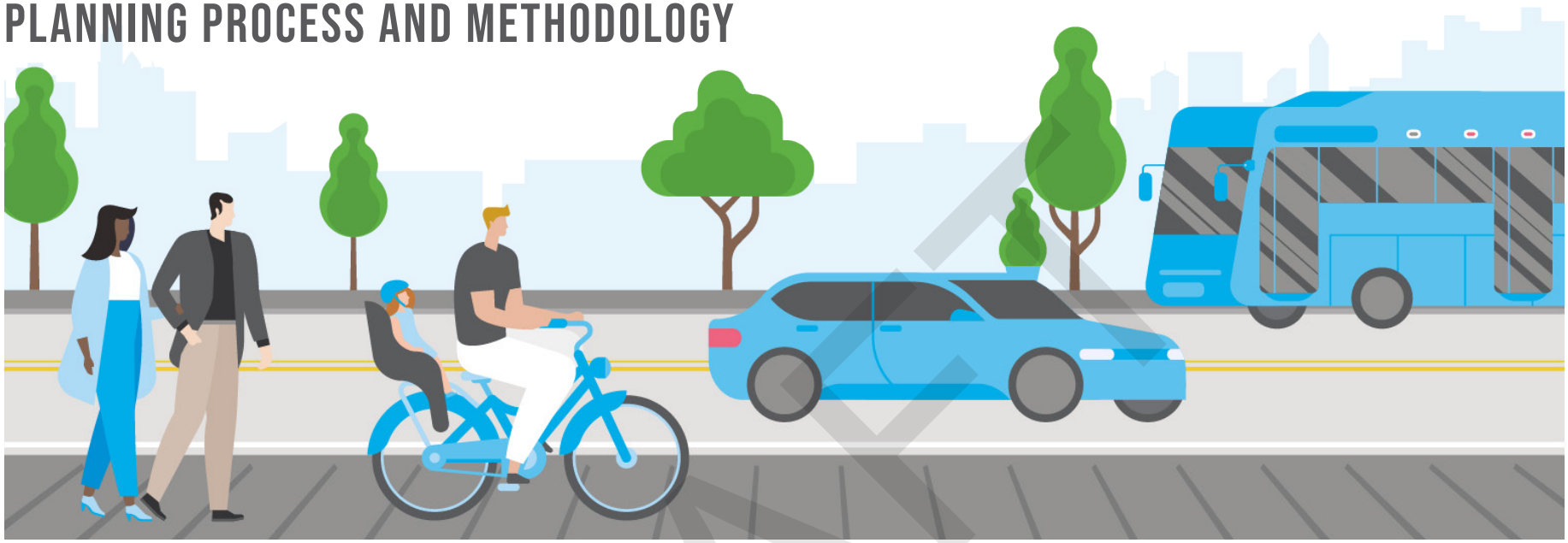
PLANNING PROCESS AND METHODOLOGY



The 2025 Master Transportation Plan (MTP) builds upon the foundation established in Addison's 2016 MTP, carrying forward its commitment to multimodal mobility, safety, and accessibility. While the 2016 plan introduced important strategies for integrating walking, biking, and transit into Addison's transportation network, the 2025 update expands and refines those strategies to reflect current conditions and emerging priorities. This update is also fully aligned with the Advance Addison 2050 Comprehensive Plan, which reinforces the need for more walkable neighborhoods, first- and last-mile transit connections, and a transportation system that serves and accommodates all residents and visitors in Addison.

The MTP guides transportation decisions and investments across all modes—walking, biking, transit, and driving—and ensures those improvements align with Addison's core values: people first, high quality of life, and economic prosperity.

ADDISON'S CORE VALUES

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APPROACH

This plan was shaped by a data-driven and community-focused process that builds on existing plans and advances the 2050 vision. The approach included:

PLAN REVIEW AND INTEGRATION

Reviewed and aligned with the 2016 Master Transportation Plan, 2021 Trails Master Plan, and other local and regional plans to ensure continuity and build on previous investments.

COMMUNITY ENGAGEMENT

Used surveys, open houses, focus groups, and pop-up events to gather input from residents, employers, and community groups. Public feedback helped define priorities and shape plan recommendations.

GUIDANCE FROM ADVANCE ADDISON 2050

Grounded the plan in the town's vision, values, and decision-making principles—especially the goals of walkability, transit accessibility, and fiscal sustainability.

MULTIMODAL NETWORK PLANNING

Evaluated all travel modes and identified opportunities to improve connectivity, safety, and comfort for users of all ages and abilities.

TRANSIT COORDINATION

Focused on first/last mile connections and development strategies surrounding the upcoming DART Silver Line Addison Station.

DATA ANALYSIS

Assessed transportation system performance, crash data, traffic patterns, and land use context to identify needs and test future improvements.

CROSS-DEPARTMENTAL COLLABORATION

Worked with multiple Town departments to ensure the MTP supports broader goals related to economic development, land use, parks, and infrastructure.

Together, these steps produced a practical, community-backed plan that will guide how Addison invests in transportation to support mobility, growth, and quality of life through 2050.

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CHAPTER 2:

COMMUNITY CONTEXT

TOWN OF ADDISON TODAY

Addison is a compact, thriving community in the heart of the Dallas-Fort Worth region, home to about 17,000 residents in just 4.4 square miles. While small in population, Addison plays a big role in regional mobility. It has a daytime population exceeding 120,000, driven by a dense mix of offices, restaurants, retail, and one of the busiest general aviation airports in the country; Addison Airport, which occupies nearly half of the town's land area.

This unique mix of land uses creates complex transportation needs. On one hand, Addison must manage regional-scale traffic and transit, including major arterials like Belt Line Road and the upcoming DART Silver Line station opening in 2025. On the other, it must support neighborhood-scale mobility—safe crossings, well-connected sidewalks, and access to parks and trails—for its residents. Though a small portion of the land area, this neighborhood plays a meaningful role in town life and planning, and its priorities—such as safety, traffic calming, and neighborhood walkability—are central to this plan.

Addison Circle – Neighborhood in Addison

Addison's identity blends a high-energy urban core with a close-knit residential community. Housing in Addison includes a significant share of multifamily units, particularly in walkable neighborhoods like Addison Circle and Vitruvian Park. At the same time, the Town places strong value on maintaining a balanced and diverse residential mix—supporting both urban living and long-established single-family neighborhoods. With vibrant economic activity, a high concentration of restaurants, and regional attractions like Kaboom Town!, Addison's infrastructure must serve both its residents and the thousands of visitors who come to work, dine, or celebrate here.

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ADDISON IS HOME TO

- 17,000 Residents
- Offices
- Retail
- 4.4 Square Miles
- Restaurants
- Addison Airport

Neighborhood in Addison

Offices in Addison

Airport in Addison

WAYFINDING AND MESSAGING MASTER PLAN

The Town of Addison is developing a comprehensive Wayfinding and Gateway Master Plan to create a clear, consistent, and welcoming system of signage that enhances navigation and reinforces Addison's identity. The plan will establish a coordinated family of signs—including vehicular and pedestrian directional signs, gateway monuments, parking identifiers, and trail connections—that guide residents and visitors to key districts, destinations, and community assets. Beyond physical signage, the plan emphasizes themes, design character, and innovative tools to improve the visitor experience and highlight Addison's cultural, recreational, and commercial destinations.

This initiative is occurring in parallel with the Master Transportation Plan (MTP) update, allowing the two efforts to reinforce one another. While the MTP identifies the long-term vision for Addison's streets, active transportation corridors, and multimodal connections, the Wayfinding Plan translates those investments into a user-friendly navigation system that improves access and mobility. Together, the plans ensure that new transportation projects are paired with intuitive wayfinding, making it easier to walk, bike, drive, and explore Addison's network of districts. The result is a coordinated strategy that not only improves mobility but also strengthens Addison's sense of place.

Addison's Wayfinding and Messaging Master Plan Report Cover

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FUTURE LAND USE AND GROWTH PATTERNS

With limited undeveloped land remaining, Addison's future growth will come largely from infill and redevelopment. The Advance Addison 2050 Comprehensive Plan establishes a clear strategy to guide this growth through defined Place Types, and the Spectrum of Change Map, which together identify where and how change is expected.

Commercial sites surrounding major corridors like Inwood Road, the Dallas North Tollway, Belt Line Road, and the Urban Village Place Types are key redevelopment opportunities.

The Town's approach emphasizes preserving stable neighborhoods—particularly the single-family area in Southeast and Southwest Addison—while encouraging redevelopment in aging commercial corridors and underutilized sites. **Areas like Addison Circle, Midway South, Inwood Road, and the Vitruvian Park and Addison Grove developments are key opportunity zones.** These areas are envisioned to evolve into walkable, mixed-use districts with a blend of housing, retail, office, and public space that supports Addison's goals for connectivity and quality of life.

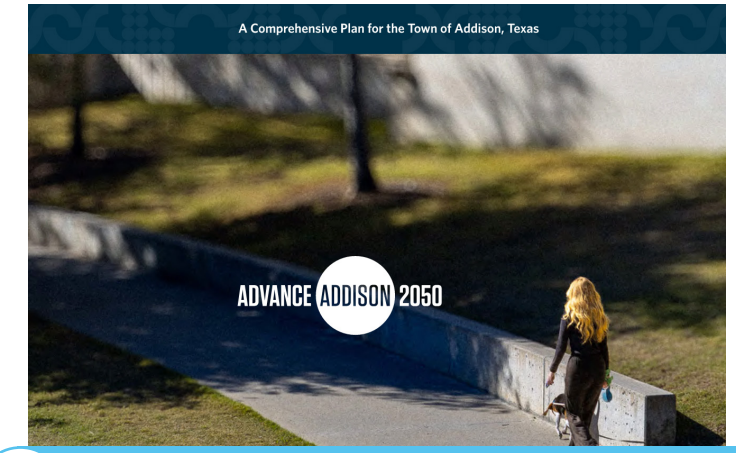
Mixed-use centers—especially near transit—are central to this vision. The area surrounding the DART Silver Line Addison Station is designated as a High-Intensity Urban Center and will be a focus for transit-oriented development. The plan calls for active ground-floor uses, improved pedestrian access, and integration with trails and parks to ensure this node is not just dense, but livable and connected.

Addison also aims to diversify housing options by encouraging fee-simple ownership models such as townhomes and condos, especially in transitional areas. New housing types like Accessory Dwelling Units (ADUs) and triplexes are also supported to expand livability for all ages and income levels. These efforts are intended to complement, not replace, Addison's existing neighborhoods.

Importantly, strategic redevelopment also provides an opportunity to implement the proposed roadway cross sections and segment improvements outlined in this Master Transportation Plan. As properties redevelop, new internal street grids, sidewalk connections, and multimodal infrastructure can be delivered in coordination with private investment—completing critical links in the town's transportation network.

Advance Addison 2050 further supports modernizing older office and industrial areas into mixed-use employment hubs and continuing to preserve and enhance Addison Airport's surrounding district as a major employment and economic driver.

Across all redevelopment, Addison prioritizes walkability, street design, and public space. Projects are expected to tie into the town-wide trail network, incorporate complete streets, and contribute to a strong public realm. This ensures that new development reinforces Addison's identity while supporting broader mobility and sustainability goals.



Click here to view the webpage for Advance Addison 2050

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REGIONAL PLANNING CONTEXT

Addison may be small in size, but it is an integral part of the greater North Texas region. Regional planning efforts by agencies like the North Central Texas Council of Governments (NCTCOG), Dallas Area Rapid Transit (DART), and Dallas County influence Addison's planning decisions. Likewise, Addison's developments and infrastructure contribute to regional objectives such as reducing sprawl, improving transportation networks, and enhancing air quality. This section discusses how Addison fits into and coordinates with the broader regional context, especially in transportation and growth management.

LOCATION AND CONNECTIVITY

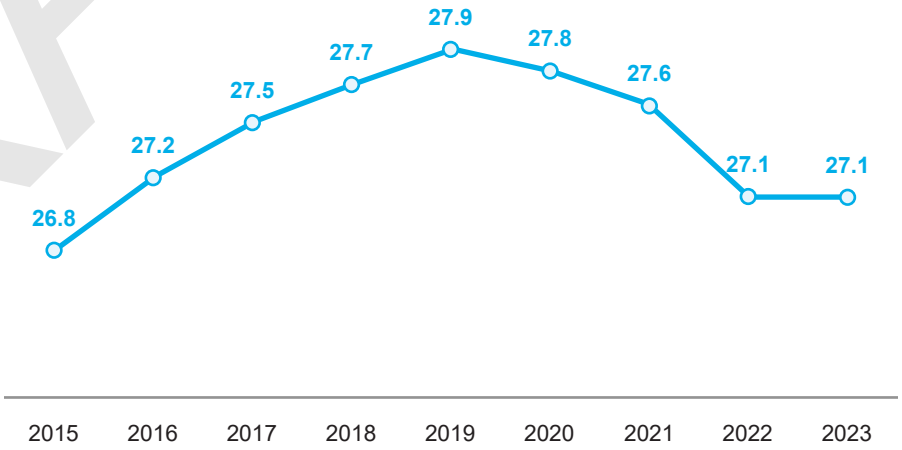
Addison is located in Dallas County, surrounded by the cities of Dallas, Carrollton and Farmers Branch. It sits at the convergence of major transportation corridors—notably the Dallas North Tollway running north-south through town, and Interstate 635 (Lyndon B. Johnson Freeway) just to the south. Being in the heart of the Dallas-Fort Worth urbanized area, Addison benefits from and contributes to regional mobility systems. For example, Belt Line Road in Addison is a principal east-west arterial that continues through multiple neighboring cities, carrying regional traffic across the northern suburbs. Addison continuously works on improvements to such arterial roads to ensure capacity and safety. A notable project was the Addison Airport Toll Tunnel completed in 1999, which reconnected Keller Springs Road under the airport runway to relieve traffic on Belt Line—a project with regional impact funded through multi-jurisdictional cooperation. Today, Addison's Master Transportation Plan aligns with NCTCOG's Metropolitan Transportation Plan, recognizing that efficient local traffic flow on roads like Belt Line, Midway, Arapaho, and Marsh affects the broader network and vice versa. Regional traffic models used by NCTCOG include Addison's growth assumptions to forecast congestion and target improvements.

NCTCOG MOBILITY 2050

More time in traffic: the average North Texas commute time is 27.1 minutes in 2023, up from 26.8 minutes in 2015, reflecting growing congestion and longer trips due to outward expansion in the Dallas-Fort Worth region.

Enhancing roadway efficiency and expanding travel options can help manage travel times and improve reliability.

FIGURE 1. MEAN REGIONAL COMMUTE TIME



Source: US Census Bureau, American Community Survey 5-Year Estimation

One regional challenge is the explosive growth occurring on the region's fringes—over 50% of the DFW area's projected population growth by 2045 is expected outside existing city boundaries. Addison's strategy of accommodating redevelopment internally supports the regional goal of curbing sprawl; by planning for higher residential and employment densities in an inner-area like Addison, the region can reduce development pressure on fringe areas and make better use of existing infrastructure. This approach also helps lower average vehicle miles traveled (VMT) by placing more residents within walking or biking distance of retail, restaurants, and employment—reducing the need for long, car-dependent commutes and improving overall regional mobility.

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TRANSIT AND DART (DALLAS AREA RAPID TRANSIT)

Addison has been a member of the DART transit authority since its inception in 1983, dedicating a portion of local sales tax to fund regional transit. For decades, however, Addison's transit access was limited to bus services—the town notably lacked the rail service enjoyed by many other DART cities. That is about to change: the DART Silver Line project (originally known as the Cotton Belt corridor) will bring passenger rail service to Addison by late 2025. The Silver Line is a 26-mile regional rail line stretching from Plano on the northeast end, through Addison, to Dallas-Fort Worth International Airport on the west end. The Town has worked closely with DART and regional planners on station design, last-mile connections, and transit-oriented development planning around the station. In fact, Addison's role in the Silver Line was a major impetus for regional planning studies: NCTCOG led a Silver Line Corridor TOD Planning initiative (with a federal grant) that brought together Addison, Carrollton, Dallas, Plano, Richardson, and other cities to coordinate land use and transportation around the upcoming rail line. This collaborative study has helped ensure that policies—from zoning to pedestrian improvements—are consistent and supportive of transit usage across city boundaries.

From a regional perspective, Addison Station is poised to become a significant hub. There are an estimated 210,000 jobs within a ½-mile of the entire Silver Line corridor (across all stations), and Addison's vicinity accounts for a large share of those. In fact, the Addison and North Dallas (Knoll Trail) station areas combined are home to over **50% of all jobs along the corridor.** The Silver Line will offer an alternative to the congested highways for reaching these jobs, thus advancing regional mobility goals. It also connects Addison residents to major destinations: they will be able to ride west to DFW Airport or east to reach the red, orange, and green lines of the existing rail network. DART plans to run trains **every 30 minutes during peak** hours and hourly off-peak. Addison is coordinating with DART on first-mile/last-mile solutions like enhanced bus feeders, shuttles, and rideshare hubs so that people living or working slightly beyond walking distance can easily access the station. Being part of DART also gives Addison a voice in regional transit planning—town officials participate in DART board and committee discussions, advocating for services that benefit Addison.

DART Transit in Addison

DART Transit in Addison

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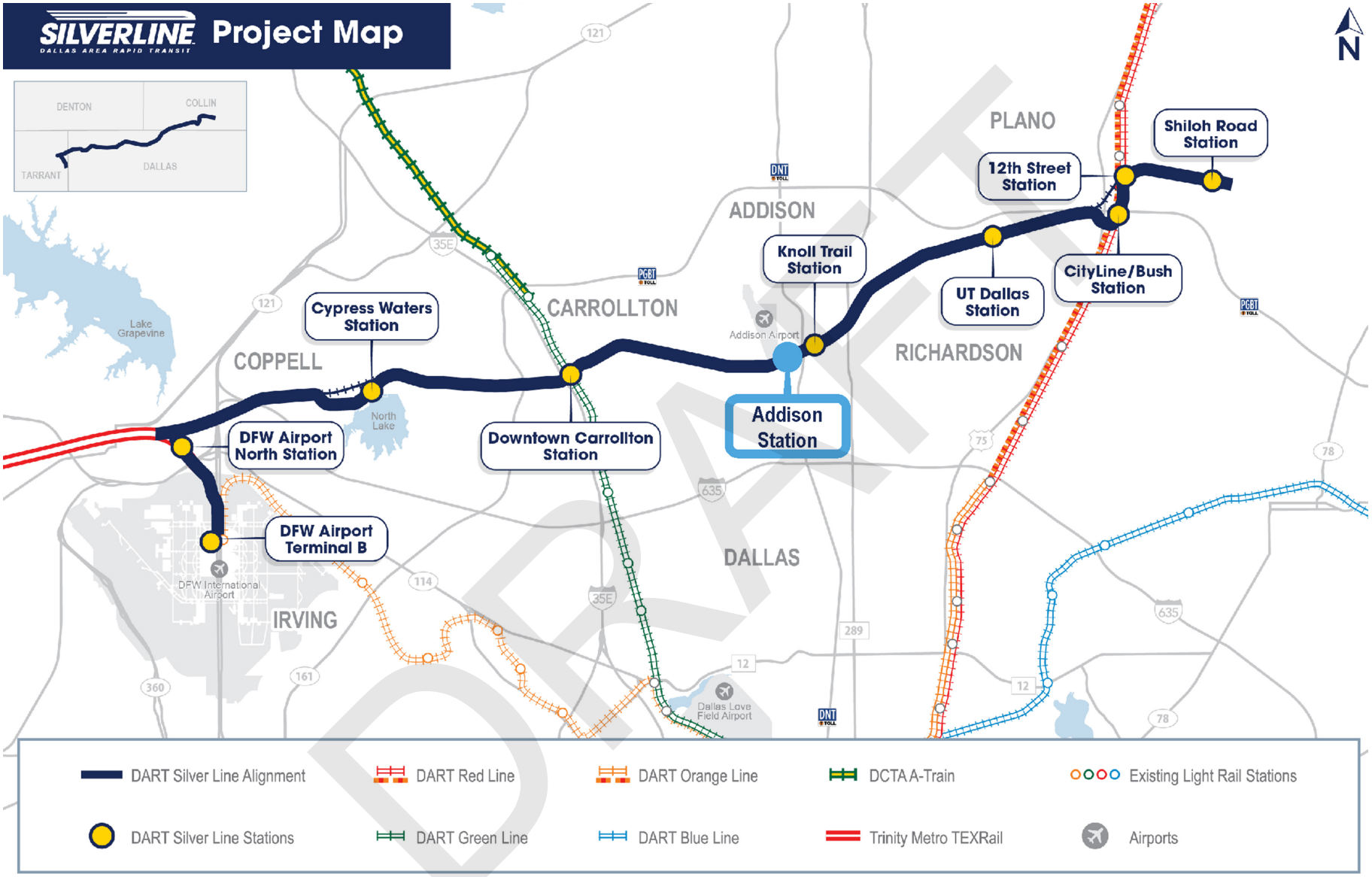
FIGURE 2. SILVERLINE PROJECT MAP



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REGIONAL TRAIL AND BIKE NETWORKS

North Texas is steadily building out a connected regional trail system—known as the Regional Veloweb—and Addison is an integral part of this network. The Town's City-Wide Trails Master Plan (2021) prioritized extending trail access beyond Addison's borders and tying into key regional routes. A centerpiece of this effort is the Cotton Belt Trail, a planned 26-mile hike-and-bike corridor that runs parallel to DART's new Silver Line. Addison's segment of the Cotton Belt Trail will offer direct connections west into Carrollton and Coppell and northeast into Dallas, Richardson, and Plano, creating a seamless east-west active transportation spine.

A major priority of the Cotton Belt Trail is connecting to the White Rock Creek Trail and the planned Northaven Trail extension, which will form part of the City of Dallas's 50-mile Loop project—an effort to integrate into Dallas' improving trail infrastructure. Together, these links will greatly improve connectivity to Addison utilizing a robust trail system that reaches as far as downtown Dallas and key destinations across the region.

The Farmers Branch-Addison Inwood Trail connection is another key initiative. This coordinated effort between the two cities will create a north-south active mobility corridor along Inwood Road, providing safe access to transit, neighborhoods, and commercial areas, and linking to both the Cotton Belt Trail and Farmers Branch's growing trail network.

The Trails Master Plan calls for focusing on "first and last mile" connections from the Silver Line station and Cotton Belt Trail—through spurs, signage, and safer crossings—so that nearby neighborhoods and employment centers can easily access the regional network. Addison's existing Redding Trail already ties into the White Rock Creek system, and future projects aim to close remaining gaps and strengthen these regional links.

Regionally, NCTCOG's Active Transportation Plan identifies Addison as a vital connector city within the Veloweb, helping bridge Dallas, Farmers Branch, Carrollton, and beyond. By investing in these trail linkages, Addison not only expands transportation choices for residents and workers but also supports broader goals around air quality, sustainability, and active recreation.

NCTCOG & METROPOLITAN PLANNING

At the broader scale, Addison engages with the NCTCOG's Regional Transportation Council (RTC), the metropolitan planning organization for North Texas. Addison's elected officials and staff provide input on the region's Metropolitan Transportation Plan and Transportation Improvement Program (TIP). Through this involvement, Addison has secured funding for projects like intersection upgrades, thoroughfare enhancements, and trail construction via NCTCOG's allocation of federal and state transportation funds. For example, Addison's ongoing Midway Road Reconstruction received regional funding support due to its importance as a reliever route for traffic around the Dallas North Tollway. The RTC's policies on air quality influence Addison's push for transit, walkability, and mixed-use development to reduce vehicle miles traveled. Moreover, NCTCOG's regional demographic forecasts provide a planning backdrop—for instance, NCTCOG forecasts modest population growth for Addison and significant employment growth on the transit corridor; these projections help Addison align its Thoroughfare Plan with the regional roadway network classifications to ensure continuity of roadways at the city limits.

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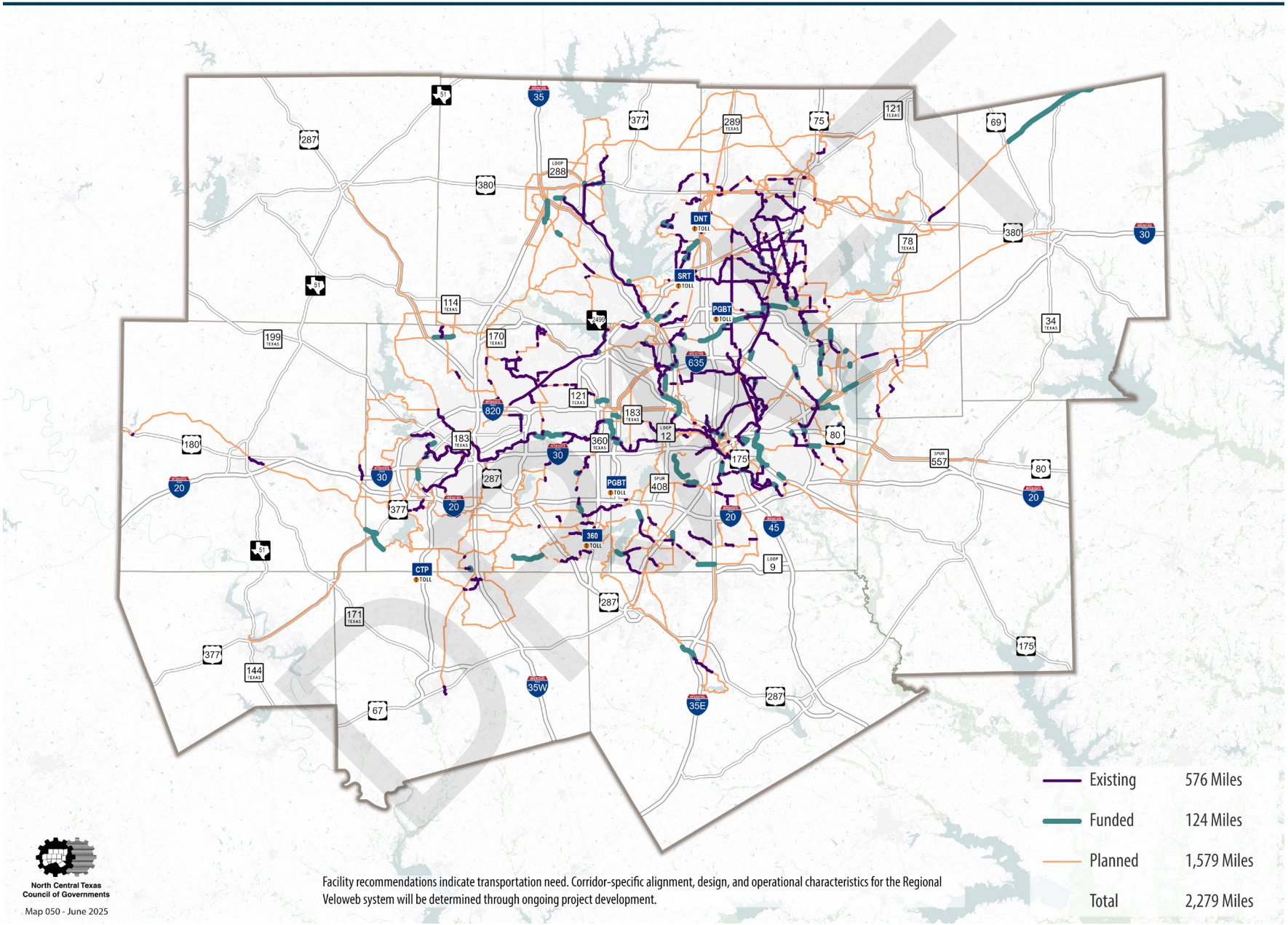
FIGURE 3. MOBILITY 2045 REGIONAL VELOWEB

Regional Veloweb

MOBILITY 2050



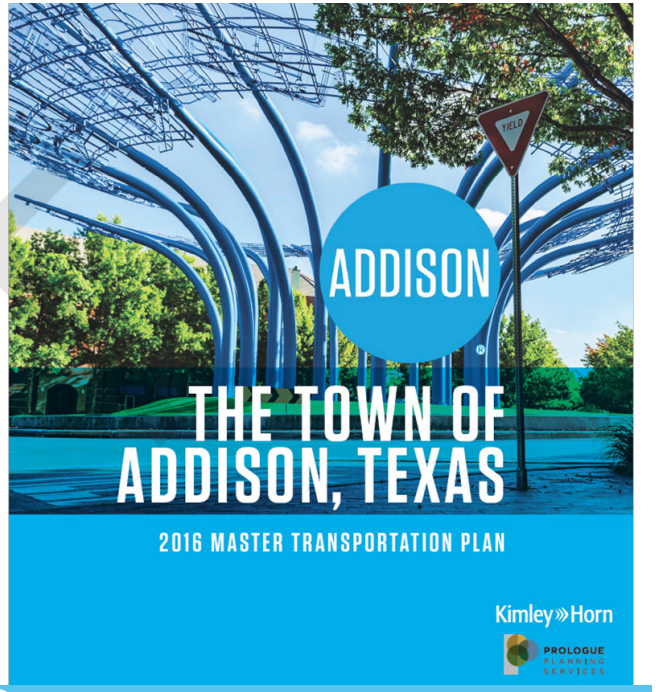
PREVIOUS PLANNING EFFORTS

2016 MASTER TRANSPORTATION PLAN

The 2016 Master Transportation Plan (MTP) marked a significant evolution in Addison's approach to mobility, shifting from a car-centric framework toward a multimodal, people-focused system. The plan introduced comprehensive strategies to address the needs of pedestrians, cyclists, transit riders, and drivers, emphasizing:

- Complete streets principles
- Pedestrian and bicycle infrastructure planning
- Intersection improvements and street redesign concepts
- Preliminary planning for future DART rail service
- Guidance for integrating transportation with land use and redevelopment

The 2016 MTP laid the foundation for many of the Town's recent transportation improvements, including sidewalk gap closure, trail expansion, and the development of cross-section standards that inform today's street design practices.



Click here to view Addison's 2016 Master Transportation Plan

1998 MASTER TRANSPORTATION PLAN

The 1998 MTP served as Addison's primary transportation policy document through the early 2000s. This plan focused on accommodating rapid development and rising traffic volumes as the Town grew into a major employment and entertainment hub. Key priorities included:

- Improving roadway capacity and circulation
- Addressing growing congestion on Belt Line Road and other arterials
- Supporting airport access and economic development through infrastructure upgrades
- Establishing a clear thoroughfare network for future buildout

Though rooted in traditional vehicle-oriented planning, the 1998 plan provided the structural foundation for today's network and anticipated the need for future updates to address multimodal needs.

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ADDISON®

CHAPTER 3:

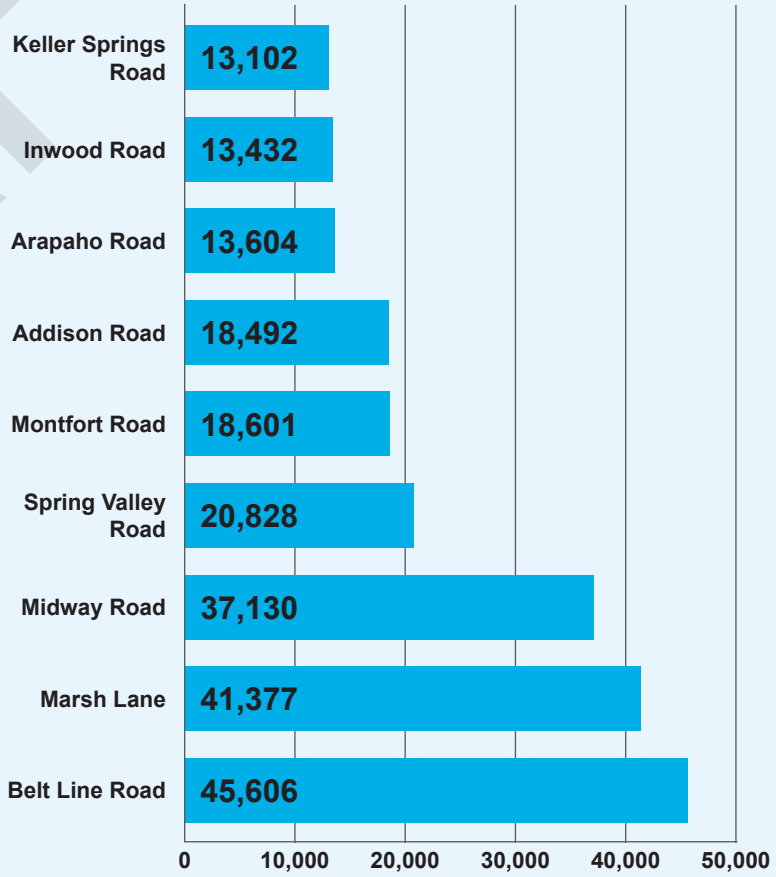
EXISTING CONDITIONS

TRAFFIC DATA

Understanding roadway use and travel patterns is essential to creating a transportation network that meets Addison's needs today and in the future. The Town has maintained a robust traffic monitoring program for more than a decade, relying on machine tube counts and turning movement counts to track trends and identify infrastructure needs. In 2024, Addison expanded this program with a Townwide Traffic Count Program and Dashboard, building a comprehensive data platform that supports smarter decision-making and long-term planning.

Recent data shows that Belt Line Road continues to be Addison's busiest corridor, carrying more than 45,600 vehicles per day. It's followed by Marsh Lane with over 41,000, and Midway Road with over 37,000 vehicles daily. Other key corridors such as Spring Valley Road, Montfort Drive, and Addison Road see volumes between 18,000–21,000 vehicles per day, while streets like Arapaho Road, Inwood Road, and Keller Springs Road carry lighter but still significant traffic in the 13,000–14,000 range. These numbers reflect the varying roles each roadway plays in Addison's overall network—from major regional connectors to neighborhood-serving arterials—and help the Town prioritize maintenance, upgrades, and design improvements based on real usage.

FIGURE 4. VEHICLES TRAVELED PER DAY



2024 Traffic Counts (Midway reconstruction impacted traffic volumes)

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WHAT ARE TRAFFIC COUNTS—AND HOW ARE THEY COLLECTED?

To understand how people are using Addison's streets, the Town uses different types of traffic counts to measure how many vehicles are on the road, when they're traveling, and where they're going. Here's how it works:

TUBE COUNTS (STREET SEGMENT COUNTS)

These are the rubber tubes you sometimes see stretched across the road. When a car drives over them, the tubes record:

- How many vehicles pass by
- What time of day they travel
- Whether traffic is heavier on certain days of the week

In Addison, these counts were collected over 24-hour periods, and in some areas, over 3 or 4 days to capture weekend traffic. These counts are helpful for tracking overall traffic volume on each street.

TURNING MOVEMENT COUNTS

At busy intersections, observers or video cameras record exactly how vehicles move through the intersection—including:

- Which direction cars are turning (left, right, or straight)
- How many vehicles move through each part of the intersection
- The busiest hours of the day (like morning rush hour or evening commutes)
- This type of data is especially useful for designing better traffic signals, turn lanes, and crosswalks.

SCHOOL MIDDAY COUNTS

Some intersections near schools were counted during midday pick-up times to measure the unique traffic patterns that occur when students are dropped off or picked up. This helps the Town better plan for school-related congestion and safety improvements.

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2024 TOWNWIDE TRAFFIC COUNT DASHBOARD

In 2024, the Town of Addison launched a major update to its traffic data program to better understand how people move through the community. With the help of consultants, the Town collected and analyzed traffic counts at over 90 street segments and 37 signalized intersections, building one of the most complete pictures to date of how traffic patterns have changed over time.

This effort led to the creation of a new public-facing Traffic Dashboard, which allows anyone to explore traffic data by street, year, and location. The dashboard helps answer questions like:

- How many cars travel on Belt Line Road each day?
- Which streets are seeing more (or less) traffic over time?
- Where are the busiest intersections in Addison?

WHY IT MATTERS

This data isn't just numbers—it's a tool that helps the Town:

- Plan efficient and safe intersections and streets
- Target traffic improvements where they're most needed
- Track the impact of new developments
- Coordinate with regional partners like DART and NCTCOG

For residents, the new dashboard offers transparency and insight into how Addison is managing traffic as the community grows. Whether you're a homeowner on a quiet residential street or a commuter driving Belt Line every day, this information helps ensure that decisions are based on real-world data.

EXPLORE THE DASHBOARD

The new Addison Traffic Dashboard is a powerful, public-friendly tool that makes traffic data easy to explore and understand. Whether you're curious about how busy your street is, want to see how traffic has changed over time, or are just interested in how Addison is planning for growth—this dashboard puts the information at your fingertips.

You can explore:

- Street-by-street traffic volumes across the Town
- Trends in growth or decline over the past decade
- Intersection patterns showing where vehicles turn and how intersections function
- Differences in traffic flow by direction (northbound vs. southbound, for example)
- School-related traffic activity and weekday vs. weekend travel habits

Key features include:

- **Tube Count Summary:** View average daily volumes on each road segment
- **Tube Count Directionality:** See how traffic is split by travel direction
- **Tube Count Annual Growth:** Understand which streets are getting busier over time
- **Historic Data Viewer:** Compare volumes going back to 2013
- **Turning Movement Counts Directionality:** Dive into turning movement data by direction and time of day
- **Turning Movement Counts Growth Tracker:** See how intersection volumes have changed
- **Turning Movement Counts Viewer:** Zoom into specific intersections to explore turning counts

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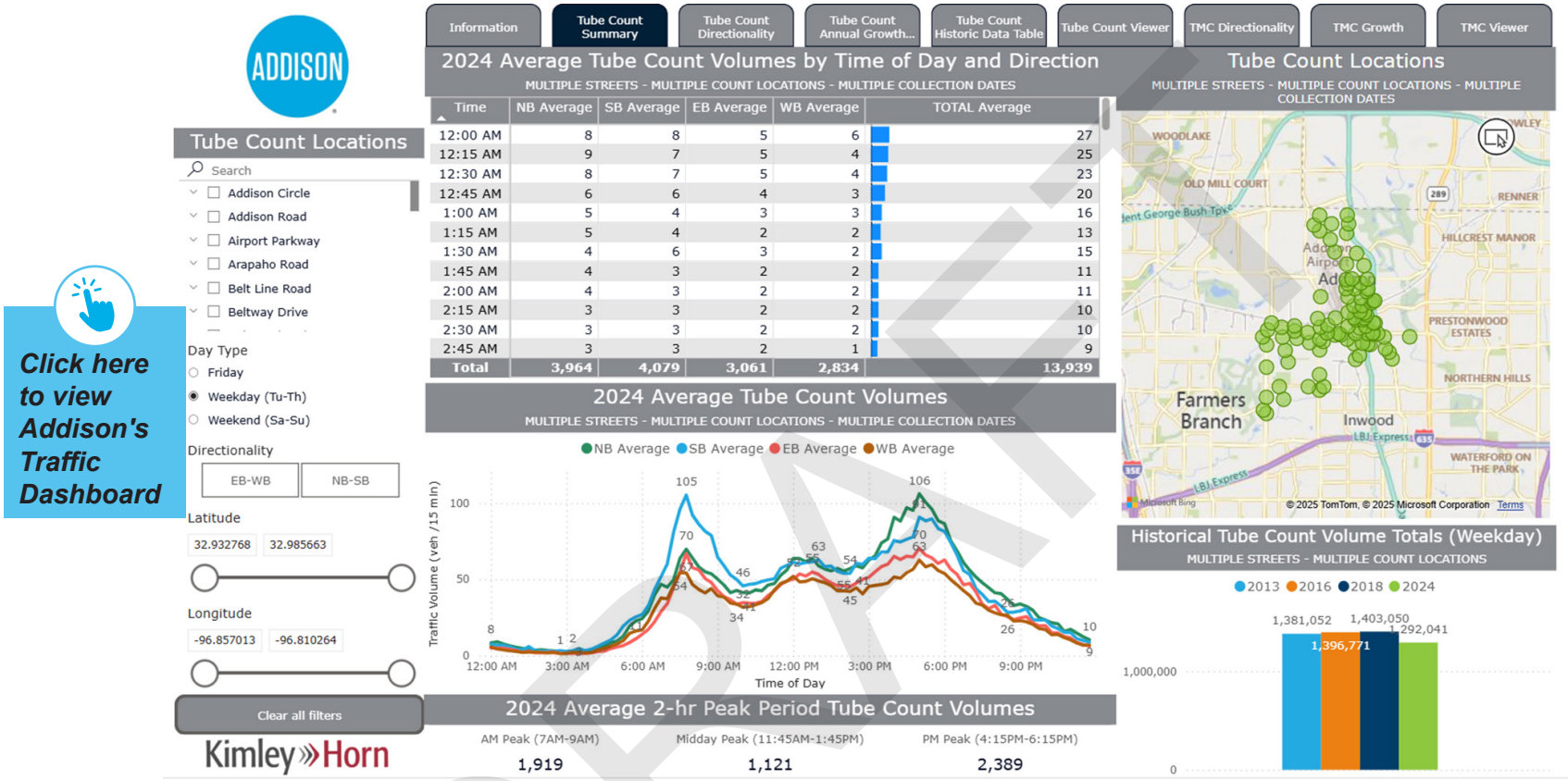
The dashboard is interactive, mobile-friendly, and updated with the latest 2024 data. It helps residents, businesses, and Town staff work from a shared understanding of how Addison's streets are used—and where improvements should happen next.



KEY FINDINGS

LOCALIZED GROWTH IN REDEVELOPING AREAS

Several streets—including Landmark Boulevard, Celestial Road, and Addison Circle—have seen notable growth in traffic, with Landmark Boulevard increasing by 7.47% over the past decade. These increases are associated with targeted redevelopment and new mixed-use projects that have introduced more housing, dining, and entertainment destinations.

STABILITY ON MAJOR ARTERIALS

Despite Addison's growing residential and employment density, key arterials such as Belt Line Road, Midway Road, and Marsh Lane have shown relatively stable or even slightly declining traffic volumes. This suggests that redevelopment patterns, alternative modes of travel, and existing roadway capacity have helped absorb growth without significantly increasing congestion systemwide.

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DAILY TRAFFIC VOLUME MAP

The daily Traffic Volume Map provides a snapshot of how busy Addison's streets are today by showing average daily traffic volumes across key roads in the Town. The map uses color-coded circles to show how many vehicles use each segment on a typical weekday, based on the most recent 2024 counts.

WHAT THE MAP SHOWS

- Red and orange dots mark high-volume roads like Belt Line Road, Marsh Lane, and Midway Road, where daily traffic exceeds 30,000 vehicles in some segments.
- Yellow and green dots represent medium or lower-volume streets, like Addison Road, Spring Valley Road, and Quorum Drive, which see between 5,000 and 15,000 vehicles per day.
- The map includes over 90 roadway segments across Addison, helping the Town track where the system is under the most pressure—and where it's operating comfortably.

WHY IT MATTERS

This map helps answer questions like:

- Which roads carry the most traffic?
- Are there certain segments that may need more lanes, safer crossings, or traffic calming?
- How do residential streets compare to commercial corridors?

WHAT ARE ADDISON'S BUSIEST ROADS?

- Belt Line Road between the Dallas North Tollway and Montfort Drive is the busiest segment in Town, carrying over 45,000 vehicles per day.
- Midway Road, Marsh Lane, and parts of Addison Circle also carry heavy daily volumes, supporting regional traffic as well as local business and residential access.

This data, available to the public through the Town's Traffic Dashboard, gives residents and businesses a better understanding of local mobility patterns—and supports better, data-informed decisions for roadway improvements and planning.

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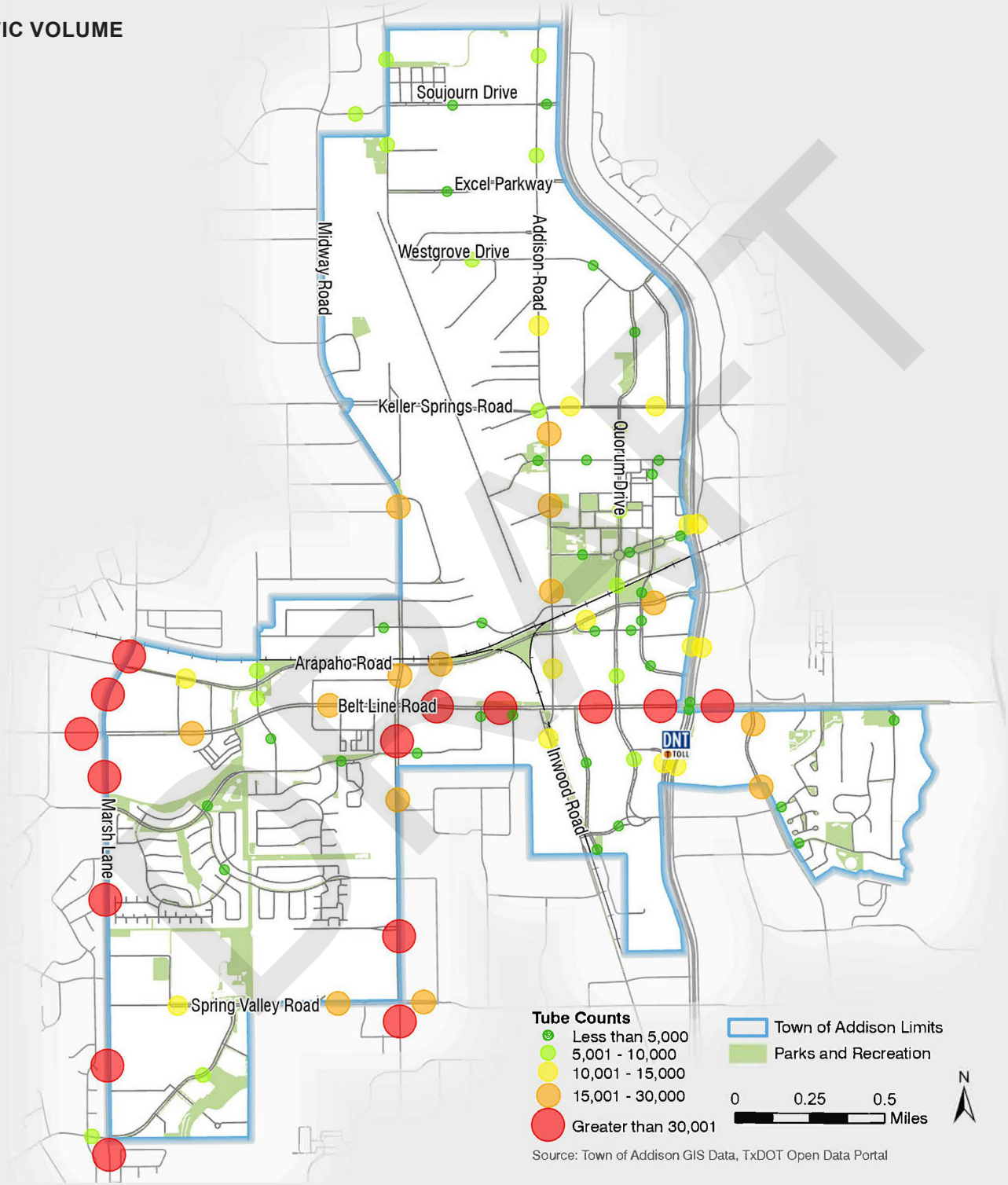
MAP 1. DAILY TRAFFIC VOLUME



TRAFFIC VOLUME GROWTH RATES MAP

Traffic Volume Growth Rate Map shows how traffic volumes have changed across Addison's roadway network over time—specifically from 2018 to 2024. Each roadway segment is color-coded based on its average annual growth rate, helping the Town see where traffic is increasing, staying flat, or declining.

WHERE IS TRAFFIC INCREASING?

Some roadways are seeing steady traffic growth, likely due to nearby development, improved connectivity, or increased activity. Notable growth segments include:

- Landmark Boulevard — up **+7.47%,** likely tied to new activity and development along the corridor.
- Beltwood Parkway — growing by **+2.75%** annually.
- Celestial Road — growing by **3.04%** annually

These increases reflect corridors with more localized traffic, often supporting new housing and retail.

WHERE IS TRAFFIC DECREASING?

Some major roads are seeing small but steady declines in daily traffic, even as the town grows. These trends may reflect a shift toward walkability, shorter trips, and alternative travel options.

Key declines include:

Spectrum Drive **-3.38%**	Dallas Parkway NB **-3.19%**	Quorum Drive **-2.45%**	Montfort Drive **-1.42%**
Keller Springs Road **-3.27%**	Westgrove Drive **-2.73%**	Dallas Parkway **-1.55%**	Belt Line Road **-1.04%**

Even Addison Road and Belt Line Road—key auto corridors—show modest decreases, suggesting traffic is spreading across the network or being offset by multimodal travel and proximity to services.

WHY IT MATTERS

Tracking traffic growth and decline helps Addison:

- Focus safety improvements on growing corridors
- Right-size roadway investments
- Identify areas where travel behavior is changing
- Monitor the effects of redevelopment and land use changes

Combined with volume data, this growth analysis helps the Town support safe, efficient, and adaptable streets that reflect how residents and visitors actually move through Addison today.

- Proactively identify where congestion could emerge
- Prioritize safety upgrades in growing corridors
- Evaluate how redevelopment impacts nearby roadways
- Monitor success in reducing vehicle miles traveled (VMT), a key regional goal

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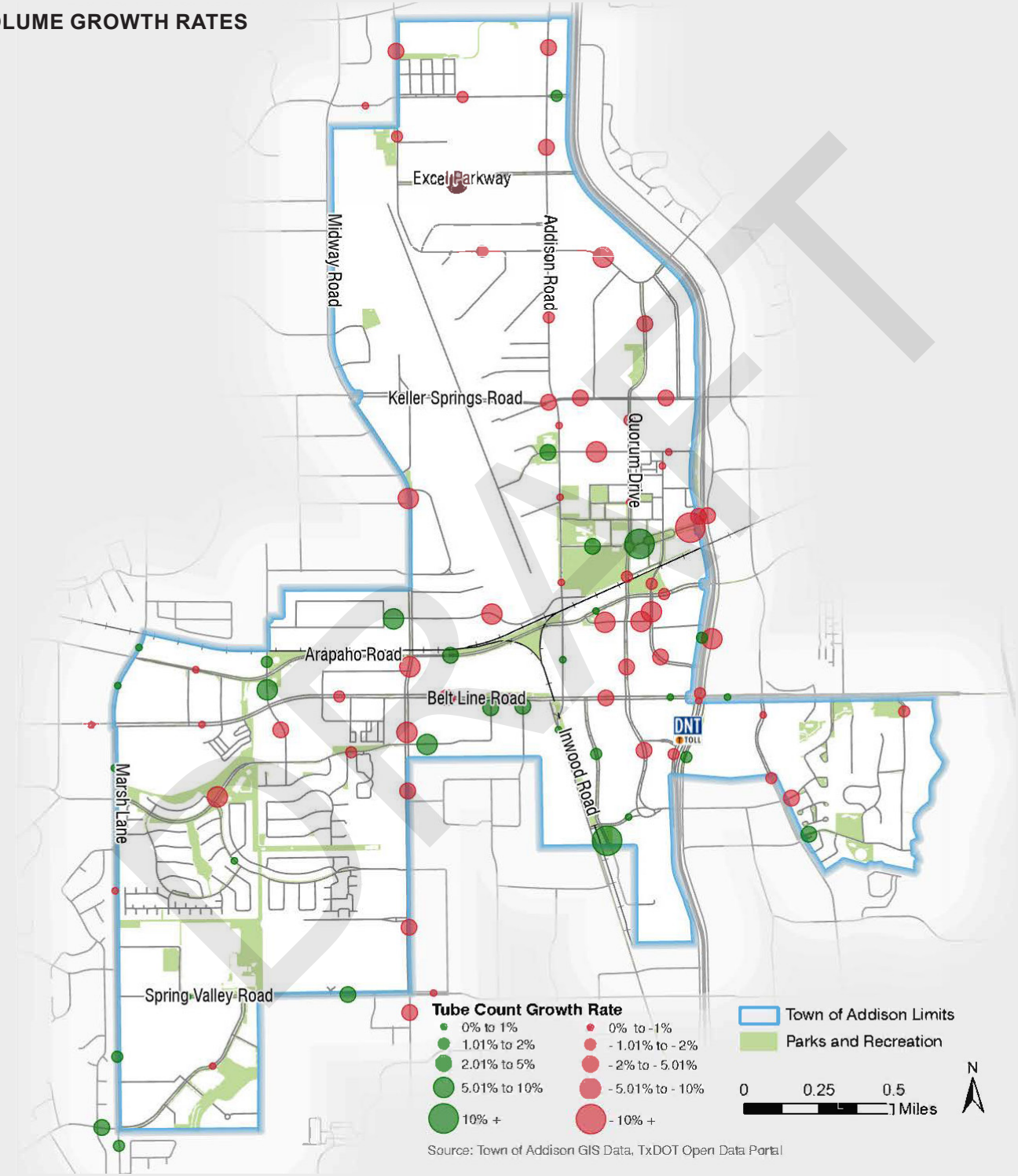
MAP 2. TRAFFIC VOLUME GROWTH RATES



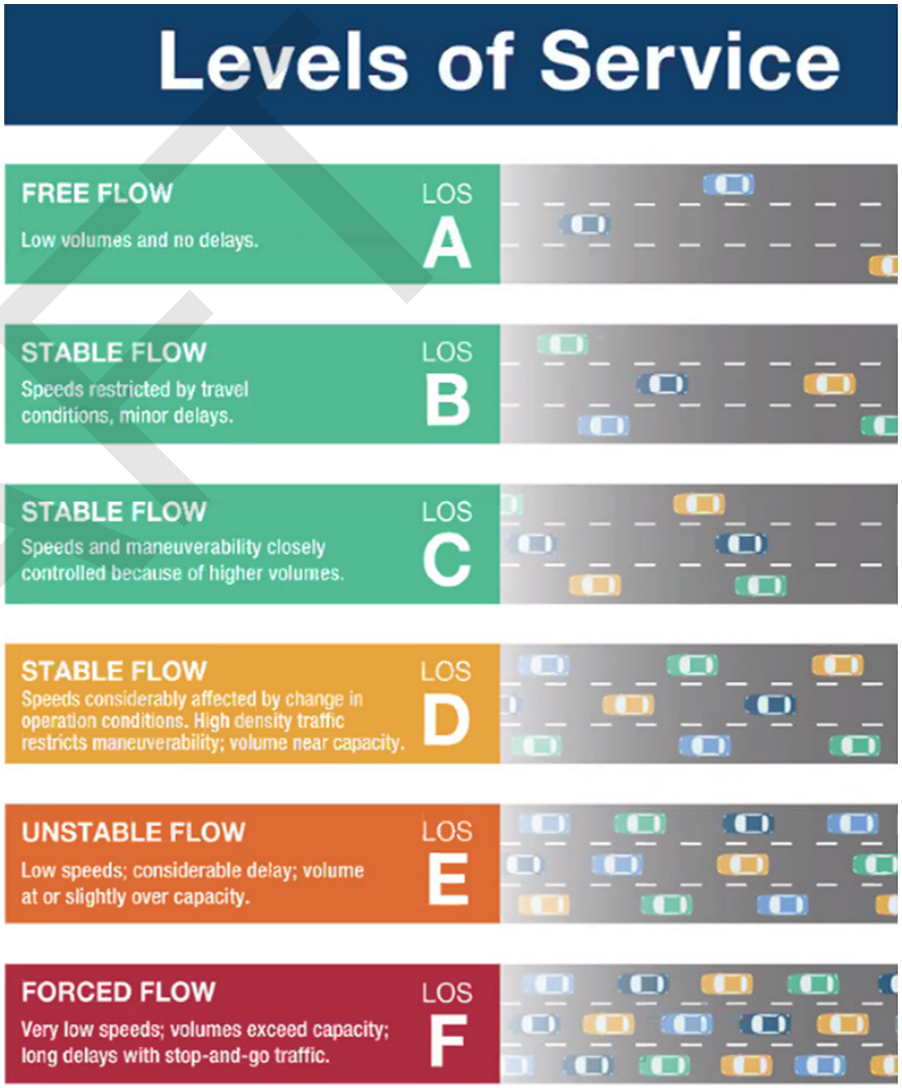
LEVEL-OF-SERVICE

Level-of-service (LOS) is a planning metric used by transportation planners and engineers to evaluate the operational performance of roadways. LOS reflects how well traffic is flowing on a corridor based on the relationship between traffic demand (the number of vehicles using the roadway) and available capacity (how many vehicles the road can handle). This performance is scored on a letter-grade scale from A to F, with LOS A representing free-flowing conditions and LOS F indicating severe congestion or failure.

To calculate LOS, the Town used the most recent 2024 traffic volumes collected through the Town's Traffic Count Program and Dashboard. These volumes were compared against service volume thresholds established by the North Central Texas Council of Governments (NCTCOG), which vary depending on roadway classification (e.g., arterial vs. collector) and number of lanes. This analysis was completed for all public thoroughfares where reliable traffic volume data was available, providing a comprehensive snapshot of systemwide performance.

Per the Town of Addison's policies, **LOS D or better** is considered acceptable. Corridors operating at **LOS E or F** should be evaluated for improvement strategies that may include signal timing adjustments, intersection turn lane modifications, or potential roadway reconfiguration.

FIGURE 5. LEVELS OF SERVICE



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Based on this reports operational analysis of all Addison roadway segments:

60%	25%	8.7%	5.8%	0.6%
of segments **operate at LOS A/B**	*of segments* **operate at LOS C**	*of segments* **operate at LOS D**	*of segments* **operate at LOS E**	*of segments* **operate at LOS F**

From a planning-level perspective, **most of Addison's roadway network is performing well.** Over 90% of evaluated segments operate at LOS D or better, suggesting that the existing roadway system has sufficient capacity to meet current demand in most areas. This reflects effective long-term thoroughfare planning, targeted capital investments, and the success of local redevelopment patterns in limiting regional cut-through traffic.

FOCUS AREAS FOR IMPROVEMENT

A small but important share of roadway segments in Addison are experiencing constrained operations and should be considered for targeted interventions. These include:

- **Marsh Lane** (North Town Limit to Vitruvian Way)
- **Westgrove Drive** (Sojourn Drive to Addison Road)
- **Belt Line Road** (Quorum Drive to Dallas North Tollway SBFR)
- **Surveyor Boulevard** (Arapaho Road to Belt Line Road)

Recommended strategies:

Add or extend dedicated left-turn lanes at signalized intersections

Reevaluate signal timing and coordination

Enhance multimodal facilities to encourage short local trips by foot or bike

Explore access management strategies or shared driveways with adjacent parcels

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EXISTING LEVEL OF SERVICE MAP

The Existing Level of Service (LOS) Map presents a systemwide snapshot of how Addison's roadway corridors are currently performing based on roadway capacity and vehicle demand. Each segment is color-coded using the LOS scale from A to F, providing a clear picture of where congestion exists and where roadway capacity is being underutilized.

WHAT THE MAP SHOWS

- Green segments represent LOS A-C, where corridors operate efficiently with minimal delay.
- Yellow segments represent LOS D, where moderate to heavy traffic volumes may cause some delay during peak periods.
- Orange and Red segments highlight LOS E and F conditions, where travel demand exceeds available capacity, resulting in significant congestion and delay.
- The analysis is based on 2024 volumes compared to North Central Texas Council of Governments (NCTCOG) service volume thresholds for each functional classification.

WHERE IS CONGESTION OCCURRING?

Most roadways in Addison are operating at acceptable levels, with over 60% of segments rated LOS A or B and only 6% falling into LOS E or F. However, the Town should closely monitor and address the following corridors, which are currently experiencing constrained conditions:

- Marsh Lane
- Westgrove Drive
- Belt Line Road
- Surveyor Boulevard

These locations are identified as candidates for targeted intersection upgrades, added turn lanes, signal timing modifications, or corridor right-sizing evaluations to reduce operational strain.

WHY IT MATTERS

- Understanding LOS conditions helps Addison proactively manage future growth, redevelopment, and infrastructure investment.
- Identification of corridors where roadway operations need immediate attention or long-term capital planning.
- Evaluation of right-sizing opportunities where corridors may be overbuilt relative to current demand.
- Coordination with redevelopment areas, ensuring future growth does not exacerbate existing constraints.
- Prioritization of funding for roadway widening, signal improvements, or multimodal enhancements where appropriate.
- By visualizing system performance in a clear, corridor-by-corridor format, the LOS map supports strategic decision-making and reinforces the Town's commitment to maintaining a high-quality transportation network.

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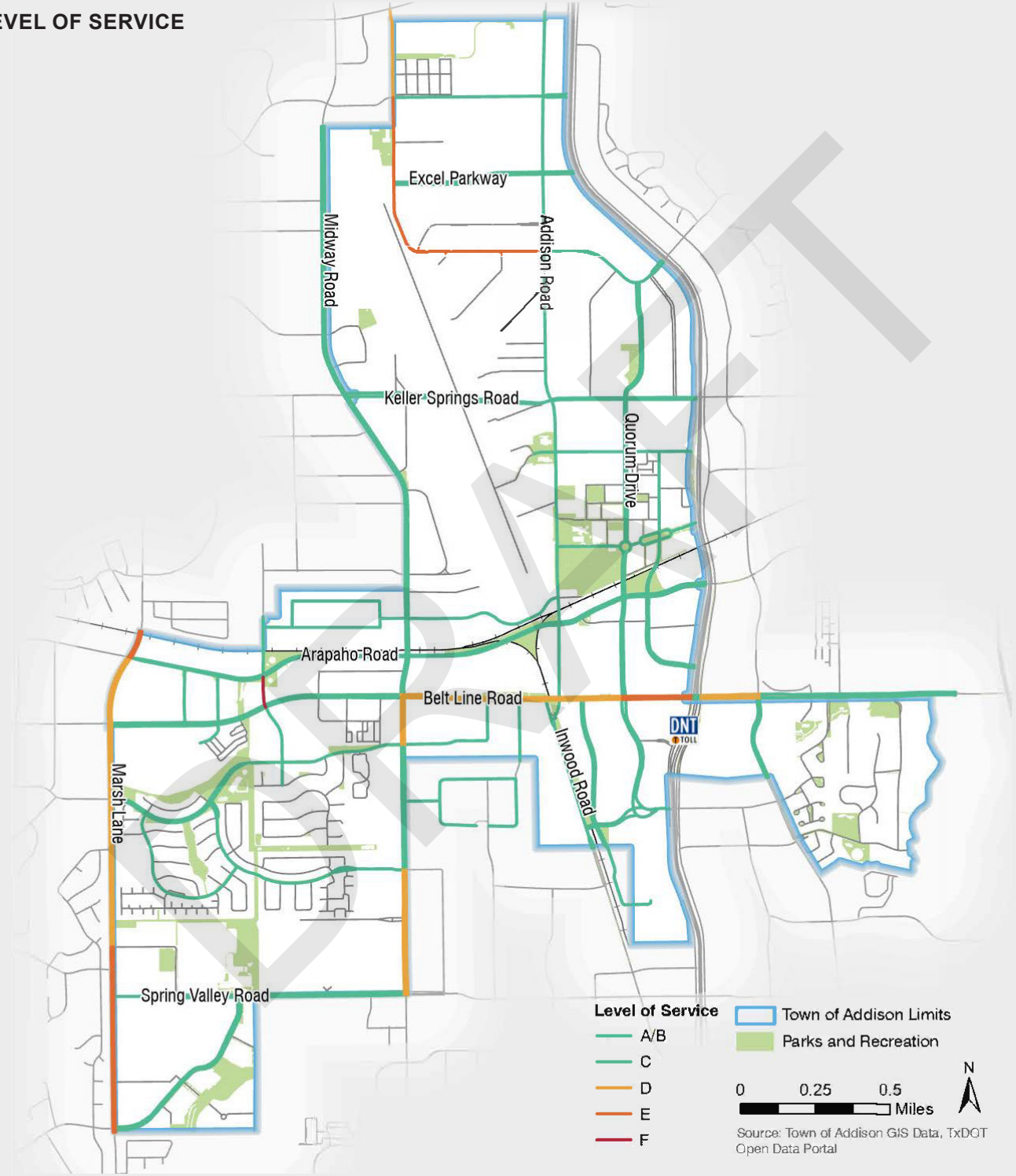
MAP 3. EXISTING LEVEL OF SERVICE



SAFETY DATA

Safety is at the heart of Addison's transportation vision. Over the last five years, the Town has made measurable progress in reducing crashes and protecting all road users. With a data-driven approach and targeted investments, Addison is creating safer streets for everyone who lives, works, and travels here.

A SAFER ADDISON: CRASH TRENDS (2020-2024)

Between 2020 and 2024, Addison experienced a total of 2,585 crashes. While 2021 saw a post-pandemic spike (598 crashes), annual crash totals have declined every year since, reaching just 432 crashes in 2024—a significant improvement.

Even more encouraging:

- 2024 had one fatal crash, the lowest in five years.
- Serious injuries have decreased steadily since 2021.
- Crashes involving pedestrians or cyclists have dropped, with zero fatalities in 2024—a strong sign that investments in trails, crossings, and walkability are working.

WHAT'S CAUSING CRASHES?

Addison tracks the underlying causes of every reported crash. By understanding the "why," the Town can develop more targeted, effective solutions. The most common contributing factors over the past five years were:

Distracted Driving
862

Speed-Related
464

Roadway Departure
409

Impaired Driving
166

Red Light Running
135

Pedestrian or Cyclist Involved
43

Serious Injury Crashes
50

As the data shows, driver inattention—often tied to phone use—is the leading factor. That's why the Town is focused on reducing distractions, improving signalized intersections, and lowering speeds where needed to create a safer driving environment.

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ENGINEERING & INFRASTRUCTURE

- **Traffic calming** to reduce speeds in neighborhoods and near parks
- **Protected left-turn signals and dedicated turn lanes** at key intersections
- **Divided roadways and medians** to reduce severe crashes
- **Improved lighting, signage, and visibility** for night and low-light conditions

ENFORCEMENT & EDUCATION

- **Increased police presence** along higher-crash corridors (Belt Line, Marsh, and Midway)
- **Public awareness campaigns** around distracted driving and speeding
- **Collaboration with regional partners like NCTCOG** to support regional Vision Zero goals

FOCUS AREAS & SAFETY PRIORITIES

Addison's safety efforts are focused on both prevention and design. The following strategies are being prioritized as part of this plan:

43 **43 crashes** involving pedestrians or cyclists were reported from 2020–2024.

0 **No pedestrian or bicycle fatalities** occurred in 2024, and total pedestrian/bike crashes are trending down.

PROTECTING PEOPLE ON FOOT AND BIKE

Addison is proud of its progress in making the Town safer for people walking and biking:

These results reflect years of investment in trails, sidewalks, protected crossings, and street design that prioritizes people over speed. Addison will continue to expand this work—especially around schools, parks, and future transit stations.

FIGURE 6. TOTAL CRASHES IN ADDISON

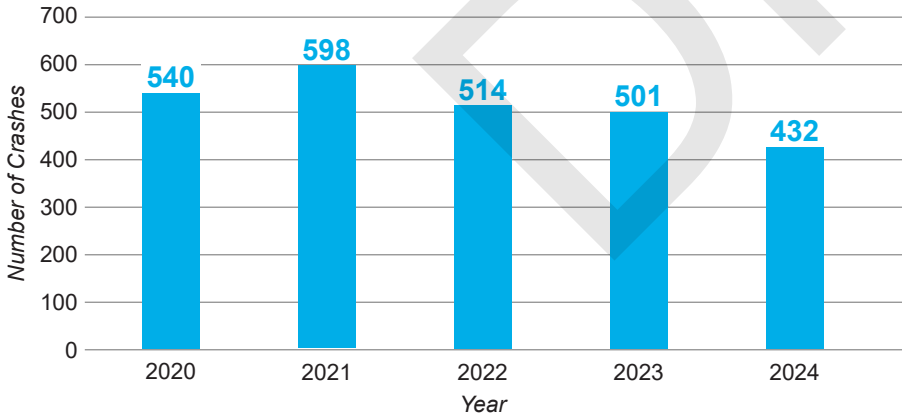
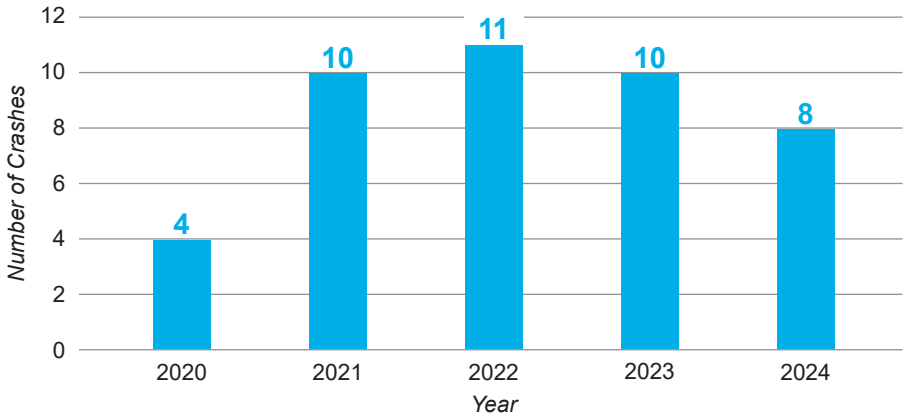


FIGURE 7. TOTAL PEDESTRIAN AND BICYCLE CRASHES IN ADDISON



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CRASH HEATMAP

The Crash Heatmap provides a visual overview of where crashes are happening in Addison, using five years of crash data (2020–2024). The map helps the Town identify problem areas—especially at intersections and along busy corridors—and highlights locations where fatal crashes have occurred.

WHAT THE MAP SHOWS

- Red and yellow “heat” areas represent locations with a higher density of crashes.
- Green areas indicate fewer or no crashes.
- Star symbols mark the sites of fatal crashes during the five-year period.

Data covers crashes involving all road users—drivers, passengers, pedestrians, and cyclists.

WHAT WE’VE LEARNED

Crash patterns are not evenly distributed. Instead, they tend to cluster at intersections along:

- Belt Line Road
- Midway Road
- Marsh Lane

These high-traffic areas are where the Town is focusing efforts to improve signal timing, intersection design, turning movements, and enforcement.

WHY IT MATTERS

This crash heatmap supports the Town’s ongoing goal to:

- Target safety improvements where they’re needed most
- Prioritize protected left-turns, traffic calming, and street redesigns
- Coordinate police enforcement and public awareness campaigns
- Prevent future serious crashes—especially in locations with prior fatalities

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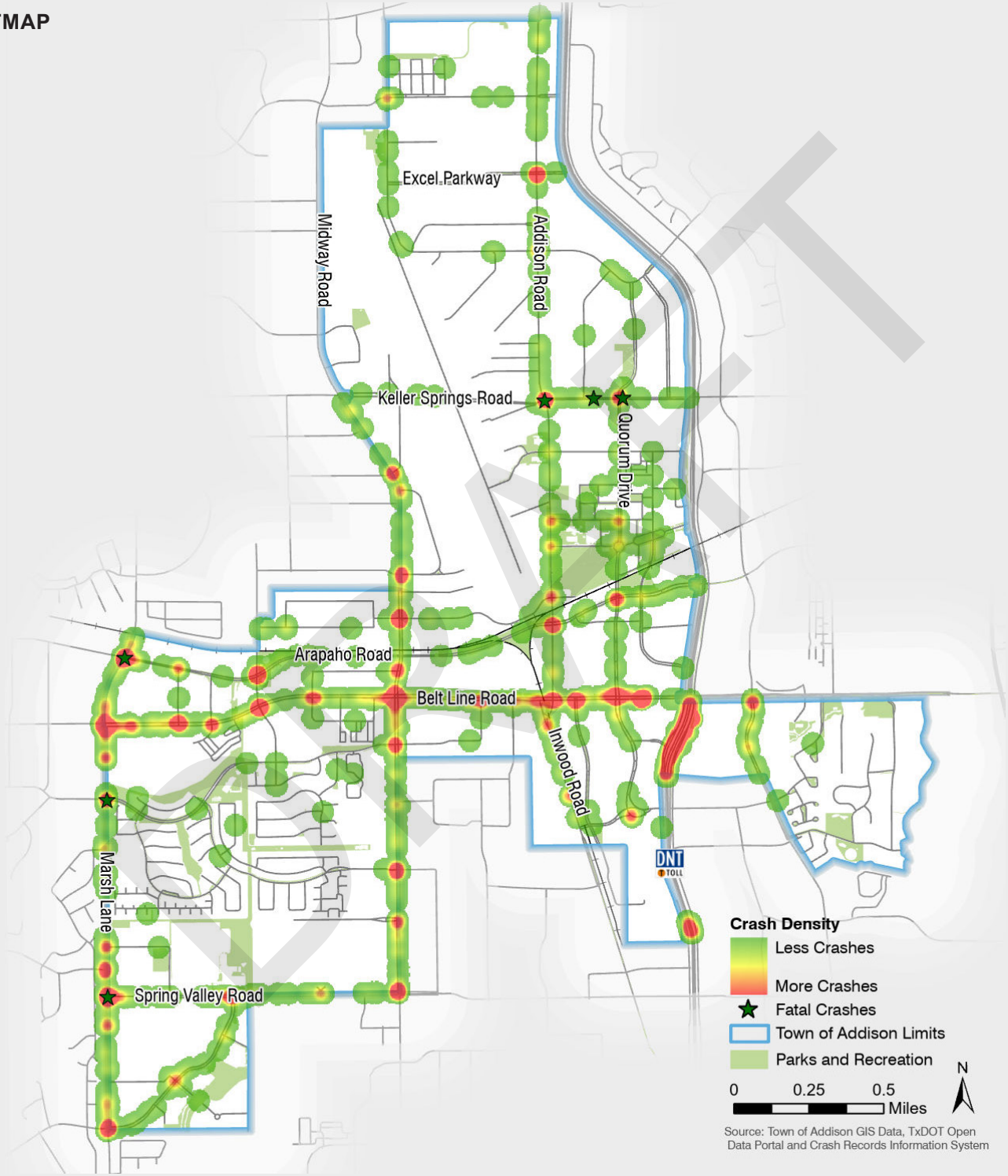
MAP 4. CRASH HEATMAP



PEDESTRIAN AND BICYCLE ACTIVITY

Addison continues to make meaningful progress toward becoming a walkable, bike-friendly community that supports active lifestyles, short trips, and multimodal transportation. The Town's efforts over the last decade—guided by the 2016 Master Transportation Plan, the Citywide Trails Master Plan (2021), and most recently Advance Addison 2050—reflect a growing commitment to safe, connected, and accessible infrastructure for people of all ages and abilities. Today, more people are walking and biking in Addison than ever before, and the Town is well positioned to build on that momentum through future investments and policy direction.

Example of a Bike Lane

PROGRESS SINCE THE 2016 MTP

The 2016 Master Transportation Plan established an important shift in Addison's approach to mobility. Rather than focusing solely on moving cars, the plan introduced the concept of complete streets and called attention to sidewalk gaps, bicycle infrastructure needs, and the importance of connecting neighborhoods to key destinations without relying on a vehicle. That vision laid the groundwork for the Citywide Trails Master Plan, which was adopted in 2021 and has since guided a number of strategic trail connections and sidewalk improvements. Addison has prioritized expanding access to parks, transit, and employment centers through a mix of off-street trails and improved on-street facilities. Notably, the Town has worked to link its local trail system with regional corridors such as the Cotton Belt Trail, helping to integrate Addison into the broader North Texas trail network.

The progress made over the last decade reflects not only a response to planning goals, but also to the everyday needs of residents and visitors. More people are choosing to walk or bike in Addison's urban neighborhoods and trail-connected districts, reinforcing the value of these investments. From enhanced crossings to smoother trail surfaces and better signage, infrastructure improvements are steadily making it easier and more enjoyable to move around Addison without a car.

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ADVANCE ADDISON 2050: A PEOPLE-FIRST VISION

Building on that foundation, Advance Addison 2050 places walkability, comfort, and connectivity at the center of the Town's transportation future. Community input gathered throughout the planning process made it clear that Addison residents want safe, attractive streets that support active travel. The plan calls for prioritizing sidewalk expansion in key corridors, improving crossing safety near schools and parks, and ensuring that all new development supports comfortable pedestrian and bicycle access. In mixed-use areas like Addison Circle, Vitruvian Park, and future transit-oriented development zones, the plan encourages human-scaled design and amenities that make walking and biking the natural choice for short trips.

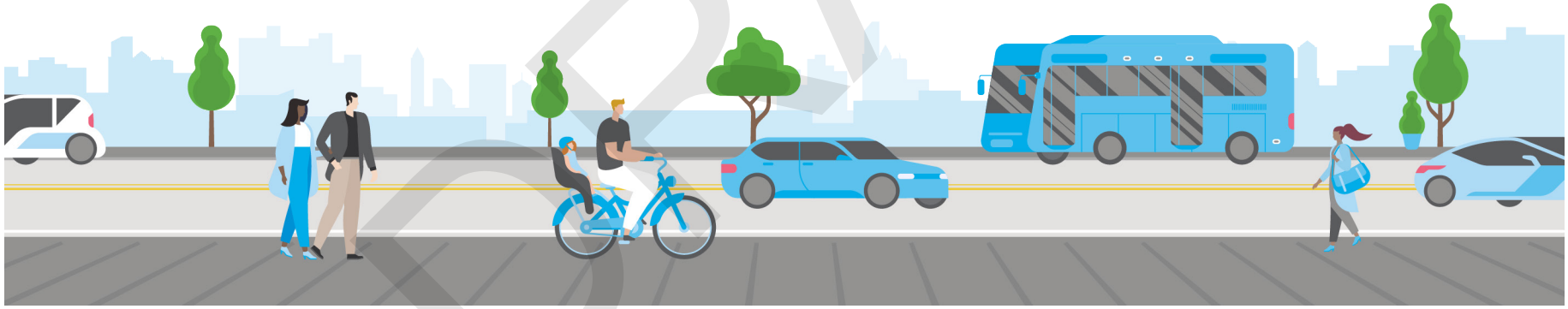
Rather than viewing active transportation as an alternative mode, Advance Addison 2050 treats it as a core component of the Town's mobility network. This approach reflects a national trend among forward-looking communities that recognize the role of walking and biking in supporting sustainability, economic vitality, and health. It also aligns with regional goals set by NCTCOG to reduce vehicle miles traveled, improve air quality, and build complete communities.

ADDISON RESIDENTS WANT

- **Safe streets**
- **Attractive streets**
- **Active travel**

ADVANCE ADDISON 2050 PLANS TO

- **Expand sidewalks in key corridors**
- **Improve crossing safety near schools and parks**
- **Ensure that all new development supports comfortable pedestrian and bicycle access**



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PEDESTRIAN TRIP & CRASH LOCATION MAP

Pedestrian Trip & Crash Location Map presents a combined view of pedestrian trip activity and pedestrian crash locations across Addison. This map helps identify where people are walking most often—and where safety interventions may be needed to protect them.

WHAT THE MAP SHOWS

- Heat mapping of pedestrian activity highlights areas with the highest estimated foot traffic based on land use, trail and sidewalk connectivity, and observed travel patterns.
- Star symbols show where pedestrian-involved crashes occurred between 2020 and 2024.
- Together, this map helps the Town target improvements in high-use, high-risk locations.

WHERE ARE PEOPLE WALKING?

The most concentrated pedestrian activity in Addison occurs:

- Along Belt Line Road, particularly near the restaurant district and transit stops
- On Addison Road and Keller Springs Road, especially near the edges of Addison Circle
- Within Addison Circle itself and at Village on the Parkway, where mixed-use development supports walkable destinations

These areas combine residential, commercial, and recreational uses—making walking a convenient and appealing choice for many short trips.

WHY IT MATTERS

Understanding where people walk—and where pedestrian crashes occur—is critical to building a safe, accessible walking network. Map 4 helps Addison:

- Pinpoint locations for new crosswalks, lighting, and signal timing changes
- Prioritize traffic calming and streetscape enhancements in walkable districts
- Ensure that future development supports safe, connected pedestrian access

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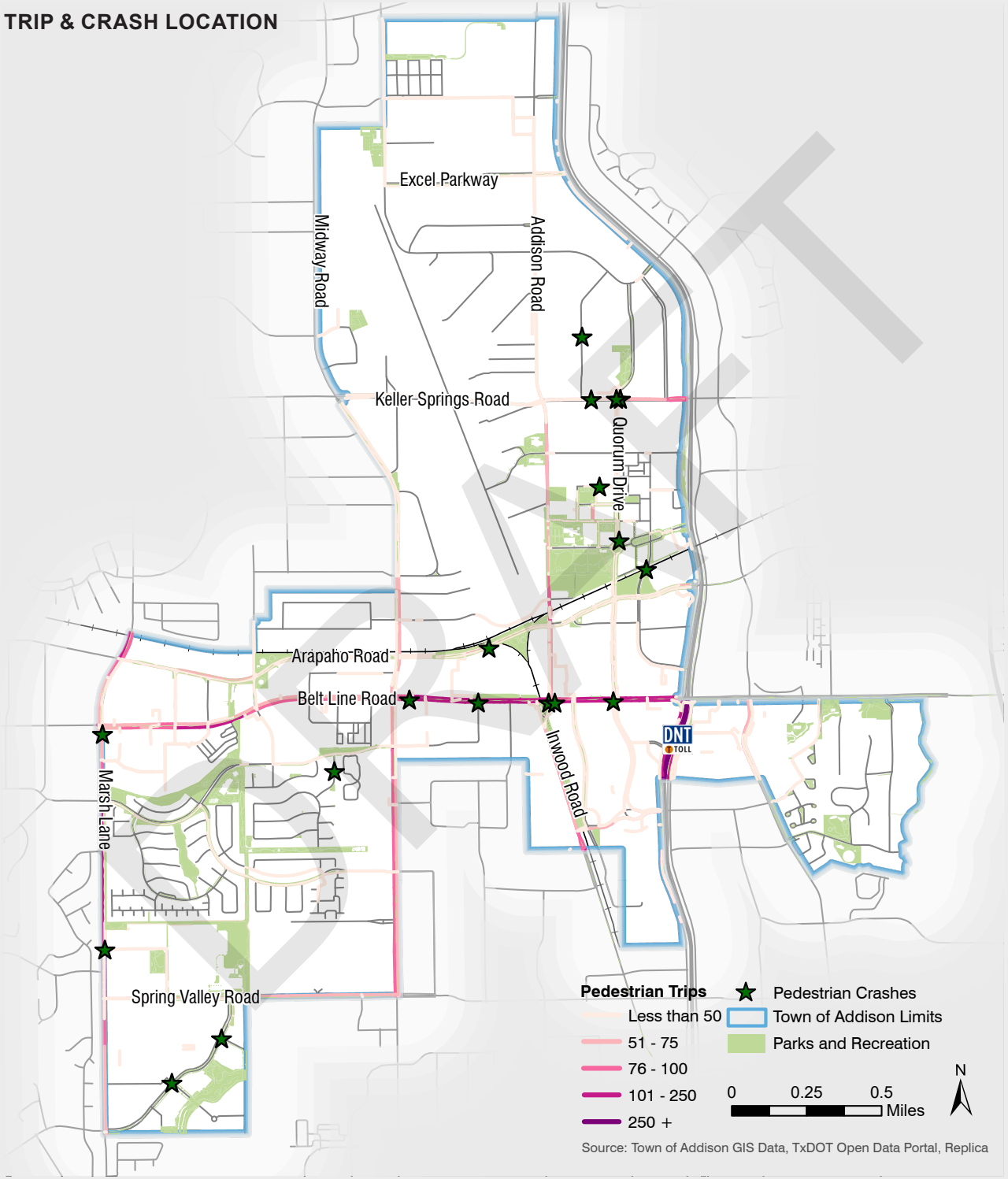
MAP 5. PEDESTRIAN TRIP & CRASH LOCATION



BICYCLE TRIP & CRASH LOCATION MAP

Bicycle Trip & Crash Location Map illustrates bicycle activity levels throughout Addison alongside locations of reported bicycle-related crashes from 2020 to 2024. This map provides insight into where people are riding bikes—and where safety concerns may not align with current usage patterns.

WHAT THE MAP SHOWS

- Heat zones reflect estimated bicycle trip activity based on trail networks, land use, and observed behavior.
- Crash markers indicate reported collisions involving cyclists over the past five years.
- The map allows Addison to compare bicycle demand with safety outcomes and identify areas for targeted improvements.

WHERE ARE PEOPLE BIKING?

The highest levels of bicycle activity are concentrated in a few key corridors:

- Westgrove Drive, particularly near trail connections and recreational destinations
- Addison Road, a north-south connector with access to trails and employment centers
- Quorum Drive, especially in the Addison Circle area where mixed-use development encourages biking
- Montfort Drive and Arapaho Road, near apartments, shopping, and future transit access

These corridors support a mix of commuter and recreational cycling, often linking homes with parks, jobs, and nearby regional trails.

WHY IT MATTERS

Map 5 helps the Town align bike infrastructure investments with safety and demand. It supports Addison's broader goal of encouraging biking as a practical and enjoyable travel option while reducing crash risk through smart design and policy.

Key takeaways from this map will help Addison:

- Improve safety on high-crash corridors like Midway and Marsh, even if current ridership is low
- Prioritize bike facility upgrades and crossings on routes with growing usage, such as Addison Road and Quorum Drive
- Support first- and last-mile connections to regional trails and the upcoming DART Silver Line

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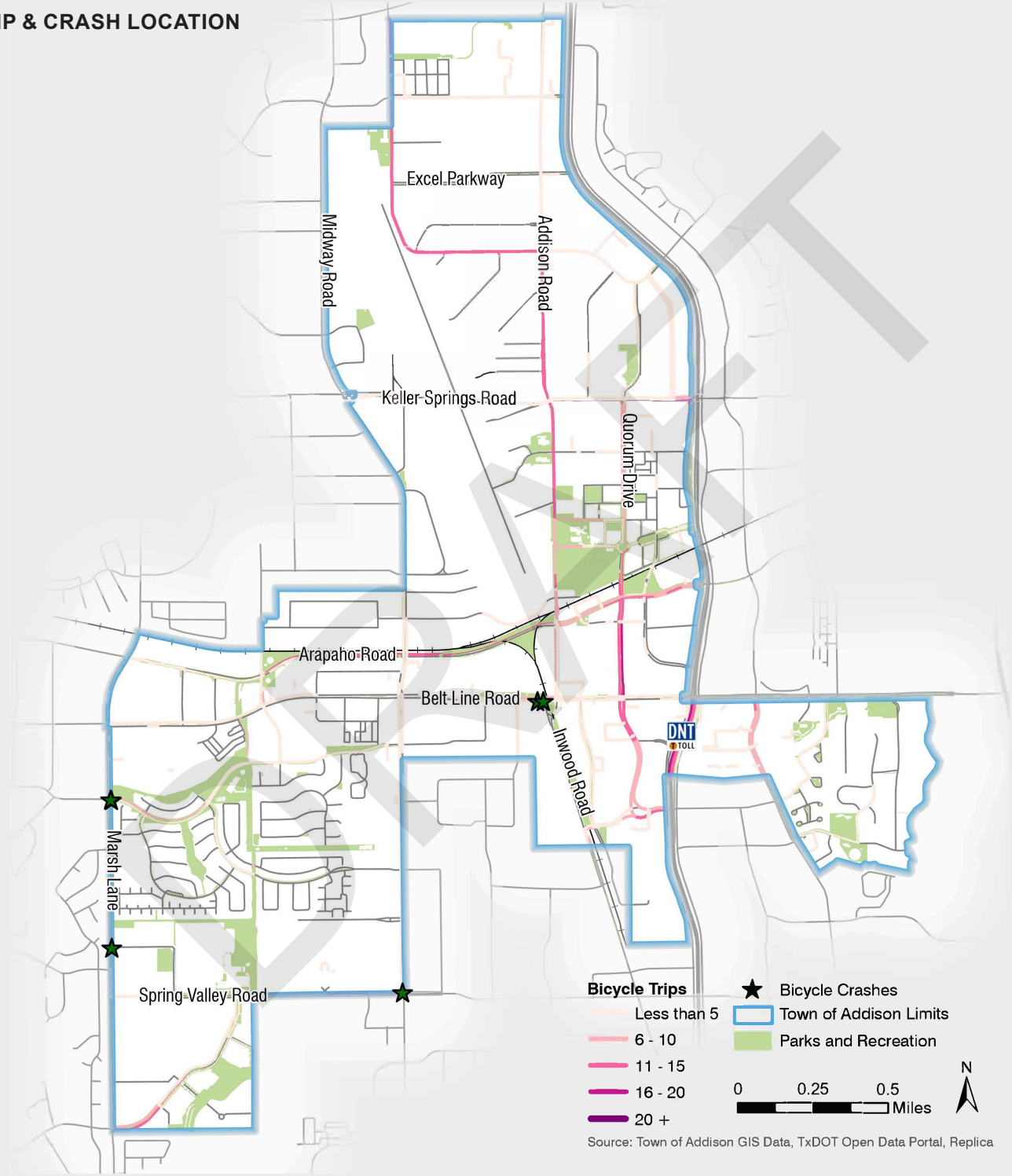
MAP 6. BICYCLE TRIP & CRASH LOCATION



Source: Town of Addison GIS Data, TxDOT Open Data Portal, Replica

CONSTRAINTS AND OPPORTUNITIES

As Addison continues to evolve as a compact, mixed-use town with both regional economic significance and a growing residential population, its transportation system must adapt to support increasingly diverse needs. The Master Transportation Plan update builds on the foundation laid in 2016, revisiting prior constraints and identifying new opportunities informed by updated data, community input, and emerging best practices.

EVOLVING CONSTRAINTS

Many of the core transportation challenges identified in the 2016 MTP persist today, but several have intensified or shifted in nature:

LIMITED RIGHT-OF-WAY

With the Town largely built out, most roadway corridors have little room for expansion. This makes it challenging to add turn lanes, new sidewalks, or protected bike facilities without repurposing existing lanes or reconfiguring intersections.

TRAFFIC GROWTH IN KEY CORRIDORS

While total traffic volumes are stable across most of the Town, certain corridors—particularly Belt Line Road, Midway Road, and Marsh Lane—continue to experience high levels of congestion and crashes. These corridors are also where many of Addison's key destinations are located, making them critical for all modes.

COMPLEX INTERSECTIONS AND ACCESS POINTS

Intersections with multiple commercial driveways, skewed alignments, or closely spaced signals (e.g., near Addison Circle or Village on the Parkway) create confusion for both drivers and pedestrians.

GAPS IN PEDESTRIAN AND TRAIL NETWORKS

Many survey respondents pointed to missing or narrow sidewalks, poor lighting, and limited connections across major barriers like the Dallas North Tollway or Belt Line Road. While significant trail progress has been made, several links remain incomplete.

INCONSISTENT OPINIONS ON BIKE INFRASTRUCTURE

Public input was mixed on bike infrastructure—with some residents advocating for protected lanes and others opposing them altogether—but nearly all agreed that today's cycling environment lacks clarity and safety. Sharrows are not seen as sufficient, and Midway/Marsh were identified as unsafe for biking despite low ridership.

EQUITY OF ACCESS TO TRANSIT

With the Silver Line rail station nearing completion, gaps remain in first/last-mile connectivity, especially for residents in multifamily developments and commercial workers who rely on walking or bus access to reach destinations.

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COMMUNITY FEEDBACK: CONSTRAINTS

Public engagement has highlighted several cross-cutting concerns and areas for improvement:

1. A desire for faster action on sidewalk gaps and crosswalks
2. Strong support for safer pedestrian environments, especially along Belt Line and around Addison Circle
3. Mixed opinions on bike lanes, with some requesting protected lanes on Quorum and others opposing bike infrastructure altogether
4. Concerns over traffic congestion and speeding, especially in areas near new housing
5. Calls for more shaded, walkable areas and better connectivity between neighborhoods and destinations
6. Interest in local shuttle or trolley service, particularly to connect Addison Circle, Vitruvian Park, and Village on the Parkway
7. Emphasis on maintaining existing roads, resurfacing, and better signal timing

> ***Sidewalks are missing in too many places. Please prioritize making it safer to walk to work and school.***
>
> – Survey Response #24

> ***It's hard to get across Belt Line without a car—crossings are far apart or don't feel safe.***
>
> – Open House Comment

> ***There's no safe way to bike through Addison if you're not already on a trail.***
>
> – Survey Response #15

> ***The intersections around Addison Circle are too complex—drivers don't always yield.***
>
> – Open House Dot Board (Intersection Priorities)

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OPPORTUNITIES FOR PROGRESS

Despite physical and political constraints, Addison has many strategic advantages it can leverage to improve transportation access and safety:

REDEVELOPMENT AS A MOBILITY CATALYST

As older sites redevelop, the Town can implement new street grids, enhanced sidewalks, left-turn lanes, and transit-supportive infrastructure that aligns with the proposed cross-sections in this MTP.

INTEGRATION WITH THE SILVER LINE STATION

The upcoming DART Silver Line rail station will bring regional connectivity to Addison for the first time. This presents an opportunity to reimagine last-mile mobility, parking policy, and land use around the station.

A CULTURE OF ENGAGEMENT

Addison residents are deeply involved in local decision-making and have consistently voiced their priorities through surveys, meetings, and public comments. This engaged public can be a powerful ally in implementing transformative projects.

TRAIL AND TRANSIT INVESTMENTS

Addison has positioned itself as a regional trail connector and is actively coordinating with Dallas, Farmers Branch, and NCTCOG to complete multi-city alignments. These partnerships open up funding opportunities and make active transportation a viable alternative to driving.

COMPACT LAND USE

Addison's density and mix of uses make it uniquely suited for multimodal transportation. Many destinations are within a 10-minute bike ride or 20-minute walk—supporting a shift toward shorter trips and reduced vehicle miles traveled.

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COMMUNITY FEEDBACK: OPPORTUNITIES

Public feedback revealed several recurring themes about how Addison can build on its strengths and recent progress to improve transportation access, safety, and choice:

1. Support for integrating walkability and biking into new development and redevelopment projects
2. Excitement around leveraging the Silver Line station to create a more connected town center
3. Desire for better trail connectivity between Addison and neighboring cities like Dallas and Farmers Branch
4. Interest in launching a local circulator or shuttle to connect Addison's key destinations
5. Support for using redevelopment as a way to redesign large blocks for better pedestrian access
6. A call to pair trail investments with safer crossings, slower speeds, and more visible pedestrian infrastructure

> ***Redevelopment is the time to fix the street layout—make it easier to walk or bike through these big blocks.***
>
> – Survey Response #37

> ***If we're building a rail station, we should make it the best-connected place in town for walking and biking.***
>
> – Comment from July 10 Open House

> ***Addison's size makes it perfect for a local shuttle or circulator—connect Vitruvian, Addison Circle, and the restaurant district.***
>
> – Survey Response #50

> ***The new trails are great—I just want to see more of them connect into Dallas and Farmers Branch.***
>
> – Comment from Town Hall Booth

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CHAPTER 4:

CROSS-SECTION DESIGN STRATEGY

CONTEXT SENSITIVE APPROACH

Context-sensitive design (CSD) is a planning and engineering approach that responds to the physical, cultural, and functional context of a place. It prioritizes the design of transportation facilities that not only support safe and efficient movement but also reflect and enhance their surroundings. This method brings together multiple disciplines and stakeholders to ensure that transportation projects align with the community's identity, character, and values.

In Addison, context-sensitive design is a central element of both the Comprehensive Plan and this Master Transportation Plan. These documents emphasize the need to tailor street designs to different settings—whether walkable urban districts or quieter residential neighborhoods—based on surrounding land use and desired outcomes.

In areas like Addison Circle, the focus is on supporting vibrant, pedestrian-oriented environments. Streets are designed with wide sidewalks, shade trees, street furnishings, and space for outdoor dining to reflect the mixed-use, high-activity nature of the area. In contrast, residential streets prioritize comfort and safety with narrower travel lanes, landscaped buffers, and targeted pedestrian crossings that maintain the calm character of the neighborhood.

This approach directly supports Addison's Place Types and Spectrum of Change framework identified in Advance Addison 2050 by allowing cross sections to flex depending on context—accommodating high-intensity development in urban areas, preserving neighborhood character in residential zones, and providing space for evolving needs like trails, street furnishings, or transit.

Context-sensitive design is also a key tool in advancing Addison's "People First" principle, improving connectivity and walkability while enhancing fiscal resilience through support for compact, high-value development patterns. As the Town updates the MTP, this approach provides the foundation for a more complete, multimodal network that balances function with quality of place—ensuring that Addison's streets serve not only vehicles, but the full range of users and community priorities.

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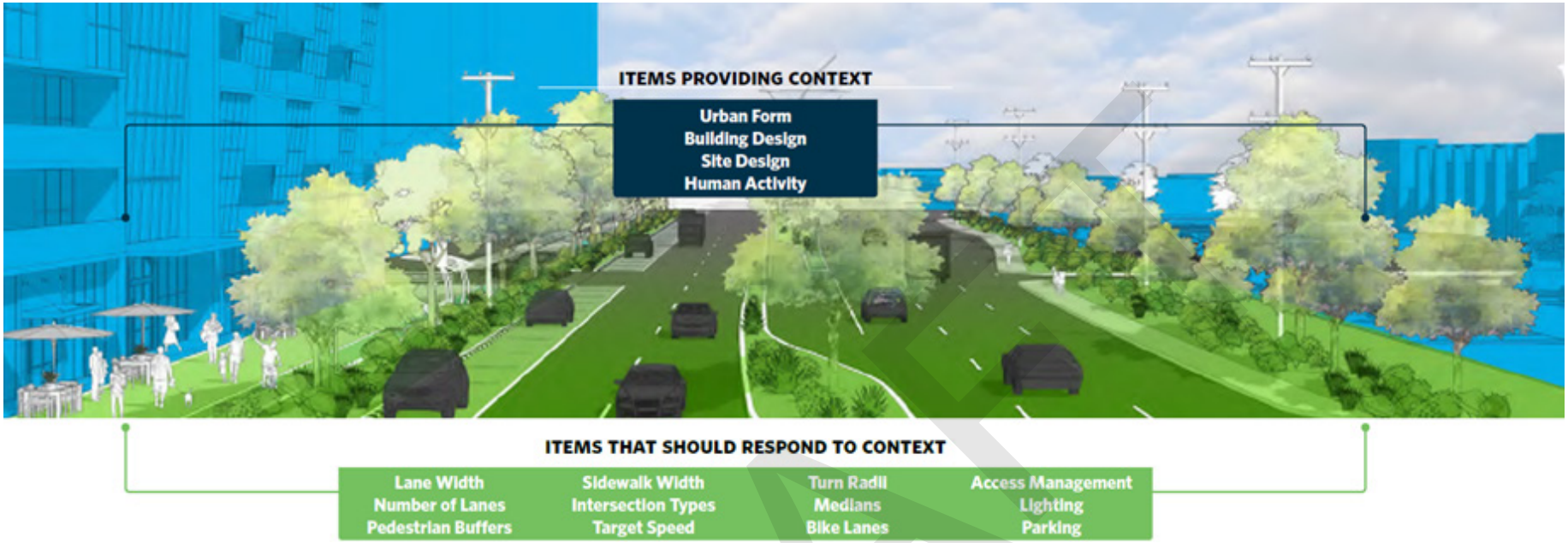
FIGURE 8. CONTEXT-SENSITIVE DESIGN



FLEXIBLE CROSS-SECTIONS

Recognizing that one size does not fit all, Addison uses flexible cross-section envelopes to guide street design in a way that responds to surrounding land use, transportation function, and community preferences. These envelopes establish a range of dimensions for each street element, allowing the Town to allocate space within the right-of-way based on context—whether it's a quiet residential street, a high-activity urban corridor, or a transitional mixed-use district.

This approach also supports the concept of right-sizing roadways, in which the number or width of travel lanes is evaluated based on actual traffic volumes and desired community outcomes. If a street is found to be overbuilt for its current or projected traffic, it may be appropriate to reduce lane widths or reallocate entire lanes to support other needs such as wider sidewalks, bike facilities, transit stops, on-street parking, or landscaping. This not only improves safety and comfort for non-motorized users but can also enhance the public realm and support local economic activity.

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In walkable or mixed-use areas, flexibility allows the Town to enhance public space and prioritize other modes through features such as:

- Wide sidewalks and furnishing zones for street trees, outdoor dining, and pedestrian comfort;
- On-street bike lanes or shared-use paths to support active transportation;
- Transit stops with shelters, seating, and ADA-compliant access;
- Narrower vehicle lanes or reduced lane counts to calm traffic and increase pedestrian safety;
- Public realm improvements like lighting, benches, or parklets that foster social activity and vibrancy.

In contrast, on key arterials or corridors where higher volumes of traffic are expected, the same envelope can be adapted to preserve vehicular function while improving comfort and safety through:

- Dedicated or shared turn lanes to maintain roadway capacity and manage congestion;
- Landscaped medians or channelized intersections for smoother operations and safety;
- Sidewalk buffers or planting strips that physically separate pedestrians from moving traffic;
- Clearly defined access points and driveway consolidation to reduce conflict and improve flow.

FIGURE 9. EXAMPLE OF A CROSS-SECTION

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The table below outlines the typical elements that may be included in a street cross-section envelope, along with recommended minimum and maximum widths. This structured flexibility allows Addison to adapt street designs to the needs and character of each corridor

TABLE 1. STREET CROSS-SECTION DESIGN ELEMENTS

COMPONENT	DESCRIPTION	MINIMUM WIDTH	MAXIMUM WIDTH
Travel Lane	General-purpose lane on a roadway for vehicles and bicycles.	10 ft	14 ft
Median	Raised or flush divider between travel lanes. May include landscaping or turn bays.	7 ft (minimum) 4 ft (with Left-Turn)	20 ft (landscaped or turn lane)
Turn Lane	Dedicated center or right turn lane.	10 ft	12 ft
Bike Lane	Designated on-street bicycle facility, striped or buffered.	5 ft	12 ft (buffered)
Sidewalk	Pedestrian zone adjacent to curb or parkway.	5 ft	8 ft
Enhanced Sidewalk	Wider sidewalks for high-pedestrian areas (mixed-use, downtown).	8 ft	15 ft
Parkway/Buffer	Landscaped or hardscape buffer between curb and sidewalk; may include street trees.	3 ft 5 ft (for new development)	10 ft
Parking Lane	On-street parallel parking.	7 ft	13 ft (accessible or buffered)
Curb and Gutter	Concrete edge treatment for drainage and vehicle control.	1.5 ft	2 ft
Shared-Use Path	Multi-use facility for bikes and pedestrians.	10 ft	14 ft
Streetscape Zone	Additional space adjacent to sidewalks for benches, lights, bike racks, trash cans, tree wells, etc.	4 ft	None
Transit Stop	Clear boarding area; may include shelter, seating, and ADA access zone.	6 ft	15 ft
Two-Way Cycle Track	A physically separated, bidirectional bicycle facility, distinct from sidewalks and travel lanes.	14 ft	10 ft

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TYPICAL CROSS SECTIONS

The Town of Addison's street network is designed to serve a dual purpose: facilitating regional mobility and providing local access. To achieve this balance, the Town has developed a comprehensive framework of typical street sections that guide right-of-way (ROW) dedication and context-sensitive street design. These typical sections are integral to the Town's long-term planning strategy, ensuring that new developments and capital improvement projects contribute to a cohesive and efficient transportation system.

Each typical section is tailored to accommodate the unique characteristics and demands of its corresponding street classification. The classifications include:

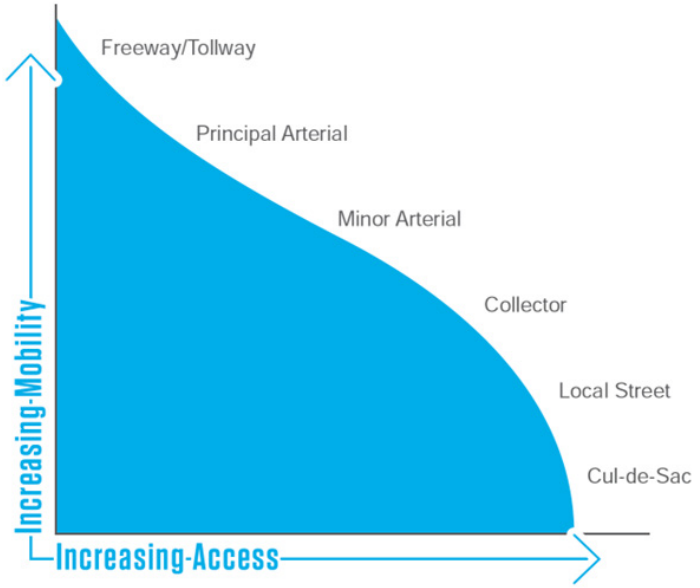
1. **Principal Arterial**
   High-capacity corridors facilitating regional traffic flow.
2. **Minor Arterial**
   Roadways connecting neighborhoods and commercial areas.
3. **Urban Collector**
   Streets supporting multimodal travel within walkable centers.
4. **Residential Collector**
   Roads linking local streets to arterials, balancing traffic volumes with multimodal access.
5. **Urban Local**
   Streets in mixed-use, walkable areas with high pedestrian activity.
6. **Residential Local**
   Neighborhood streets prioritizing pedestrian comfort and local access.

These typical sections are not prescriptive but provide a range of acceptable dimensions and optional design features. This flexibility allows for adaptation to local conditions, ensuring that the final street design supports Addison's overarching vision of safe, efficient, and attractive streets for all users.

In areas where existing ROW is insufficient to meet the minimum standards outlined in these typical sections, the Town may utilize easements to achieve the desired street dimensions. This approach ensures that the necessary space is available for future transportation needs without compromising current land use.

By implementing these typical sections, Addison aims to create a transportation network that accommodates all modes of travel, supports economic development, and enhances the quality of life for its residents.

FIGURE 10. MOBILITY-ACCESS RELATIONSHIP



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PRINCIPAL ARTERIAL

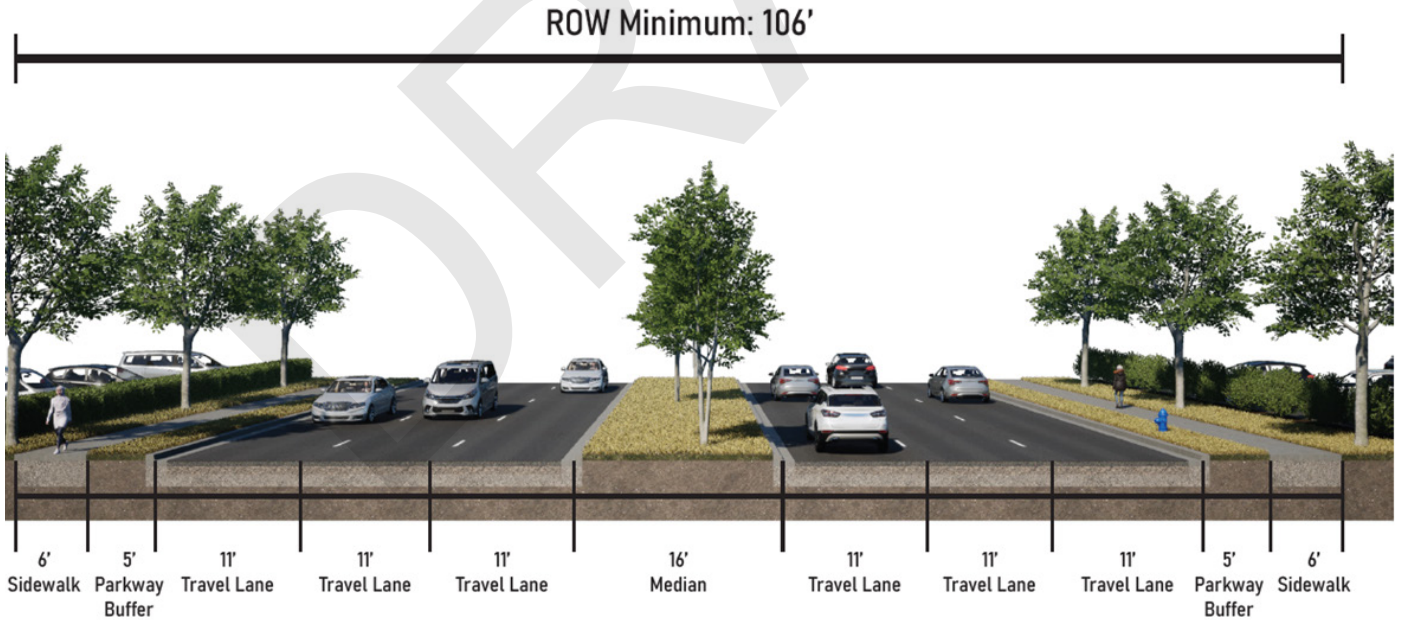
Description: Principal Arterials are the highest-capacity streets in the city network, connecting major destinations and carrying significant volumes of commuter, freight, and transit traffic. These corridors must balance efficient movement with safety and multimodal access, providing a durable, future-ready streetscape framework.

Implementation Note: Principal Arterials should support regional mobility and be designed to safely accommodate the highest volumes of all travel modes. Transit lanes and enhanced bus stop zones can be considered on high-frequency corridors. Bicycle facilities, if present, should be separated and physically protected where feasible, with wide shared-use paths as a preferred alternative in constrained corridors. Median treatments should balance turning movements with safety and may be landscaped to improve corridor identity. Access management and signal coordination should be used to ensure smooth and safe traffic flow.

TABLE 2. PRINCIPAL ARTERIAL COMPONENTS

CATEGORY	COMPONENT	RANGE
Width	Right-of-Way Minimum	106 ft
	Right-of-Way Maximum	130 ft
	Pavement Width	72–90 ft
Streetscape	Sidewalk	6–10 ft
	Parkway Buffer	5–10 ft
	Curb & Gutter	1.5–2 ft
Travelway	Number of Lanes	4–6
	Lane Widths	10–12 ft
	Median Width	15 –20 ft (5ft if adjacent to turn lane)
General	Design Speed	40–45 mph
	Design Service Volumes	30,000–45,000+ vpd

FIGURE 11. PRINCIPAL ARTERIAL COMPONENTS



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MINOR ARTERIAL

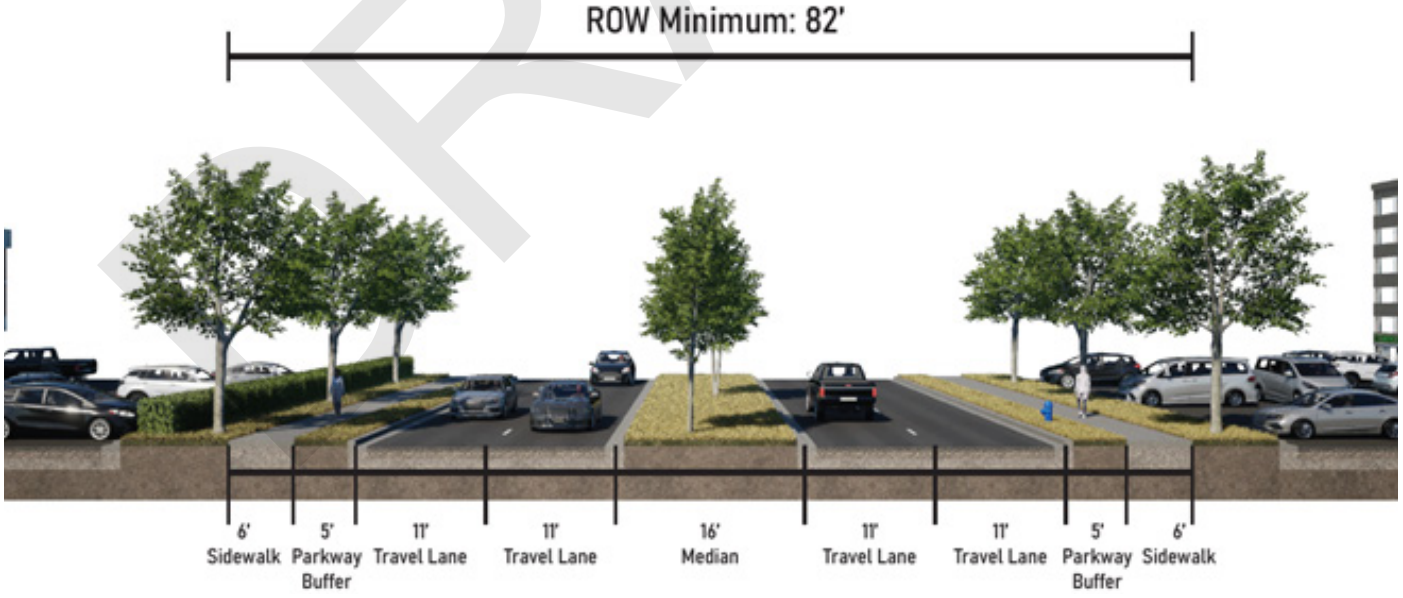
Description: Minor Arterials provide regional connections between neighborhoods and commercial areas. These streets serve higher volumes of traffic and accommodate multiple modes, including transit and protected bike facilities. Medians and turn lanes improve traffic flow, while wide sidewalks and buffers enhance pedestrian comfort.

Implementation Note: Minor Arterials should provide multimodal regional access while accommodating high vehicle volumes. ROW should consider future transit upgrades and dedicated bike facilities. Dedicated left-turn lanes and landscaped medians should be included where space allows to support safe turning movements and reduce conflicts. Separated side paths should be prioritized in constrained environments to maintain safe and comfortable bike travel. Streetscape elements like wide sidewalks and buffers are critical to create a safer and more pleasant pedestrian environment, especially near bus stops and intersections.

TABLE 3. MINOR ARTERIAL COMPONENTS

CATEGORY	COMPONENT	RANGE
Width	Right-of-Way Minimum	82 ft
	Right-of-Way Maximum	110 ft
	Pavement Width	60–72 ft
Streetscape	Sidewalk	60–72 ft
	Parkway Buffer	6–15 ft (Enhanced)
	Curb & Gutter	5–10 ft
Travelway	Number of Lanes	4–6
Flex Space	Lane Widths	10–12 ft
	Median Width (If Applicable)	15–20 ft (5ft if adjacent to turn lane)
General	Design Speed	35–40 mph
	Design Service Volumes	15,000-30,000 vpd

FIGURE 12. MINOR ARTERIAL COMPONENTS



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URBAN COLLECTOR

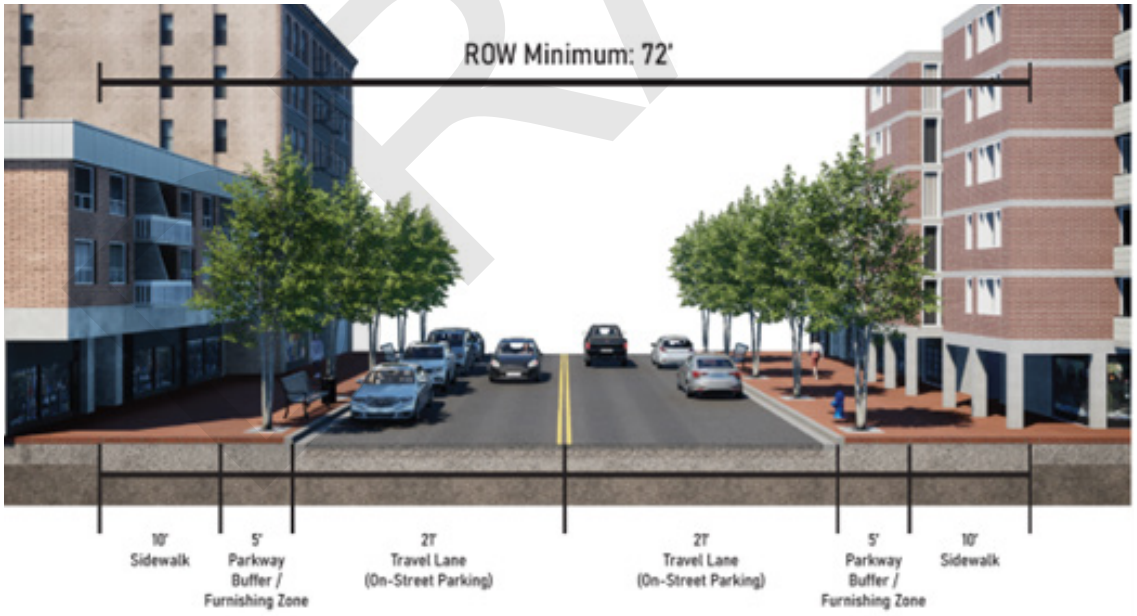
Description: Urban Collectors function as key multimodal corridors within walkable centers or transitioning urban areas. These streets are designed to support high pedestrian activity, accommodate bicycles, and serve emerging transit and curbside needs.

Implementation Note: Urban Collectors should prioritize multimodal travel and balance flexibility with safety. ROW should protect for future transit, bikeways, and pedestrian enhancements. Where high pedestrian activity exists, curbside space should support enhanced crossings, furnishings, or stormwater planters. Bicycle facilities may be raised, buffered, or integrated with shared-use paths depending on the corridor function. Active curbside zones should remain flexible to support deliveries, rideshare, or future transit service.

TABLE 4. URBAN COLLECTOR COMPONENTS

CATEGORY	COMPONENT	RANGE
Width	Right-of-Way Minimum	72 ft
	Right-of-Way Maximum	100 ft
	Pavement Width	44–60 ft
Streetscape	Sidewalk	8–15 ft (Enhanced)
	Parkway Buffer	Minimal or replaced by furnishings
	Streetscape Zone	4–8 ft
	Curb & Gutter	1.5–2 ft
Travelway	Number of Lanes	2–4
	Lane Widths	10–11 ft
General	Design Speed	30–35 mph
	Design Service Volumes	10,000–20,000 vpd

FIGURE 13. URBAN COLLECTOR COMPONENTS



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RESIDENTIAL COLLECTOR

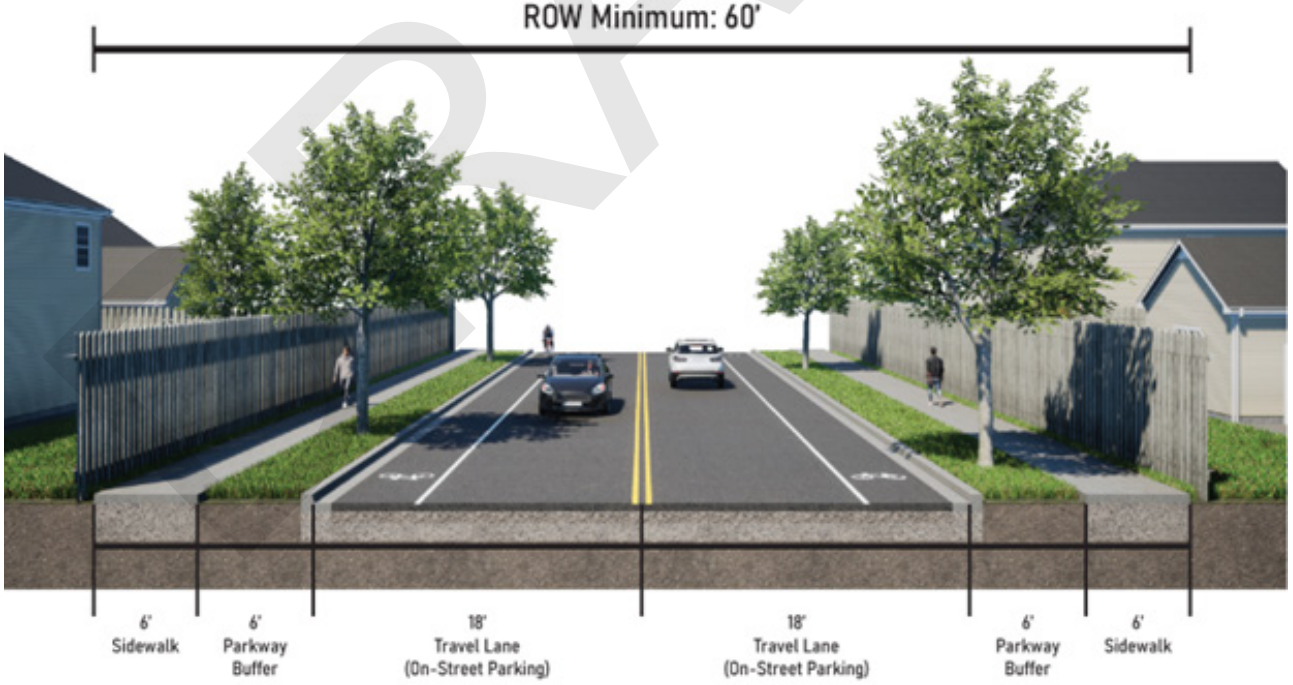
Description: Residential Collectors connect local streets to arterials and are designed to balance low to moderate traffic volumes with multimodal access. They serve key community destinations and can provide space for bicycle facilities and traffic calming elements like medians or crossing islands.

Implementation Note: Final cross-section design will be determined during project development through a context-sensitive approach. However, ROW dedication should follow the maximum width to ensure the City's long-term transportation vision can be realized. For Residential Collector streets: Bike lanes may be used instead of parking lanes where appropriate. These trade-offs should be determined through a public engagement process. Parking lanes may be removed at key intersections to accommodate a dedicated turn lane for improved access to major roadways.

TABLE 5. RESIDENTIAL COLLECTOR COMPONENTS

CATEGORY	COMPONENT	RANGE
Width	Right-of-Way Minimum	60 ft
	Right-of-Way Maximum	80 ft
	Pavement Width	36–44 ft
Streetscape	Sidewalk	5–6 ft
	Parkway Buffer	3–6 ft
	Curb & Gutter	1.5–2 ft
Travelway	Number of Lanes	2–3
	Lane Widths	10–11 ft
General	Design Speed	25–30 mph
	Design Service Volumes	5,000–10,000 vpd

FIGURE 14. RESIDENTIAL COLLECTOR COMPONENTS



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URBAN LOCAL

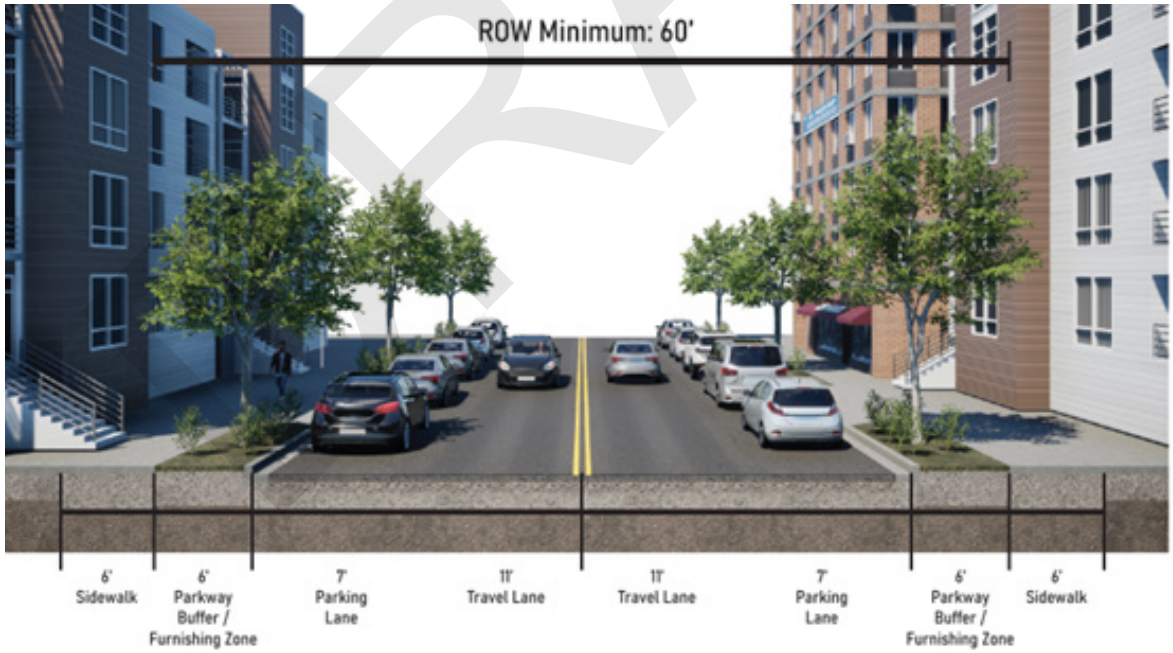
Description: Urban Local streets are intended for mixed-use and walkable areas with higher pedestrian activity than Residential Local streets. These streets prioritize wide sidewalks, parkway space can be replaced with streetscape zones, and the roadway should provide parking on both sides of the street to support adjacent land uses and ground-floor activity.

Implementation Note: Urban Local streets should integrate active design elements that reflect high levels of pedestrian activity and mixed-use development. Parking on both sides should be maintained where feasible but may transition to bike lanes, loading zones, or expanded pedestrian areas. Pedestrian-friendly tools such as bulb-outs, midblock crossings, and raised intersections should be heavily considered to enhance safety and access near ground-floor activity.

TABLE 6. URBAN LOCAL COMPONENTS

CATEGORY	COMPONENT	RANGE
Width	Right-of-Way Minimum	60 ft
	Right-of-Way Maximum	70 ft
	Pavement Width	36–40 ft
Streetscape	Sidewalk	6–12 ft (enhanced)
	Parkway Buffer	Minimal or replaced by furnishings
	Streetscape Zones	4–8 ft
	Curb & Gutter	1.5–2 ft
Travelway	Number of Lanes	2
	Lane Widths	10–11 ft
General	Design Speed	25 mph
	Design Service Volumes	<5,000 vpd

FIGURE 15. URBAN LOCAL COMPONENTS



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RESIDENTIAL LOCAL

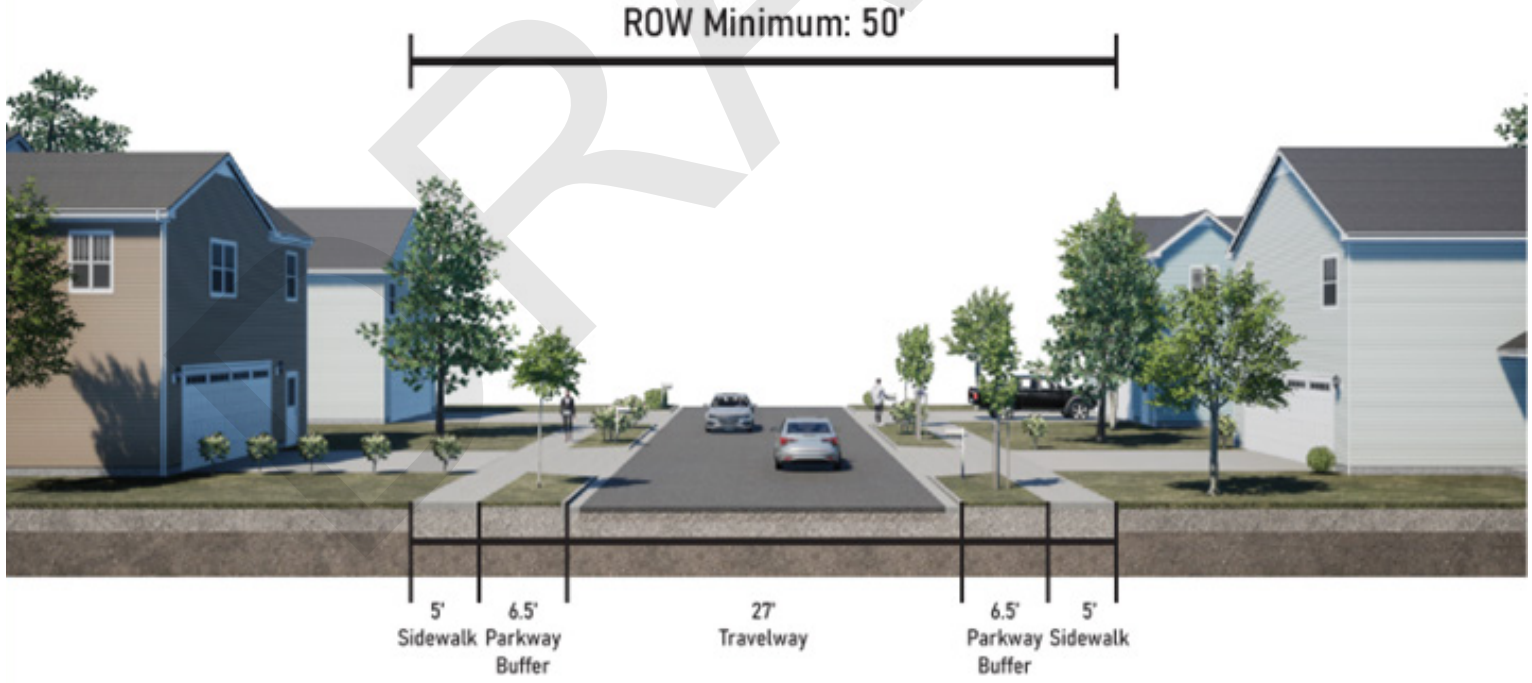
Description: Residential Local streets serve neighborhoods with low vehicle volumes and prioritize pedestrian comfort, tree planting, and local access. Sidewalks and street trees create a welcoming environment, while travel lanes accommodate shared bicycle use.

Implementation Note: Final cross-section design will be determined during project development through a context-sensitive approach. However, ROW dedication should follow the maximum width to ensure the City's long-term transportation vision can be realized.

TABLE 7. RESIDENTIAL LOCAL COMPONENTS

CATEGORY	COMPONENT	RANGE
Width	Right-of-Way Minimum	50 ft
	Right-of-Way Maximum	60 ft
	Pavement Width	26–30 ft
Streetscape	Sidewalk	5–6 ft
	Parkway Buffer	3–7 ft
	Curb & Gutter	1.5–2 ft
Travelway	Number of Lanes	2
	Lane Widths	10–11 ft
General	Design Speed	25–30 mph
	Design Service Volumes	<2,000 vpd

FIGURE 16. RESIDENTIAL LOCAL COMPONENTS



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TRANSPORTATION TECHNICAL STANDARDS

Click here to view the Transportation Technical Design Standards Report

The Town of Addison's Transportation Technical Standards serve as the authoritative guide for the design and evaluation of roadways and transportation infrastructure within the town. This document is essential for engineers, planners, and developers engaged in new roadway designs or assessing the transportation impacts of proposed developments.

The Transportation Technical Standards provide comprehensive requirements and guidelines to ensure that transportation infrastructure in Addison is safe, efficient, and consistent with the town's planning objectives. These standards apply to all new roadway designs and to the evaluation of transportation aspects in new developments. They are intended to align with the Town of Addison's Master Transportation Plan and other relevant planning documents.

The standards encompass various aspects of transportation design, including:

- **Roadway Classifications:** Defining different types of streets (e.g., major arterials, minor arterials, collectors, local streets) and their intended functions.
- **Design Criteria:** Specifications for lane widths, shoulder widths, curb and gutter designs, and other geometric features.
- **Access Management:** Guidelines for the spacing and design of driveways, median openings, and intersections to optimize traffic flow and safety.
- **Traffic Control Devices:** Standards for the placement and design of signs, signals, and pavement markings.
- **Pedestrian and Bicycle Facilities:** Requirements for sidewalks, crosswalks, bike lanes, and related infrastructure to support non-motorized transportation.
- **Lighting and Landscaping:** Standards for street lighting placement and landscaping to enhance safety and aesthetics.

The table below summarizes typical spacing guidelines for various street types in Addison, as outlined in the Transportation Technical Standards. These guidelines are subject to the latest edition of the standards and may be adjusted based on specific project requirements.

TABLE 8. SPACING REQUIREMENTS

STREET TYPE	MEDIAN OPENING SPACING	PREFERRED SIGNAL SPACING	DRIVEWAY SPACING	LIGHTING SPACING	LIGHTING SETBACK FROM MEDIAN NOSE
Principal Arterial	400–600 ft	1,320 ft	200 ft	150 ft	30 ft
Minor Arterial	400–600 ft	1,320 ft	200 ft	150 ft	30 ft
Urban Collector	350–600 ft	1000 ft	150 ft	150 ft	30 ft
Residential Collector	350–600 ft	1000 ft	20 ft	150 ft	30 ft
Urban Local	N/A	N/A	20 ft	100 ft	N/A
Residential Local	N/A	N/A	20 ft	100 ft	N/A

Access spacing standards should be considered early in the planning and design phases of a development or roadway project. They are tailored to each roadway classification and should be balanced with site access needs, traffic volumes, and adjacent land uses. While the spacing values provided in the accompanying table reflect preferred minimums, adjustments may be warranted based on operational analyses, topography, or specific development conditions. All deviations must be reviewed and approved by the Town of Addison's Public Works and Engineering Department.

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CHAPTER 5:

TRANSPORTATION SYSTEM PLAN

THOROUGHFARE PLAN MAP

The Thoroughfare Plan Map defines the functional classification of Addison's Street network and sets expectations for the scale and connectivity of future transportation infrastructure. While the majority of the roadway classifications established in the 2016 Master Transportation Plan remain consistent, this update incorporates several key changes intended to better align Addison's mobility system with its evolving development patterns, fiscal realities, and community aspirations.

Most notably, Commercial Collector roadways have been reclassified as Urban Collector to reflect a more walkable, mixed-use context, and to clarify the expected design character of these corridors as they evolve. This change also supports Addison's broader goals to reduce vehicle miles traveled, improve multimodal connectivity, and increase the economic productivity of existing corridors.

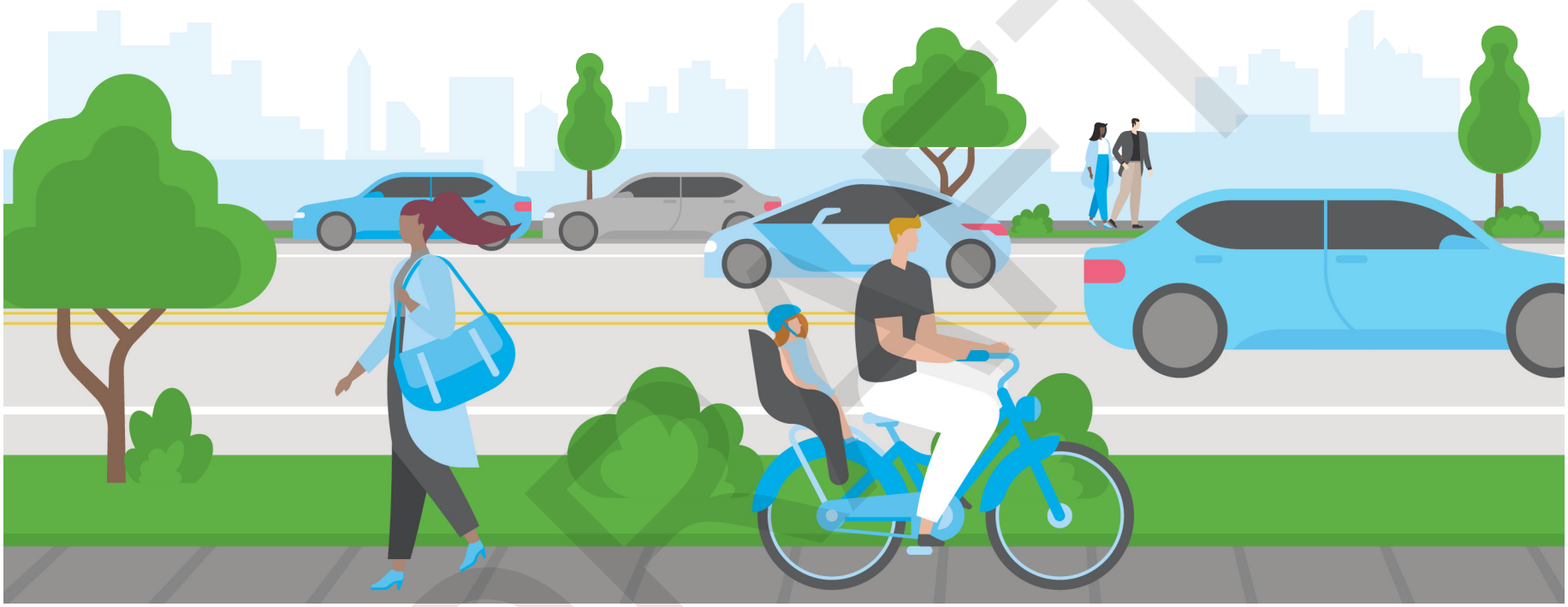
Street Classifications

- Toll
- Principal Arterial
- Minor Arterial
- Urban Collector
- Residential Collector
- Residential Local
- Urban Local

DRAFT

Additionally, the Urban Local classification has been added. This new typology recognizes the need for lower-speed, pedestrian-oriented streets in dense, mixed-use areas such as Addison Circle and future transit-oriented development zones. Urban Local streets prioritize safety, comfort, and access for people walking and biking, and are a key element in the Town's efforts to develop more complete, compact, and connected neighborhoods.

These classifications are illustrated in the updated Thoroughfare Plan Map (see page 62), which shows both existing and planned alignments. This map should be interpreted in conjunction with the Place Types and Spectrum of Changes Maps and cross section guidance found in the Cross-Section Design Strategy section.



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PROPOSED THOROUGHFARE PLAN MAP

The Proposed Thoroughfare Plan map defines the functional classification of all public streets in Addison and guides long-term roadway design and infrastructure investment. It reflects both existing conditions and future expectations for development, mobility, and context-sensitive design. The map includes roadway classifications such as Principal Arterial, Minor Arterial, Urban Collector, Residential Collector, Residential Local, and the newly introduced Urban Local category.

WHAT THE MAP SHOWS

- A complete, built-out street network with functional classifications for all public roadways
- Classifications that coordinate with recommended cross sections and help define expected design character and function
- A small number of proposed new segments, with most changes focused on redesign and modernization rather than new connections

WHAT'S NEW

- Updated cross sections that prioritize wider sidewalks, ADA-compliant facilities, and enhanced streetscapes—typically without adding travel lanes
- A new Urban Local classification to distinguish walkable, mixed-use streets (e.g., in Addison Circle) from traditional residential local streets ,in alignment with the concept of redesigning for desired slower comfortable driving speeds
- A flexible cross-section strategy that allows for context-sensitive designs across varying right-of-way widths. If a corridor has a surplus or deficit of right-of-way, the cross section can be adapted while still meeting core design goals. This flexibility makes it easier for staff to work with developers to build complete street sections and allows the Town to implement projects without requiring extensive or costly right-of-way acquisition.
- Continued emphasis on Complete Streets principles—ensuring all users are accommodated, not just vehicles

IMPLEMENTATION GUIDANCE

- Supports development review by identifying expected roadway types and associated design elements
- Guides right-of-way preservation and ensures reconstructed roadways reflect long-term design intent
- Enables more cost-effective capital planning by reducing the need for additional right-of-way purchases
- Coordinates public infrastructure upgrades with private development to ensure streets are delivered consistently and efficiently

This map ensures that future roadway investments align with Addison's goals for safety, connectivity, and walkability while maintaining the efficiency of the street network.

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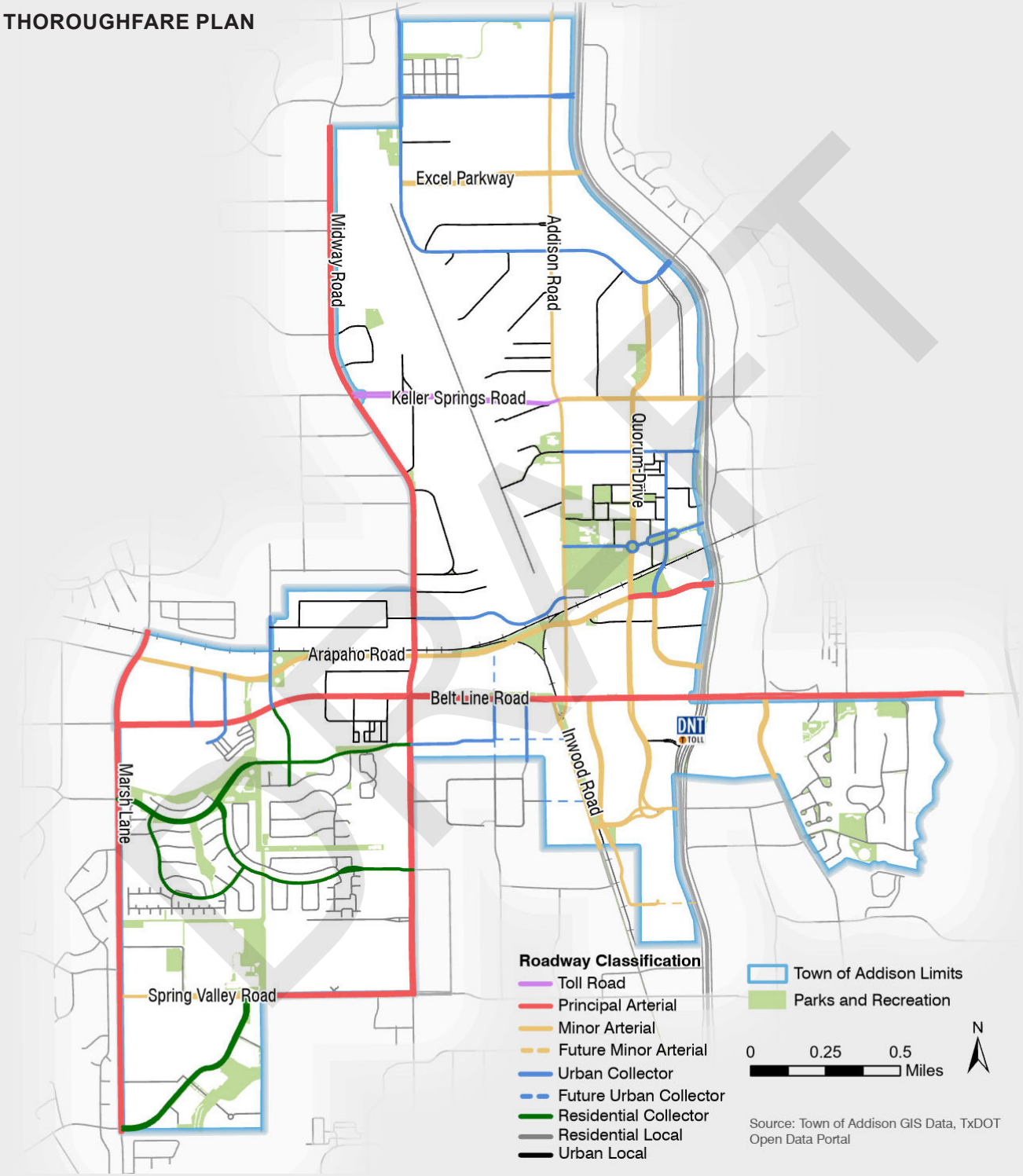
MAP 7. PROPOSED THOROUGHFARE PLAN



FUTURE ROADWAY SEGMENTS

To complete Addison's long-range vision for a more connected and resilient street network, the Transportation Plan includes recommendations for a limited number of future roadway segments. Most of Addison's transportation network is already built out, and the Town's compact footprint means that new corridors are the exception, not the rule. However, select extensions and connections have been identified as important opportunities to support redevelopment, enhance east-west access, and complete internal circulation in key growth areas—particularly within the Inwood Enhancement Zone, where coordinated infrastructure and land use strategies are central to economic revitalization.

These future segments are shown as striped or dashed lines on the Proposed Thoroughfare Plan Map and represent planned connections—not existing roadways. While most of these segments were carried forward from the 2016 Master Transportation Plan, they have been refined to reflect current land use and development feasibility.

TABLE 9. FUTURE ROADWAY SEGMENTS

IMPROVEMENT LOCATION	PROJECT LIMITS	RECOMMENDATION	STATUS
Alpha Rd/Bella Lane*	Near Vitruvian	Connection completed	Complete
Landmark Boulevard*	Extend to Dallas North Tollway	Project infeasible under current conditions	Proposed
Beltway Drive – East-West Segment*	Current terminus to Inwood Road	Consider future extension in coordination with redevelopment opportunities; follow Inwood Enhancement Zone study	Proposed
Beltway Drive – North-South Segment*	Arapaho Road to Belt Line Road and current north–south terminus to South Town Limit	Consider future extension in coordination with redevelopment opportunities; follow Inwood Enhancement Zone study	Proposed
Beltwood Parkway*	Extend to Inwood Road	Consider with future redevelopment; align with Inwood Enhancement Zone	Proposed

**Carried forward from 2016 Master Transportation Plan Update*

DRAFT

Implementation Considerations

Linked to Redevelopment: Most of these segments are not standalone public projects—they are expected to be constructed in partnership with or as a condition of redevelopment. Preserving right-of-way and integrating future connections into site plans is essential.

No Immediate Timeline: These segments are long-range recommendations and are not prioritized in the current Capital Improvements Plan. Implementation will be tied to property redevelopment, private investment, or public-private partnerships.

Enhancing the Grid: The intent is not to create high-speed roadways but to enhance local circulation and support more walkable, urban development. Design standards for these connections will reflect their role in neighborhood-scale mobility and redevelopment success.

Landmark Boulevard Extension

While extending Landmark Boulevard to the Dallas North Tollway could provide a new east-west route, the project is currently considered infeasible due to existing development patterns and limited right-of-way availability. The Town continues to monitor conditions for future feasibility.

Beltway Drive (East-West Segments)

A future east-west segment of Beltway Drive connecting to Inwood Road would help relieve pressure on Belt Line Road, improve local access, and strengthen the area's internal grid—especially if paired with the Beltwood Parkway extension. Both are envisioned as urban-scale connectors, supporting walkable mixed-use development as the Inwood area evolves.

Beltway Drive (North-South Segments)

There is strong interest in extending the north-south segment of Beltway Drive southward to connect with Gillis Road and Maxim Drive in Farmers Branch. This would create a new, continuous north-south route between Arapaho Road and Spring Valley Road. While this connection would require demolition of existing buildings and parking, it would significantly improve access and enhance redevelopment opportunities across both cities. Coordinated planning with Farmers Branch will be essential.

Beltwood Parkway Extension

Extending Beltwood Parkway to Inwood Road would help complete the local grid and improve east-west circulation through the Inwood Enhancement Zone. It also supports the area's envisioned transition from light industrial uses to creative office, civic, and flex space. If implemented alongside the Beltway Drive extension, the combined grid would provide flexible routing options and reduce dependence on Inwood and Belt Line for local trips.

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FUTURE ROADWAY MODIFICATIONS

While Addison's street network is largely built out, many corridors are in need of modernization to support long-term mobility, accessibility, and redevelopment goals. The Transportation Plan identifies several key modifications to existing streets, focusing on improving multimodal safety, upgrading infrastructure, and aligning roadway design with current land use patterns. These improvements are not intended to expand the Town's network, but rather to enhance these roadways' function and appearance.

Most projects focus on reconfiguring existing streets to better serve pedestrians and cyclists while calming traffic and meeting ADA standards. Several recommendations—carried forward from the 2016 Master Transportation Plan—have been updated to reflect current right-of-way conditions, development status, and implementation feasibility.

TABLE 10. FUTURE ROADWAY MODIFICATIONS

IMPROVEMENT LOCATION	PROJECT LIMITS	RECOMMENDATION	STATUS
Midway Road	Spring Valley Road to Keller Springs Road	Roadway modernization including side path, utilities, ADA-compliance, and modern lighting	Complete
Keller Springs Road	Addison to Dallas North Tollway	Enhanced sidewalks and pedestrian improvements along the corridor	Under Construction
Montfort Drive*	Belt Line Road to Celestial Road	Add pedestrian enhancements along the street; potential installation of a new traffic signal with pedestrian crossing at one of the drives at Village on the Parkway and improve crossing at Celestial Road	Design Phase
Quorum Drive*	Dallas North Tollway to DART ROW	Maintain planned upgrades for drainage, bicycle, and pedestrian enhancements	Design Phase
Airport Parkway	Addison to Dallas North Tollway	"Roadway modernization including enhanced sidewalk, utilities, traffic signals ADA-compliance, and modern lighting"	Design Phase
Addison/Inwood Road*	Keller Springs Road to South Town Limit	Widen to 4D in the remaining locations as right-of-way becomes available	Proposed
Addison Road	North Town Limit to Keller Springs Road	Roadway modernization including utilities, ada compliance and modern lighting. Evaluate cross section for multimodal enhancements, including side path to align with Trails Master Plan	Proposed
Marsh Lane	North Town Limit to South Town Limit	Roadway modernization including side path, utilities, ADA-compliance, and modern lighting	Proposed
Quorum & Westgrove Intersection*	Westgrove to Dallas North Tollway	Reconfigure the intersection when the adjacent property develops so that Quorum is the through movement at Westgrove	Proposed

**Carried forward from 2016 Master Transportation Plan Update*

DRAFT

Implementation Considerations

Linked to Redevelopment: Some modifications—particularly at the Quorum & Westgrove intersection—are triggered by adjacent redevelopment and will be implemented in coordination with private investment.

ROW-Responsive Cross Sections: The Town's new flexible cross-section strategy allows projects to proceed regardless of minor right-of-way variations, supporting implementation without requiring costly property acquisition.

Multimodal Focus: Improvements emphasize walkability and accessibility, helping to complete Addison's pedestrian network and align with regional trail and transit initiatives.

Click here to view Addison's Capital Projects

Midway Road (Spring Valley Road to Keller Springs Road)

The full reconstruction of Midway Road is now ***complete***, delivering upgraded utilities, drainage improvements, new pavement, and a wide shared-use side path for pedestrians and cyclists. Funded by the **2012 and 2019 Bond Programs**, along with certificates of obligation and Dallas County support, the project also includes modern traffic signals, enhanced crosswalks, and ADA-compliant sidewalks. As Addison's largest infrastructure investment to date, the completed corridor improves safety, multimodal access, and regional connectivity—including a key link to the future DART Silver Line station.

Keller Springs Road (Dallas North Tollway to Addison Road)

This reconstruction project, included in Proposition A of the 2019 Bond Program, is currently ***under construction***. It involves replacing the original 1970s asphalt with durable concrete pavement, upsizing utility infrastructure to support future growth, and installing Complete Streets elements—sidewalks, medians, landscaping, and upgraded signals at Quorum Drive. Project design and bidding concluded in mid-2023, and construction running from spring 2025 to early 2027. Utility relocations are complete and initial demolition and traffic reconfigurations are already in progress, maintaining one lane in each direction.

Montfort Drive (Belt Line Road to Celestial Road)

Funded by the **2019 Bond Program**, this project will reconstruct Montfort Drive with new pavement, upgraded utilities, enhanced sidewalks, lighting, and streetscape. A pedestrian signal near Village on the Parkway is also under consideration. The project is in ***design phase***, with construction expected to begin in 2027.

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Quorum Drive (Dallas North Tollway to DART Right-of-Way)

Quorum Drive will undergo a reconstruction from the Tollway to the DART right-of-way, including upgraded utilities, ADA-compliant sidewalks, enhanced streetscapes, and new bicycle infrastructure. Funded through the 2019 Bond Program (Proposition B), the project also includes placemaking features such as landscaping, public space enhancements, and potential redesign of the Addison Circle intersection. A design contract was approved in 2022, and a Public Advisory Committee has helped shape the final design. The Town completed with NCTCOG a temporary demonstration of the proposed cycle track. The project is in ***design phase***, with construction expected to begin in late summer of 2027.

Airport Parkway (Addison to Dallas North Tollway)

Reconstructed under Proposition A of the 2019 Bond Program, the Airport Parkway project is currently in the Engineering Design Phase and consists of full roadway modernization—including replacing aging 1970s asphalt with durable concrete pavement, upsizing water and sewer infrastructure, and upgrading traffic signals to meet Master Transportation Plan standards. The project also integrates Complete Streets features—ADA-compliant sidewalks, accessible crossings, modern lighting, and landscaping. As of late 2021, the ***design phase*** work was nearly complete (95%), and preliminary right-of-way appraisals were underway; construction procurement is anticipated to follow completion of the Keller Springs project.

Addison/Inwood Road (Keller Springs Road to South Town Limit)

Addison/Inwood Road is planned to transition from a four-lane undivided to a divided roadway, with medians and turn lanes added where missing—especially between Arapaho and Keller Springs. Improvements can be completed as a full bond project or advance incrementally as redevelopment occurs within the Inwood Enhancement Zone and Addison TOD. A regional trail is planned along Inwood Road, supporting broader active transportation goals. The segment from Landmark to Belt Line requires upgraded pavement and sidewalks, while the intersection at Belt Line should be reevaluated for operational efficiency and pedestrian safety. The project is currently ***not started*** and dependent on right-of-way availability and private development coordination.

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Addison Road (North Town Limit to Keller Springs Road)

This project will include a comprehensive evaluation of the roadway cross section and a detailed right-of-way (ROW) study. The goal is to explore the introduction of multimodal improvements in alignment with the Town's Trails Master Plan—such as a shared-use path, enhanced pedestrian features, ADA upgrades, and modern lighting—while delivering broader roadway modernization. A full traffic capacity review will ensure that any changes maintain mobility and service levels. The project has ***not started*** and will require future bond funding.

Marsh Lane (North Town Limit to South Town Limit)

Marsh Lane is planned for full modernization, including utility upgrades, ADA-compliant sidewalks, improved lighting, and an enhanced pedestrian sidewalk along the east side to improve access and safety. The project will maintain its current lane configuration while closing key sidewalk gaps near schools and neighborhoods. It is currently ***not started*** and will require future funding through capital improvements or a bond program.

Quorum & Westgrove Intersection

This intersection will be reconfigured when the adjacent site redevelops to create a continuous Quorum Drive through-movement—either as a T-intersection or potential roundabout. The project is ***not started*** and tied to redevelopment of adjacent undeveloped parcels.

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CHAPTER 6:

ACTIVE TRANSPORTATION PLAN

ACTIVE TRANSPORTATION PLAN

Addison's Active Transportation Plan builds directly on the foundation laid by the 2024 Citywide Trails Masterplan, continuing the Town's commitment to developing a safe, connected, and practical network for walking and biking. While the Trails Masterplan outlined a long-term vision for trail connectivity across the community, this plan focuses on implementation—identifying which roadway corridors should be prioritized for near-term projects and integrating active transportation infrastructure directly into Addison's street network.

The Town of Addison is uniquely positioned to support active transportation. Its compact size, dense commercial corridors, access to bus or rail transit, and proximity to regional trails—including the future Cotton Belt Trail and White Rock Creek connections—make it well-suited for trips by foot, bike, and other micro-mobility modes. However, several barriers remain, including gaps in the sidewalk network, limited north-south crossings over the DART Silver Line corridor, and inconsistent bicycle accommodations on arterial streets. This plan helps address those challenges by applying flexible roadway cross sections and a Complete Streets framework to support walking and biking as part of everyday mobility.

Where the Citywide Trails Masterplan identified dozens of improvements—including Tier 1 and Tier 2 corridors, preferred trail typologies, and long-range priorities—this Active Transportation Plan provides a more tactical lens. It identifies which roadways should be targeted for investment based on multiple factors:

- ✔ **Proximity to existing and planned trails**
- ✔ **Existing pedestrian and bicycle travel patterns**
- ✔ **Crash data involving vulnerable road users**
- ✔ **Gaps in sidewalk or bicycle infrastructure**
- ✔ **Locations with high demand for safe crossings**

This information directly informs the prioritization of major roadway projects as well as development-related infrastructure requirements, ensuring that private and public investments contribute to a consistent and connected network.

The Active Transportation Plan Map, provided on page 70, illustrates where various types of walking and biking infrastructure are recommended throughout the community. These facility types reflect both the guidance of the Trails Masterplan and the context-specific design strategies of this MTP. Facilities shown on the map are described on the following pages.

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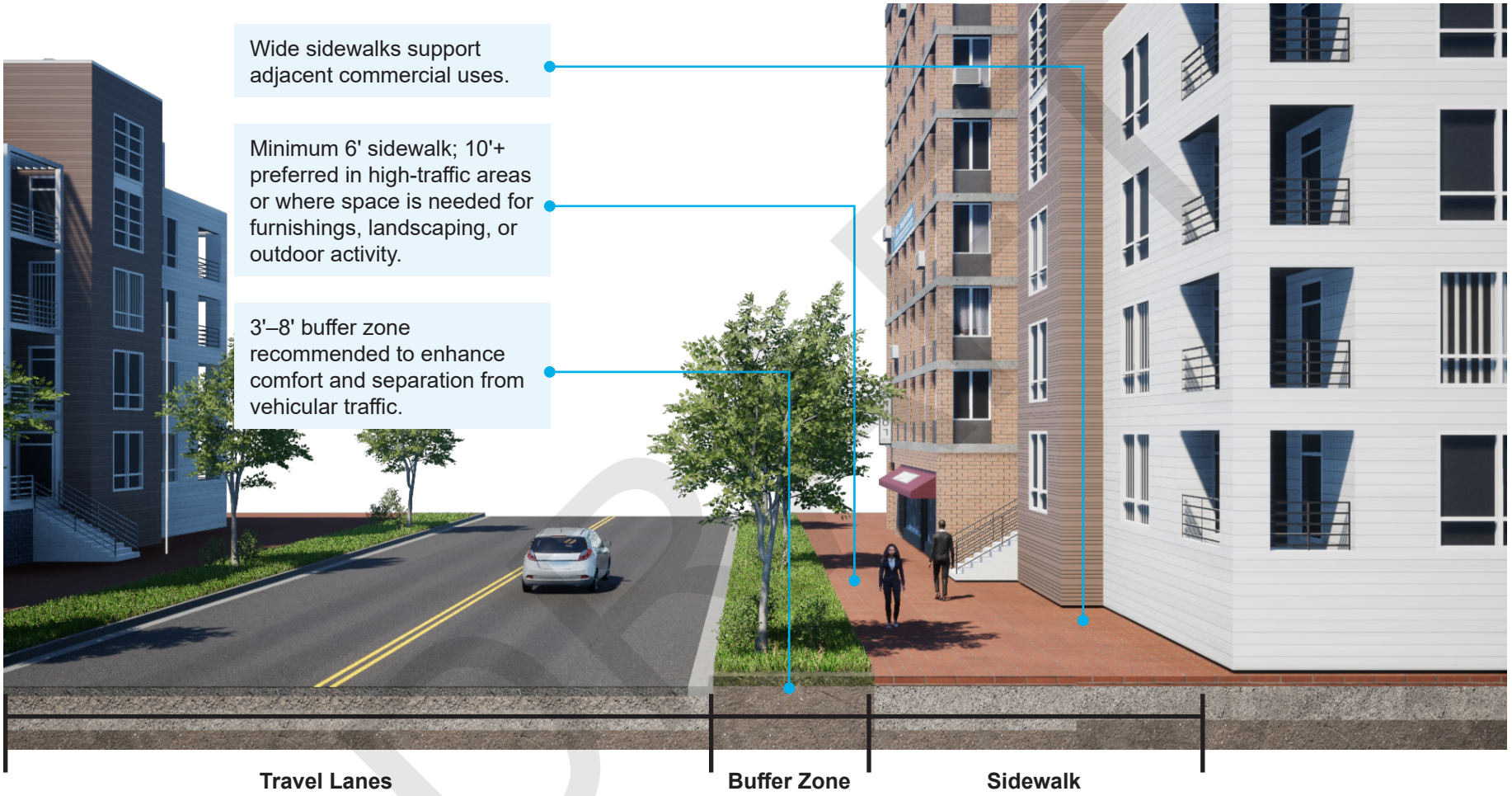
WIDE SIDEWALK WITH BUFFER

Minimum 6-foot sidewalks with landscaped or hardscape buffers from vehicular travel lanes

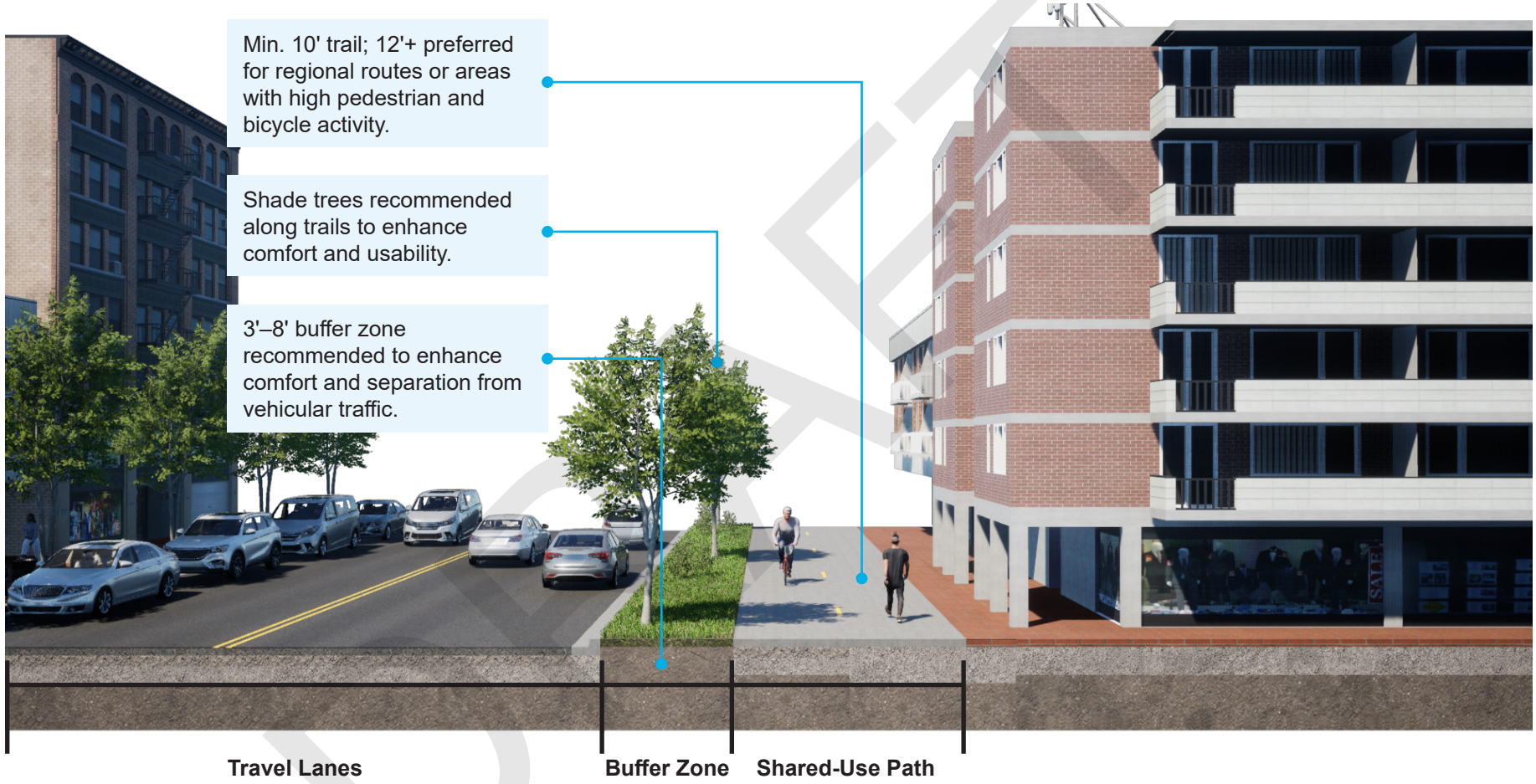


Where do wide sidewalks belong?

- Major arterials and commercial corridors like Belt Line, Midway, and Marsh
- Transit-oriented areas, including the DART Silver Line Station and Addison Circle
- Mixed-use and high-activity districts such as Vitruvian Park and Village on the Parkway
- Corridors with high pedestrian demand, including near restaurants, retail, and event venues
- Near schools, parks, and public facilities, where safety and comfort are essential
- Redevelopment and trail connection areas, where streetscapes are being improved or realigned

SHARED-USE PATH ALONG STREET

A sidepath accommodating both pedestrians and bicyclists, typically 10–12 feet wide, adjacent to the roadway

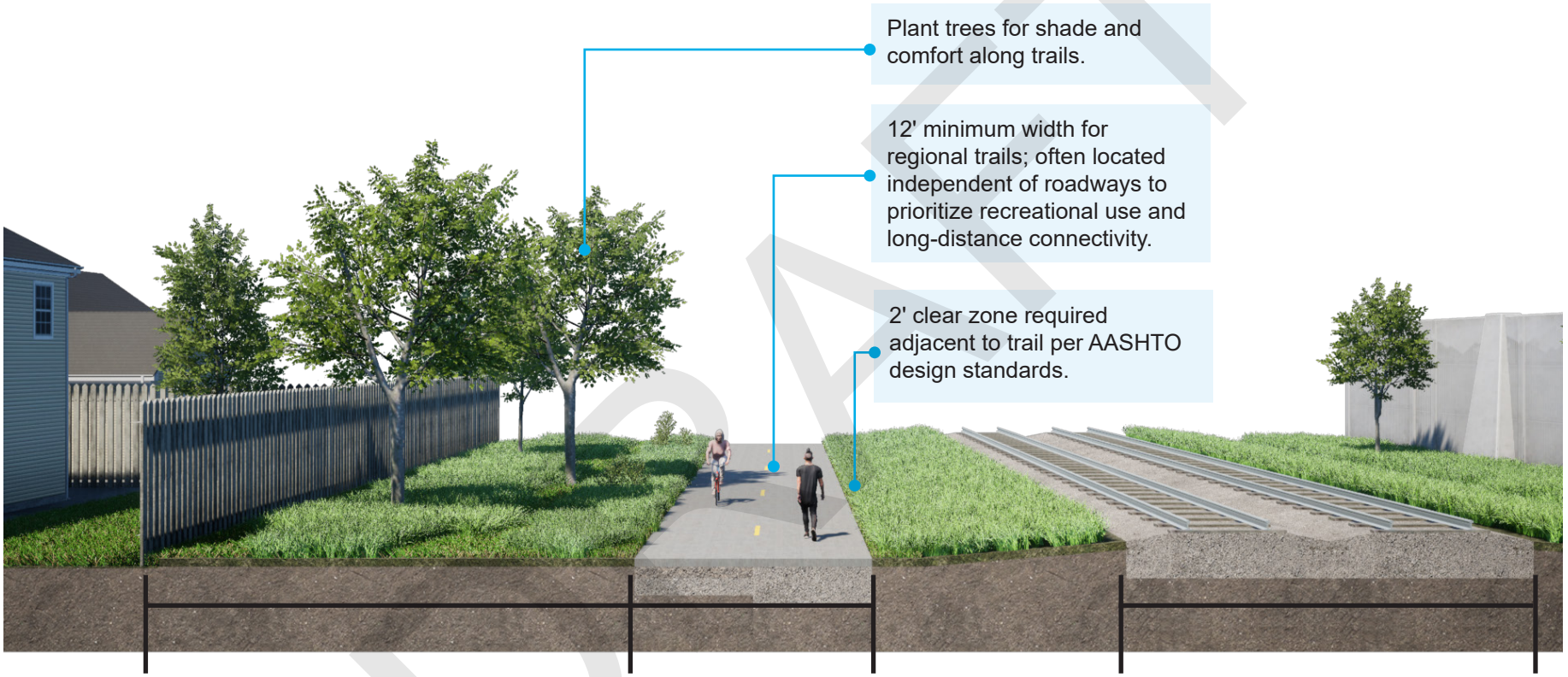


Where do shared-use paths belong?

- Along major arterials like Midway Road and Inwood Road, as identified in the Citywide Trails Master Plan
- Corridors with limited pavement width for separate bike lanes, providing safe space for both pedestrians and cyclists
- Connections to regional trails, such as the planned Cotton Belt Trail and White Rock Creek Trail
- First/Last mile connections to the DART Silver Line Station and key bus stops

REGIONAL SHARED-USE TRAIL

Off-street facilities that serve regional connectivity goals (e.g., Cotton Belt Trail), typically separated from roadways



Where do regional shared-use paths belong?

- Follow alignments in the NCTCOG Veloweb to ensure regional connectivity
- Connect to neighboring cities like Dallas, Farmers Branch, and Carrollton
- Prioritize long, continuous corridors that support both recreation and transportation
- Use off-street alignments where possible, such as greenbelts or utility corridors
- Incorporate on-street segments along major roadways when off-street paths aren't feasible

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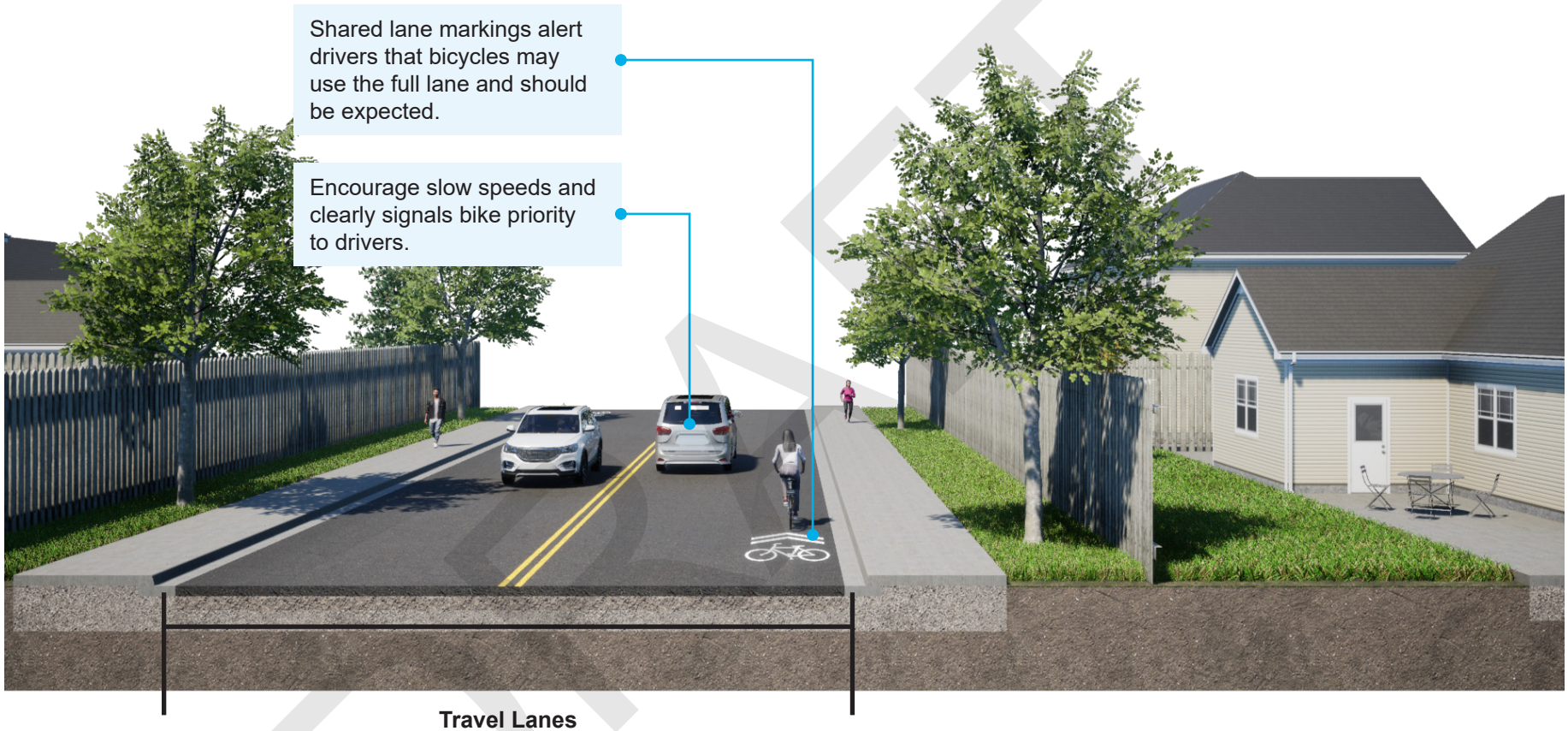
BIKE BOULEVARD

Low-speed, low-traffic neighborhood streets with signage, markings, and traffic calming to prioritize bicycle use



Where do bike boulevards belong?

- Use low-speed, low-volume local streets to create safe routes for bicyclists
- Prioritize connections between neighborhoods, parks, schools, and trails
- Avoid major intersections and high-traffic corridors where possible
- Enhance with signage, pavement markings, and traffic calming to signal bike priority
- Fill gaps in the trail network or provide alternatives where shared-use paths aren't feasible

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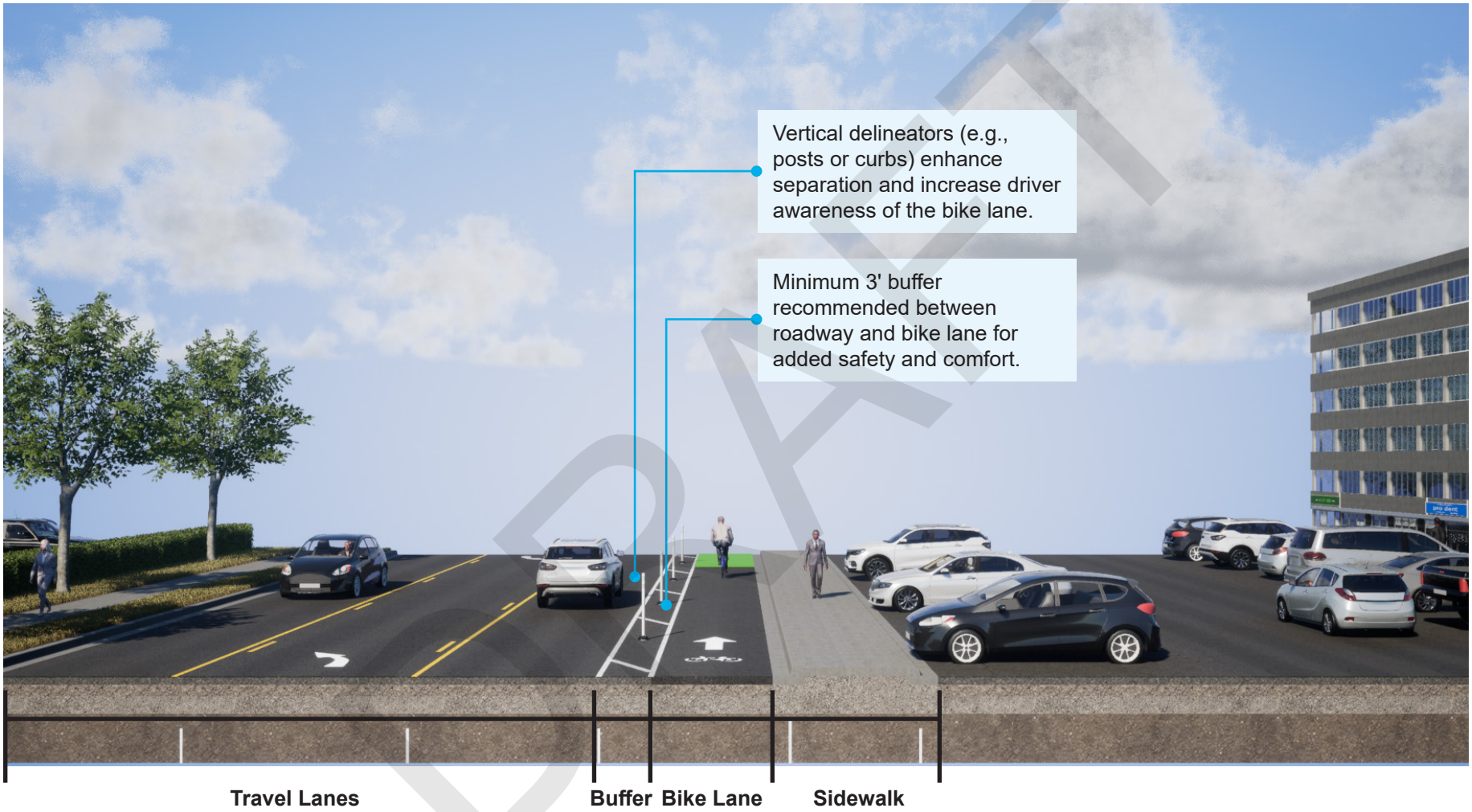
BUFFERED BIKE LANE

A standard bike lane separated from vehicular travel by a striped buffer zone



Where do buffered bike lanes belong?

- Along arterials and collectors where traffic speeds are higher
- Corridors without space for sidepaths, but where bicycle demand exists
- Along roadways where number of lanes is being reevaluated
- Routes identified in the Citywide Trails Master Plan as priority bikeways

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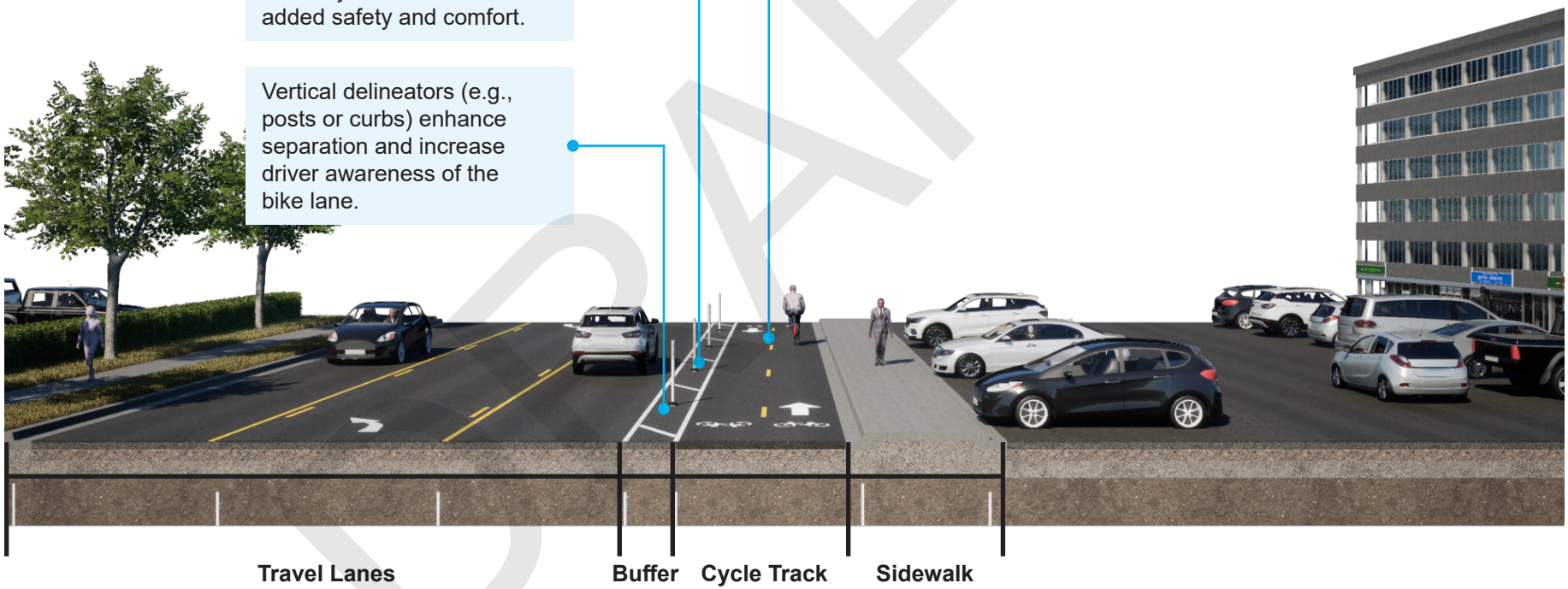
BUFFERED TWO-WAY CYCLE TRACK

A protected, directional facility that allows bicyclists to travel in both directions on one side of the street, separated from traffic by a buffer or vertical element



Where do buffered two-way cycle-tracks belong?

- Along corridors with excess roadway width, such as Westgrove Drive
- On with higher traffic speeds, where greater separation is needed for safety
- Near schools, parks, and civic facilities, where all-ages bicycle access is a priority
- Along roadways where streets are being reconfigured for multimodal use

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It is important to note that this plan does not include the full extent of off-street trails and park pathways captured in the Citywide Trails Masterplan. Instead, it focuses on the transportation function of active modes, particularly those corridors where walking and biking infrastructure will be integrated into roadway projects or development requirements.

Together, the Active Transportation Plan and Trails Masterplan support a phased, achievable vision for a connected, comfortable, and safe network for all active travelers in Addison.

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ACTIVE TRANSPORTATION PLAN MAP

The Active Transportation Plan Map identifies a network of walking and biking facilities that support Addison's vision for safe, connected, and practical active mobility. Building on the 2024 Citywide Trails Masterplan, this map focuses on where sidewalks, sidepaths, and bikeways should be integrated into the street network through future roadway projects or development. Unlike the Trails Masterplan, which includes off-street park and recreational trails, this map concentrates on **street-adjacent improvements** that close gaps, enhance safety, and connect key destinations.

WHAT THE MAP SHOWS

- Recommended facility types (sidewalks, sidepaths, bikeways) linked to specific corridors
- On-street integration of trails and bikeways through flexible cross sections

FACILITY TYPES

- **Wide Sidewalk with Buffer:** Minimum 6–8 feet with landscaped separation from traffic
- **Shared-Use Path Along Street:** 10–12 feet wide multi-use path adjacent to the roadway
- **Regional Shared-Use Trail:** Off-street trails like the planned Cotton Belt Trail
- **Bike Boulevard:** Low-volume streets with bike-friendly treatments
- **Buffered Bike Lane:** Bike lanes separated from traffic by striped buffers
- **Buffered Two-Way Cycle Track:** Protected, bidirectional bikeway on one side of the street

IMPLEMENTATION GUIDANCE

- Helps prioritize roadway improvements and development-driven infrastructure
- Guides integration of walking and biking facilities into capital projects
- Reinforces Complete Streets principles by embedding active modes into the everyday street system

This map ensures future investments support a walkable, bikeable Addison—making active transportation a viable and visible part of the Town's mobility future.

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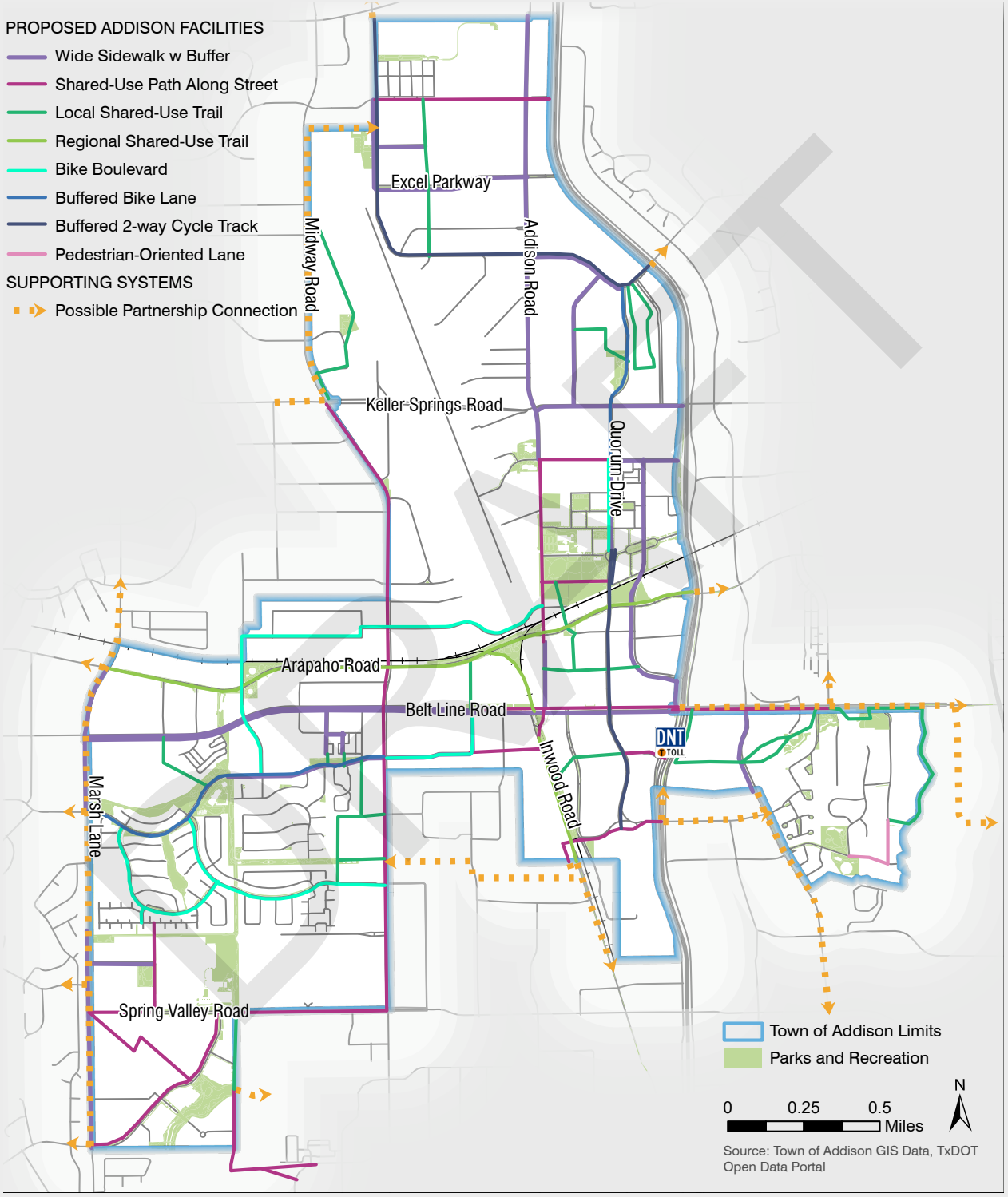
MAP 8. ACTIVE TRANSPORTATION PLAN



COMPLETE STREETS PRINCIPLES

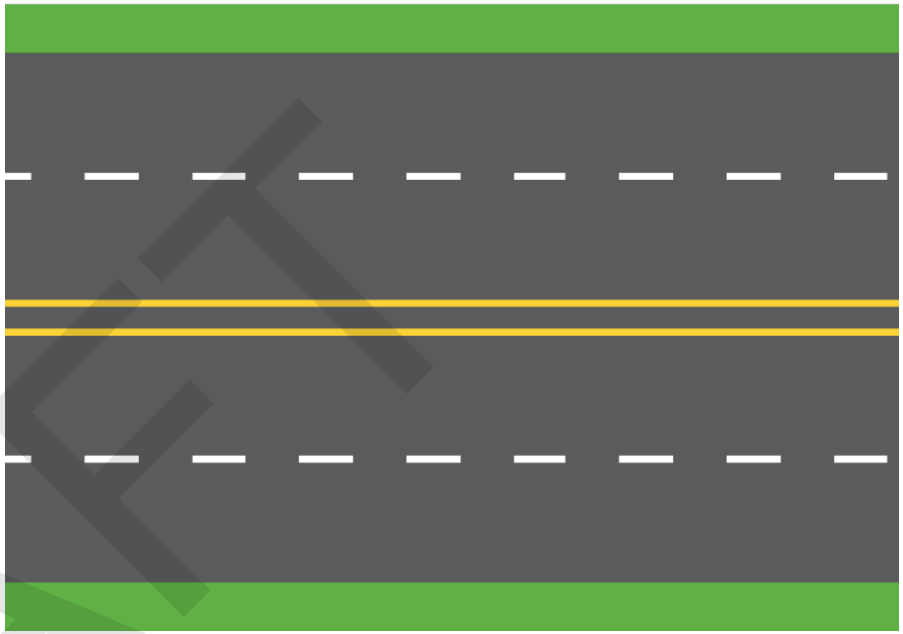
A foundational goal of the Master Transportation Plan is to ensure Addison's streets are designed and operated to serve users of all ages and abilities—whether they are walking, biking, riding transit, or driving. This Complete Streets approach prioritizes safety, access, and comfort for everyone and recognizes the important relationship between transportation and quality of life.

The Town of Addison has long supported Complete Streets principles through policy and planning efforts, including the recently adopted Citywide Trails Masterplan. The MTP builds on that foundation by embedding Complete Streets thinking into every aspect of its design guidance—particularly in the development of flexible roadway cross sections that can accommodate multiple modes within a constrained right-of-way.

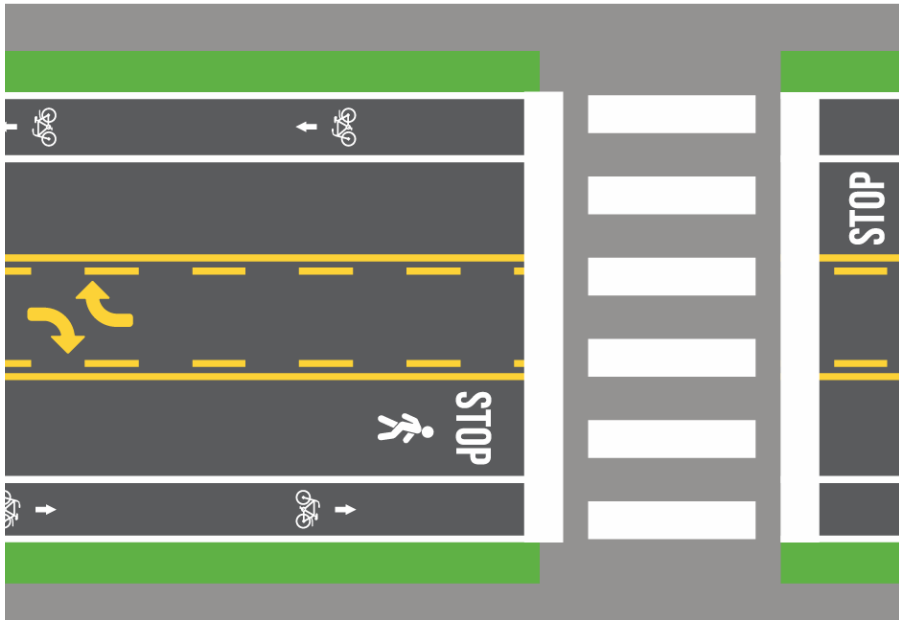
The cross-section designs recommended in this plan reflect Complete Streets values by incorporating:

- Continuous sidewalks and streetscape buffers to enhance walkability and comfort
- Protected or off-street bicycle facilities, integrated with trail connections wherever possible
- Street flex zones that allow for a range of multimodal or placemaking functions depending on corridor needs
- Improved crossing treatments and access to transit stops, especially near priority trail and transit corridors

BEFORE COMPLETE STREETS



AFTER COMPLETE STREETS



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At its core, Addison's Complete Streets strategy is guided by the following principles:

Safety and Accessibility for All Users

Prioritize street designs that reduce crashes and protect the most vulnerable users (pedestrians, cyclists, children, seniors, and those with disabilities) through features like safe crossings, ADA-compliant sidewalks, and traffic-calming measures.

Multimodal Mobility Options

Ensure streets serve all modes of travel by incorporating sidewalks, bike lanes or trails, transit amenities, and car lanes—giving people real choices beyond driving alone.

Connected and Continuous Networks

Develop an integrated network of sidewalks, trails, and bike routes that link key destinations and transit, so that active transportation is convenient and seamless across the entire town and region.

Context-Sensitive Design & Placemaking

Design streets to fit the surrounding context and land use, supporting Addison's high-quality, mixed-use development pattern. Streets should not only move traffic but also act as attractive public spaces that enhance community character.

Healthy, Sustainable & Equitable Communities

Leverage complete streets to improve public health (by encouraging active lifestyles), reduce pollution, and provide equitable access to mobility for all ages, abilities, and socioeconomic groups—ultimately boosting quality of life in Addison.

TABLE 11. COMPLETE STREETS PRINCIPLES

PRINCIPLE	TECHNICAL APPLICATION
Safety and Comfort for All Users	▸ Incorporate traffic calming measures ▸ Minimize conflict points at intersections ▸ Use lighting, signage, and visibility standards to enhance user confidence
Mode Shift and Reduced Vehicle Dependency	▸ Include dedicated and protected bike infrastructure ▸ Design high-quality pedestrian zones ▸ Provide safe access to transit through sidewalks and crossings
Equity in Mobility Access	▸ Prioritize improvements in underserved areas ▸ Ensure ADA compliance in all facilities ▸ Include multilingual wayfinding and outreach where relevant
Integration with Land Use Context	▸ Match street typology to adjacent land uses (residential, commercial, mixed-use) ▸ Use context-sensitive design speeds and access controls ▸ Allow flex space for loading, outdoor seating, or mobility hubs
Environmental Resilience	▸ Incorporate green infrastructure in medians, buffers, and curb extensions ▸ Use street trees and shade structures to reduce heat exposure ▸ Design drainage systems that support low-impact development (LID) practices

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PRIORITY ACTIVE TRANSPORTATION PROJECTS

TABLE 12. ACTIVE TRANSPORTATION PROJECTS

IMPROVEMENT LOCATION	PROJECT LIMITS	RECOMMENDATION	STATUS
Tollway Crossing	Belt Line	Continue coordination with NTTA and City of Dallas for a potential pedestrian/bike sidepath	Design Phase
Quorum Drive	Dallas North Tollway to DART ROW	Two-way cycle track and pedestrian improvements	Design Phase
Quorum Drive	DART Station to Westgrove	Proposed bicycle facility; could include bike lanes, shared-use lanes, or other options	Proposed
Westgrove Drive	Quorum to Trinity Mills	Buffered cycle track; connect to Quorum facilities	Proposed
Belt Line Road	Beltway to Winnwood Park	Buffered shared-use path and crossing improvements	Proposed
Inwood "Rail Trail"	South Town Limit to Belt Line	Shared-use path coordinated with Farmer's Branch	Proposed
Spring Valley Road	Bush Elementary to Midway	Shared-use path coordinated with Silver Line Trail	Proposed
Addison Road	Cotton Belt Trail to Addison Park Trail	Shared-Use Path	Proposed
Crossing Improvements	Citywide	Provide safe crossings at frequent intervals on all thoroughfares	Ongoing
Bicycle Parking	Citywide	Install bicycle parking in high-traffic areas	Ongoing
Micro-Mobility Options	Citywide	Implement and regulate bike-share and scooter-share programs per Active Transportation Plan	Under Consideration

**Carried forward from 2016 Master Transportation Plan Update*

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Tollway Crossing (at Belt Line)

The Town is actively pursuing improvements with NTTA and the City of Dallas to upgrade the Belt Line overpass. Proposed enhancements include a shared-use sidepath, improved lighting, and removal of a U-turn ramp to address one of Addison's most significant active transportation barriers identified in the Trails Masterplan.

Quorum Drive (Dallas North Tollway to DART ROW)

This segment is currently in the design phase, focusing on implementing a two-way cycle track combined with pedestrian enhancements to improve safety and connectivity to the DART Silver Line station. These improvements align with the Town's aspirations for enhanced multimodal access and placemaking within the context of Quorum Drive's revitalization.

Quorum Drive (DART Station to Westgrove)

This portion is proposed as part of the Active Transportation Plan and may include a mix of bike lanes, shared-use lanes, or other bicycle facility types, tailored to the adjacent context and community needs. Design options will reflect feedback from recent analyses and align with the Town's evolving multimodal strategy.

Westgrove Drive (Quorum to North Town Limit)

Design phase planning is underway for a **buffered two-way cycle track** to connect North Addison and support access to employment, retail, and transit areas. This project is identified as a Phase 1 corridor in the Trails Masterplan.

Belt Line Road (Beltway to Winnwood Park)

A planned buffered shared-use path and upgraded crossings along Addison's major east-west corridor. This project is informed by the 2021 Beltway Drive Trail planning effort and the Belt Line Enhancements Master Plan, closing sidewalk gaps and serving commercial and entertainment districts including Addison Circle and Vitruvian Park.

Inwood "Rail Trail" (South Town Limit to Belt Line)

A planned sidepath extending from Surveyor in Farmers Branch north to Belt Line Road. This trail conversion repurposes the former rail corridor to reinforce regional connections and matches the typologies outlined in the Trails Masterplan.

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Spring Valley Road (Bush Elementary to Midway)

A coordinated shared-use path project aligned with the City-wide Trails Master Plan. This corridor enhances east west connectivity to schools, neighborhoods, and transit infrastructure identified in MTP and Trails Masterplan priorities.

Addison Road (Belt Line to North Town Limit)

A buffered shared-use path is planned along the corridor, improving pedestrian and bicycle connectivity through Addison's dense commercial corridor toward the Silver Line station. However, further study is needed to determine the most cost-effective approach—whether reducing vehicle lanes (road diet) or preserving the current configuration—based on right-of-way constraints and development potential. The project remains Planned, with alignment and design decisions contingent on future analysis.

Crossing Improvements (Citywide)

An ongoing safety initiative focused on installing high visibility pedestrian crossings at frequent intervals along arterial streets—especially near transit stops, schools, and activity centers. Projects follow the crossing guidelines and Pedestrian Toolbox included in this report, applying treatments such as marked crosswalks, Rectangular Rapid Flashing Beacons (RRFBs), median refuge islands, curb extensions, and enhanced lighting to reduce vehicle speeds and improve driver yielding rates.

Bicycle Parking (Citywide)

This corridor is slated for a buffered shared-use path. It provides a continuous north south connection through Addison's dense commercial core to the Silver Line Station and Addison Circle, directly addressing key network gaps.

Micro-Mobility Options (Citywide)

Continued implementation and regulation of bike-share and scooter-share programs. This initiative supports equity, multimodal integration, and first/last mile access in alignment with overall mobility goal.

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CROSSING TREATMENT GUIDELINES

As Addison evolves its transportation network through context-sensitive cross-sections and flexible design strategies, safe and intuitive pedestrian crossings are essential for supporting walkability, comfort, and access. These guidelines provide a structured, adaptable framework for determining where crossings are needed and how they should be designed, ensuring consistency across the Town's evolving street network.

Pedestrian crossings serve as the connective tissue between destinations, supporting local mobility, encouraging active transportation, and enhancing overall safety. The Town of Addison's public input emphasized the priority of pedestrian comfort and safety. These guidelines are designed to:

Support Addison's vision for walkable, mixed-use corridors and neighborhoods

Promote flexible, right-sized crossing treatments tailored to context

Encourage proactive, data-informed planning and coordination with redevelopment and capital projects

WHEN TO PROVIDE A MARKED CROSSING

Marked crossings should be included or evaluated at the following locations:

- All signalized intersections
- All stop-controlled approaches with current or anticipated pedestrian activity
- Mid-block locations near key pedestrian generators *(e.g., transit stops, schools, parks, or shopping areas)*

Addison's diverse roadway typologies—ranging from Residential Local streets to Principal Arterials—require a flexible toolkit of crossing treatments that match the surrounding context. Treatments outlined in the pedestrian toolbox may be layered or combined to enhance visibility, reduce crossing distances, and improve user safety.

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ENHANCED VISIBILITY

These treatments increase the visibility of pedestrians and help drivers anticipate crossings.

- **High-Visibility Crosswalk Markings:** Use continental or ladder-style striping for better daytime and nighttime visibility
- **Parking Restrictions on Crosswalk Approach:** Improve sightlines by removing parking at least 20–30 feet in advance of crosswalks
- **Adequate Nighttime Lighting:** Lighting placed 10–15 feet in advance of the crosswalk (on both sides) reduces silhouettes and improves safety.
- **Pedestrian Warning Signs (W11-2):** Installed on approaches to alert drivers of crossing activity.
- **Advance Yield/Stop Markings and Signs:** Stop lines and signage 30–50 feet in advance of the crossing encourage earlier yielding and reduce encroachment.
- **In-Street Pedestrian Crossing Signs:** Flexible, TMUTCD-approved signs in the roadway median or centerline; ideal for 2–3 lane roads with ≤30 mph speed limits.
- **Curb Extensions ("Bulb-Outs"):** Shorten crossing distance and improve visibility; ideal in mixed-use areas or where parking lanes are present.

RAISED AND REFUGE FEATURES

These treatments physically alter the roadway to slow vehicles or provide safe waiting areas.

- **Raised Crosswalks:** Elevated crosswalks serve as both traffic calming and a crossing enhancement; suitable on low-speed, low-volume streets.
- **Pedestrian Refuge Islands:** Allow two-stage crossings on wide roadways; recommended on 4+ lane roads or where crossing exceeds ~40 feet.

TRAFFIC CONTROL AND DRIVER COMPLIANCE

For higher-speed or higher-volume streets, these tools increase driver yielding and pedestrian control.

- **Rectangular Rapid Flashing Beacons (RRFBs):** Pedestrian-activated flashing beacons for mid-block or uncontrolled locations. Most effective where speed <40 mph and on multilane approaches.
- **Pedestrian Hybrid Beacons (PHBs):** Signalized control for higher-volume mid-block crossings; effective on roads ≥3 lanes and AADT >9,000. Not to be used in conjunction with RRFBs.
- **Full Signalization:** Installed when conditions meet TMUTCD pedestrian warrants. Appropriate at high-volume arterials or major development entrances.
- **Leading Pedestrian Intervals (LPI):** Signal timing strategy that gives pedestrians a head start at signalized intersections, reducing conflicts with turning vehicles.

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CORRIDOR-WIDE ENHANCEMENTS

These treatments address broader roadway design and can create opportunities for new or safer crossings.

- **Road Diets:** Reconfigure 4-lane undivided roads into 3 lanes with a center turn lane. Reduces crossing width, speeds, and crash potential; often paired with new crosswalks, islands, or bike lanes.

APPLICATION WITHIN THE MASTER TRANSPORTATION PLAN

Each crossing treatment should be scaled and adapted to the surrounding environment, street classification, and travel behavior. For example:

- In Residential and Urban Local areas, marked crossings, curb extensions, and in-street signs are often sufficient.
- Along Urban or Commercial Collectors, combine high-visibility markings with RRFBs, islands, and daylighting.
- On Minor and Principal Arterials, PHBs, signalization, or refuge islands should be considered where pedestrian demand is present or anticipated.

INTEGRATING WITH ADDISON'S PLANNING PROCESS

Crossing enhancements should not be treated as isolated projects—they should be woven into Addison's broader planning, redevelopment, and capital improvement projects. This approach ensures that treatments are timely and cost-effective.

THE TOWN'S PROCESS FOR SELECTING CROSSING LOCATIONS IS:

Data-Informed

Uses traffic, speed, and pedestrian data to identify needs

Context-Aware

Reflective of adjacent land uses, pedestrian generators, and Master Transportation Plan classification

Proactive

Anticipates future demand, especially in growth areas

Implementation-Focused

Leverages existing projects, development, or quick-build strategies

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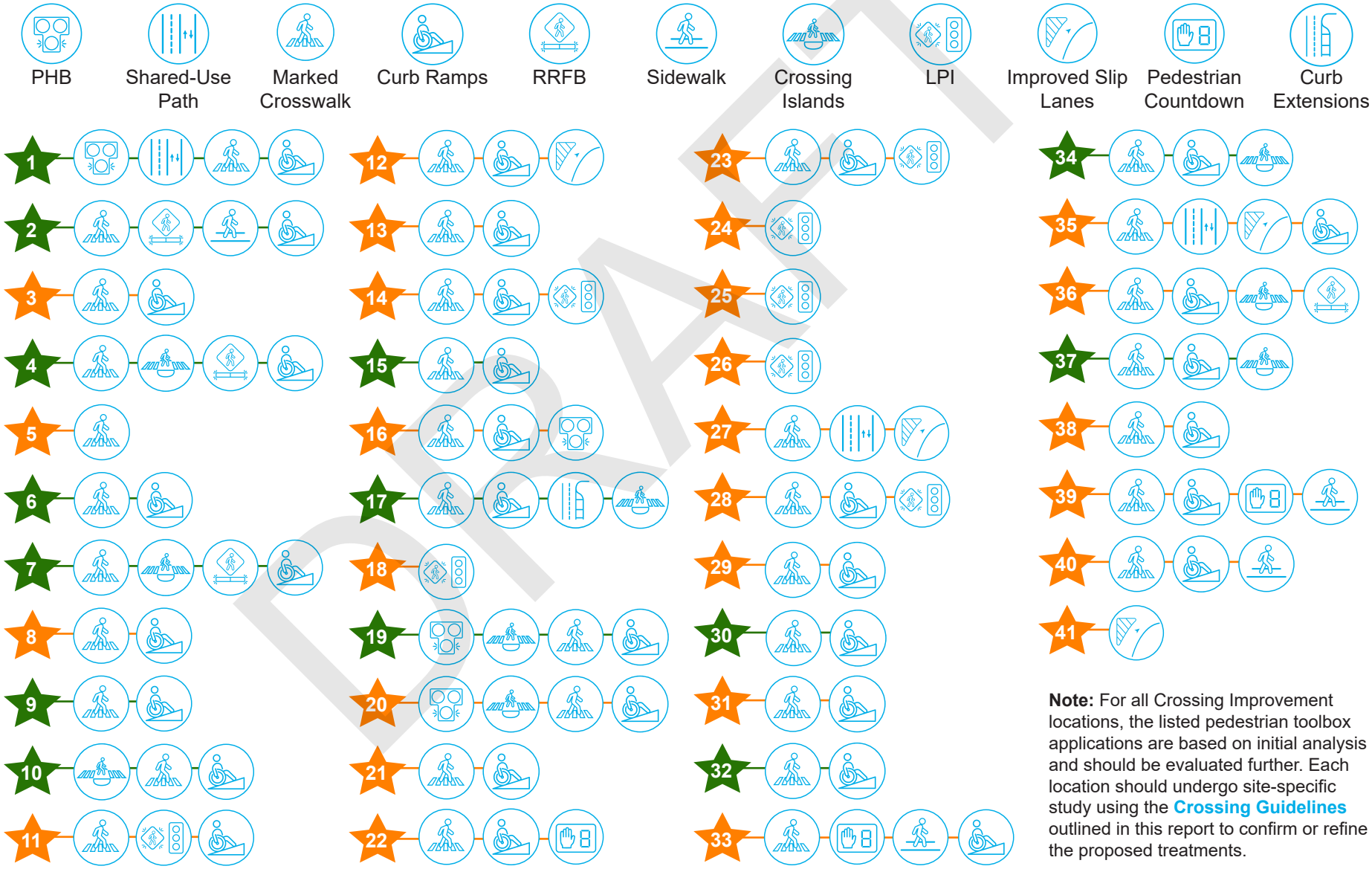
CROSSING IMPROVEMENTS MAP

The Crossing Improvements Map identifies locations where pedestrian toolbox applications are recommended based on pedestrian trip data, safety data, the Active Transportation Plan, and other data sources. Each icon corresponds to a potential improvement—such as marked crosswalks, curb ramps, refuge islands, or pedestrian hybrid beacons—at the listed locations. While these recommendations represent priority projects, a full case-by-case evaluation should be conducted using the process outlined in this chapter, which can also be applied to any future City- or community-identified crossing improvement or pedestrian project.



Note: For all Crossing Improvement locations, the listed pedestrian toolbox applications are based on initial analysis and should be evaluated further. Each location should undergo site-specific study using the **Crossing Guidelines** outlined in this report to confirm or refine the proposed treatments.

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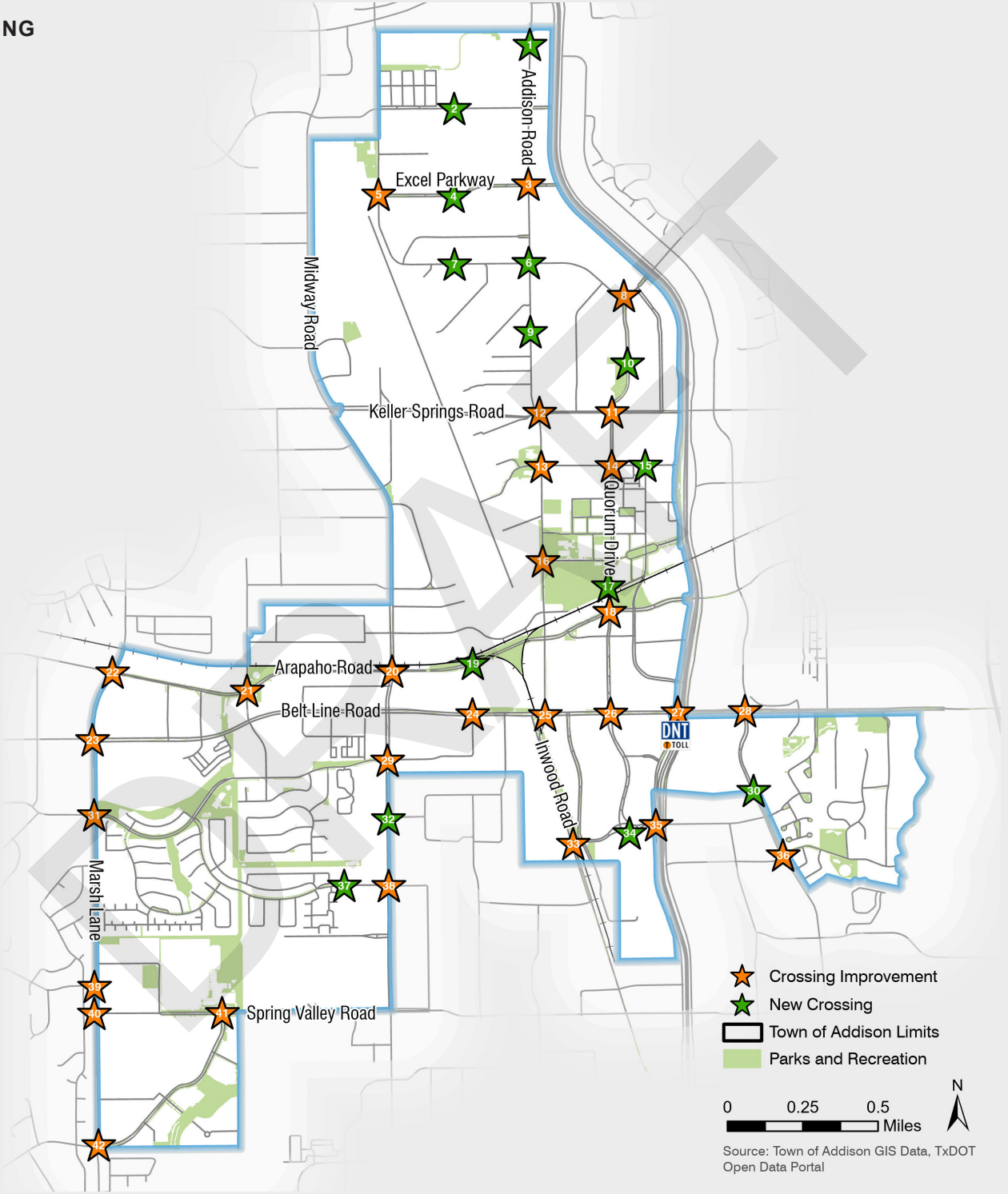
MAP 9. PROPOSED CROSSING IMPROVEMENTS



STEP 1: SCREEN FOR POTENTIAL NEED

Identify areas where crossings are likely to improve safety and access:

- Near schools, parks, transit stops, retail areas, or civic destinations
- Within walkable districts or redevelopment corridors
- Along wide or high-speed streets with long block lengths
- Where informal or desire-line crossings are observed

Tip: *Coordinate with upcoming cross section redesigns or developer improvements to maximize efficiency.*

Map 8 highlights priority crossing locations currently identified for evaluation based on context and need. This is not an exhaustive list—additional locations may be added over time through ongoing analysis, community input, and development coordination.

STEP 2: EVALUATE EXISTING CONDITIONS

Collect key data points:

- Street classification
- Traffic volumes
- Number of lanes and lane widths
- Posted or design speed
- Median presence
- Pedestrian activity (observed or modeled)
- ADA conditions (ramps, sidewalk continuity)
- Traffic Control
- Lighting
- Crash History

Existing Conditions in Addison

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STEP 3: PRIORITIZE BASED ON CONTEXT AND DEMAND

Rank potential locations using:

- Proximity to destinations
- Accessibility factors
- Opportunity to coordinate with capital improvements
- Fit with future land use or modal priorities

Tip: *Use a scoring matrix to support consistent prioritization of locations, an example of such a matrix is presented in Table 13.*

TABLE 13. EXAMPLE SCORING MATRIX

CRITERIA	CRITERIA POINT VALUES	POINTS	
1. Collisions involving pedestrians & bicycles at the crossing within a 36 Month Period.	Period (0 to 24)	10	points per incident
	Period (25 to 36)	5	points per incident
2. Peak hour pedestrian & bicycle activity in crossing:	0 to 10 Pedestrians	-20	points
	11 to 20 Pedestrians	-10	points
	21 to 25 Pedestrians	5	points
	26 to 40 Pedestrians	10	points
	41 to 60 Pedestrians	20	points
	61 or more Pedestrians	30	points
3. Proximity of nearest signalize or STOP controlled intersection or grade separated crossing:	0 to 500 Feet	-10	points
	501 to 750 Feet	-5	points
	751 to 1000 Feet	0	points
	1001 to 1250 Feet	5	points
	1251 or more Feet	10	points
4. Posted speed limit:	0 to 29 MPH	0	points
	30 to 35 MPH	3	points
	40 or more MPH	6	points
5. Roadway traffic Volume ADT:	0 to 5000 Vehicles	0	points
	5001 to 10000 Vehicles	4	points
	10001 or more Vehicles	8	points

EXAMPLE DRAFT

TABLE 13. EXAMPLE SCORING MATRIX (CONTINUED)

CRITERIA	CRITERIA POINT VALUES	POINTS	
6. Roadway number of through lanes:	2 Lanes	0	points
	3 Lanes	2	points
	4 Lanes	4	points
	5 lanes	6	points
	6 lanes	-5	points
	7 lanes	-10	points
7. Pedestrian Refuge	Yes (Raised)	10	points
	None	0	points
8. Designated Trail (Reference Citywide Trails Masterplan)	No	0	points
	Yes	10	points
9. Special Needs Route (School, Senior Citizens, medical facility, etc.)	No	0	points
	Yes	10	points
10. Meets Vol. Warrant (25 pedestrians during peak hour/15 elderly or children)	No	-10	points
	Yes	10	points
11. Is Illuminated	Yes	0	points
	No	5	points
12. Oneway Street	No	0	points
	Yes	-2	points
13. Sharp Curve	No	0	points
	Yes	3	points
14. Reverse Lanes	No	0	points
	Yes	5	points
15. Supervised Crossing	Yes	-10	points
	No	0	points

EXAMPLE DRAFT

STEP 4: DETERMINE APPROPRIATE TREATMENT

Use the Crossing Treatment Matrix (Figure 13) and toolkit to match the treatment to the context:

- Roadway Configuration (Number of lanes and median presence)
- Visibility or control needs
- Vehicle speed and AADT

FIGURE 17. CROSSING TREATMENT MATRIX

Roadway Configuration	Posted Speed Limit and AADT								
	Vehicle AADT <9,000			Vehicle AADT 9,000–15,000			Vehicle AADT >15,000		
	≤30 mph	35 mph	≥40 mph	≤30 mph	35 mph	≥40 mph	≤30 mph	35 mph	≥40 mph
2 lanes (1 lane in each direction)	● 2 / 4 5 6	● / 5 6 / 7 9	○ / 5 6 / ● 9	● / 4 5 6	● / 5 6 / 7 9	○ / 5 6 / ● 9	● / 4 5 6	○ / 5 6 / 7 9	○ / 5 6 / ● 9
3 lanes with raised median (1 lane in each direction)	● 2 3 / 4 5	● ■ / 5 / 7 9	○ ■ / 5 / ● 9	○ 3 / 4 5 / 7 9	○ ■ / 5 / ● 9	○ ■ / 5 / ● 9	○ ■ / 4 5 / 7 9	○ ■ / 5 / ● 9	○ ■ / 5 / ● 9
3 lanes w/o raised median (1 lane in each direction with a two-way left-turn lane)	● 2 3 / 4 5 6 / 7 9	● ■ / 5 6 / 7 9	○ ■ / 5 6 / ● 9	○ 3 / 4 5 6 / 7 9	○ ■ / 5 6 / ● 9	○ ■ / 5 6 / ● 9	○ ■ / 4 5 6 / 7 9	○ ■ / 5 6 / ● 9	○ ■ / 5 6 / ● 9
4+ lanes with raised median (2 or more lanes in each direction)	● ■ / 5 / 7 8 9	● ■ / 5 / 7 8 9	○ ■ / 5 / 8 ● 9	○ ■ / 5 / 7 8 9	○ ■ / 5 / ● 8 9	○ ■ / 5 / 8 ● 9	○ ■ / 5 / ● 8 9	○ ■ / 5 / 8 ● 9	○ ■ / 5 / 8 ● 9
4+ lanes w/o raised median (2 or more lanes in each direction)	● ■ / 5 6 / 7 8 9	○ ■ / 5 ● / 7 8 9	○ ■ / 5 ● / 8 ● 9	○ ■ / 5 ● / 7 8 9	○ ■ / 5 ● / ● 8 9	○ ■ / 5 ● / 8 ● 9	○ ■ / 5 ● / ● 8 9	○ ■ / 5 ● / 8 ● 9	○ ■ / 5 ● / 8 ● 9

Given the set of conditions in a cell,

- # Signifies that the countermeasure is a candidate treatment at a marked uncontrolled crossing location.
- ● Signifies that the countermeasure should always be considered, but not mandated or required, based upon engineering judgment at a marked uncontrolled crossing location.
- ○ Signifies that crosswalk visibility enhancements should always occur in conjunction with other identified countermeasures.*

The absence of a number signifies that the countermeasure is generally not an appropriate treatment, but exceptions may be considered following engineering judgment.

1 High-visibility crosswalk markings, parking restrictions on crosswalk approach, adequate nighttime lighting levels, and crossing warning signs
2 Raised crosswalk
3 Advance Yield Here To (Stop Here For) Pedestrians sign and yield (stop) line
4 In-Street Pedestrian Crossing sign
5 Curb extension
6 Pedestrian refuge island
7 Rectangular Rapid-Flashing Beacon (RRFB)**
8 Road Diet
9 Pedestrian Hybrid Beacon (PHB)**

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STEP 5: IMPLEMENT AND MONITOR

Implement through:

- Capital Improvement Plan (CIP)
- Developer coordination
- Signal timing or operational upgrades
- Resurfacing or repaving projects
- Highway Safety Improvement Program (HSIP)

Monitor results using:

- Pedestrian counts and driver compliance
- Community feedback and observed behavior
- Crash and speed data

Tip: *Adjust treatment approaches based on outcomes and make refinements as needed.*

FIGURE 18. CROSSING LOCATION SELECTION PROCESS

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TRANSIT INTEGRATION

The 2026 opening of the DART Silver Line will mark a major milestone in Addison's transportation network—introducing regional rail service and anchoring a broader strategy for enhancing transit access, mobility options, and first/last mile connectivity. As the Town transitions from a bus-oriented system to a truly multimodal transit hub, this plan outlines key initiatives to ensure local circulation and infrastructure investments are fully integrated with regional transit improvements.

The newly redesigned and constructed Addison Station near Quorum Drive and Addison Circle will serve as the Town's primary connection to DART's regional commuter rail network. This shift—from the former Addison Transit Center on Addison Road to a centrally located TOD site—will require significant investment in new mobility infrastructure. In response, the Town will continue working with DART to improve bus frequency, expand on-demand options, upgrade stops, and pursue a local circulator shuttle to serve daily trips throughout Addison.

TABLE 14. TRANSIT INTEGRATION

IMPROVEMENT LOCATION	PROJECT LIMITS	RECOMMENDATION	STATUS
DART Silver Line Rail*	Addison Transit Center to DFW Airport and Plano via Silver Line	Continue advocating for on-time completion of the DART Silver Line and support integration of pedestrian, bike, and shuttle access to the new Addison Station	Under Construction
DART Bus Service Enhancements*	Route 229 (Belt Line), 239 (Quorum), GoLink expansion	Coordinate with DART to increase frequency and align with TOD service; pursue GoLink expansion to improve first/last mile service	Ongoing
Bus Stop Improvements*	Various townwide locations	Prioritize upgrades using accessibility and ridership data; consider branding improvements at key bus stops and DART station area	Ongoing
Addison Station TOD	Area surrounding new DART station	Reinvest in Addison Circle; promote high-intensity TOD including housing, offices, park expansion, and new trails; integrate future shuttle and active transportation	Design Phase
Addison Shuttle/ Circulator System*	Town-wide with priority on Belt Line Rd, Tollway, TOD, Village	Evaluate on-demand microtransit and fixed-route shuttle; two preferred routes identified: wide-area and employment-focused circuits	Planned
DART Service to Vitruvian Park*	Bella Lane/Alpha Road connection	Maintain service planning efforts with DART for fixed-route extension via new Bella–Alpha connection completed in 2023	Planned
First/Last Mile Transit Support	Around Addison Station and major stops	Enhance sidewalks, bike parking, and shared mobility access near transit centers and stops	Planned

**Carried forward from 2016 Master Transportation Plan Update*

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DART Service to Vitruvian Park

Addison will continue collaborating with DART to evaluate fixed-route transit extensions into the Vitruvian Park area. The recent completion of the **Bella Lane-Alpha Road connector** improves direct access from the TOD area to Vitruvian, supporting a future bus route extension. Service planning is ongoing; implementation will be driven by ridership demand and land use activity. The project is currently ***Not Started***.

DART Bus Service Enhancements

Addison is coordinating with DART to improve local bus service along Route 229 (Belt Line Road) and Route 239 (Quorum Drive). These routes are being evaluated for increased frequency, TOD alignment, and eventual integration into the Addison Circulator. The Town is also pursuing GoLink microtransit expansion to improve coverage in areas with low fixed-route viability. This effort is under ***Ongoing Coordination***.

Bus Stop Improvements

This initiative prioritizes townwide upgrades to DART bus stops and future circulator stops. Improvements will be based on ridership levels, accessibility audits, and equity considerations. Standard elements include ADA-compliant boarding pads, shelters, benches, real-time signage, and lighting. Key locations include Belt Line Road, Quorum Drive, Addison Circle, and the future Addison Station area. This project is ***Planned*** and supports improved rider experience and visibility.

Addison Station TOD

The area surrounding the new Addison Station is planned for high-intensity Transit-Oriented Development (TOD). The Town will support mixed-use redevelopment, trail and sidewalk expansion, park space, and flexible zoning to encourage housing, offices, and retail. Integration of a circulator stop and direct connections to trails and bike lanes are critical elements. The project is ***In Design*** and will shape future land use and mobility patterns for the surrounding district.

DART Silver Line Rail

Addison continues to coordinate with DART and regional partners to ensure on-time delivery of the Silver Line, with operations anticipated to begin in 2026. The rail line will connect Addison to DFW Airport, Plano, and other regional hubs. The Town supports integration of pedestrian, bicycle, and shuttle access into the Addison Station and has already initiated roadway improvements and wayfinding planning. The project is ***Under Construction***.

First/Last Mile Transit Support

To support transit ridership and reduce dependence on personal vehicles, the Town will enhance sidewalk, bicycle, and shared mobility access to all major stops—particularly around the Addison Silver Line Station. Improvements include wider sidewalks, secure bike parking, micro-mobility parking zones, and designated rideshare pickup/drop-off areas. These enhancements are ***Planned*** and should be implemented alongside rail service launch and circulator rollout.

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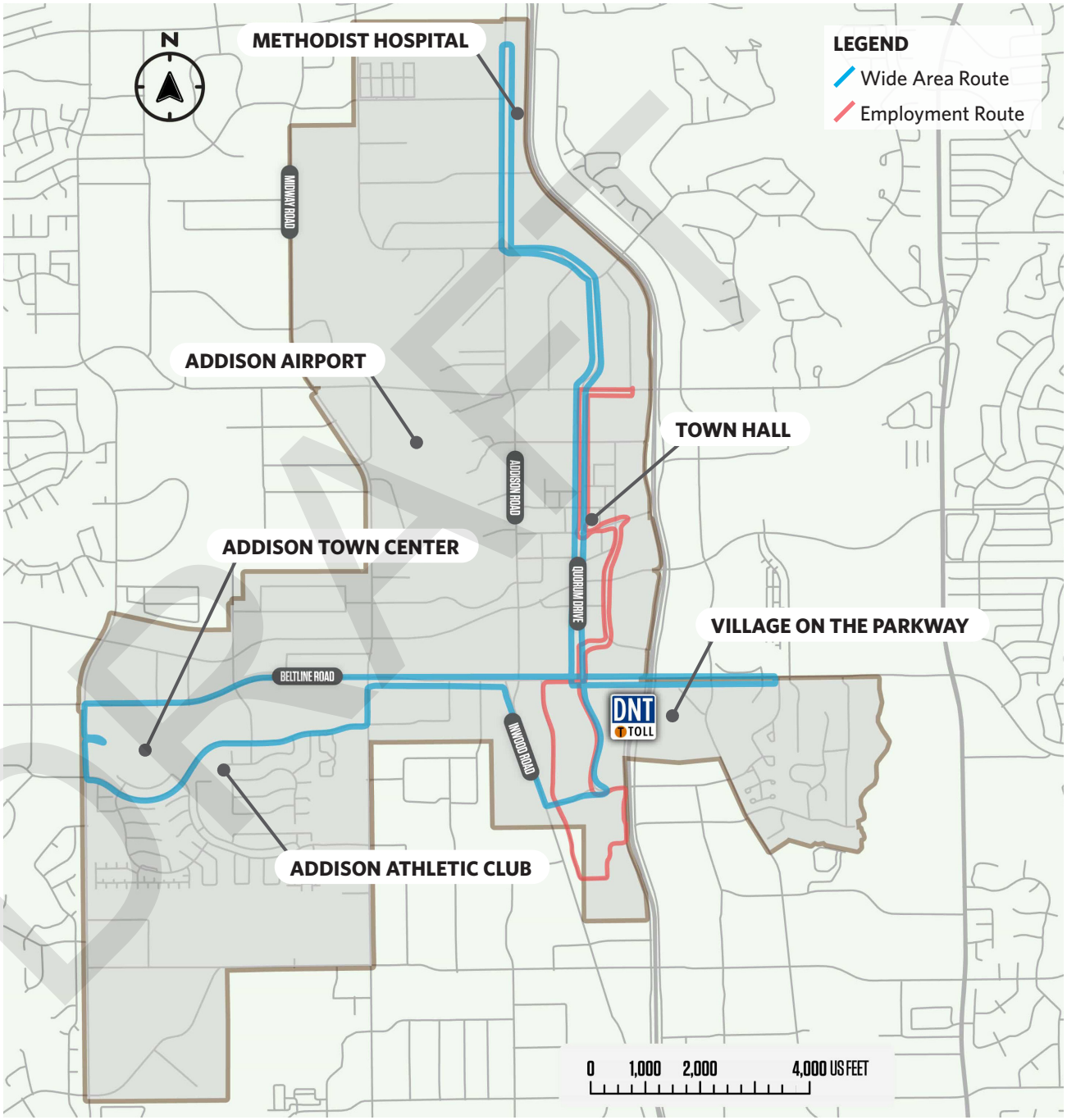
ADDISON SHUTTLE/ CIRCULATOR SYSTEM

The Town plans to implement a branded circulator service that connects employment, retail, residential, and civic destinations. Two preferred route types have been identified: a wide-area town loop and an employment-focused corridor along Quorum Drive and the Tollway. The service would provide frequent, short-distance trips—enhancing last-mile mobility and reducing parking pressure in busy areas. This project is Not Started and will require service modeling, vehicle branding, and funding coordination with DART and private partners.

FIGURE 19. ADDISON SHUTTLE/CIRCULATOR SYSTEM



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CHAPTER 7:

PEDESTRIAN TOOLBOX

Pedestrian infrastructure serves as the backbone of walkable, vibrant communities. For Addison, prioritizing pedestrian safety, comfort, connectivity, and placemaking is essential. This Pedestrian Toolbox provides guidance and practical recommendations tailored to the unique context of Addison, complementing previous planning efforts and emphasizing strategic integration with the Addison Citywide Trails Master Plan and existing MTP initiatives.

WHY PLAN FOR PEDESTRIANS?

Addison has earned a reputation as one of the most walkable and livable communities in North Texas. Many residents move to Addison specifically to take advantage of its shaded, tree-lined streets and wide sidewalks. The Town has proactively designed and reconstructed its roadways with the goal of supporting a high-quality pedestrian experience. These design choices—such as adding buffers between sidewalks and traffic, implementing landscaping standards, and integrating trails into redevelopment areas—demonstrate a long-standing commitment to walkability.

The Pedestrian Toolbox builds upon this, offering a strategic framework to evaluate, prioritize, and implement future pedestrian improvements that align with Addison's goals for sustainability, mobility, and community character.

Pedestrians on Sidewalk

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ECONOMY

A connected pedestrian network promotes economic vitality and supports local businesses. Walkable communities attract residents, businesses, and visitors, often contributing to higher property values and retail sales. According to research from the National Association of Realtors, walkable neighborhoods experience up to 15–20% higher property values. In Addison, pedestrian access to employment hubs and commercial corridors like Quorum Drive and Belt Line Road helps foster a thriving local economy.

HEALTH

Walkable environments support public health by encouraging daily physical activity. With inviting sidewalks, safe crossings, and trail connections, Addison enables residents of all ages and abilities to walk for recreation, fitness, or daily errands. This contributes to lower rates of chronic illness, improved mental health, and higher overall quality of life.

MOBILITY

Sidewalks, trails, and crossings form a critical layer of the transportation system. They increase mobility options and connect residents to transit, employment, and local destinations. In Addison, pedestrian routes are often shorter and more direct than vehicular ones, allowing for efficient travel between neighborhoods and amenities. With a growing number of planned trails and transit connections, this mobility layer is more important than ever.

ENVIRONMENT

By replacing short vehicle trips with walking trips, a complete pedestrian network helps reduce vehicle miles traveled and associated emissions. Addison's pedestrian network—enhanced with shade trees and native landscaping—contributes to better air quality and regional climate resilience while also supporting stormwater management.

LIVABILITY

A walkable community is a livable community. Addison's neighborhoods, parks, and mixed-use centers are linked by high-quality pedestrian routes that foster a strong sense of place. Safe and accessible sidewalks support residents who may not drive—children, seniors, and those with disabilities—ensuring that all can access key destinations independently and comfortably.

SAFETY

Pedestrian safety is a core priority in Addison's street design. As the Town upgrades corridors like Midway Road and Keller Springs Road, it incorporates wider sidewalks, buffer areas, and improved crossing locations to reduce crash risk and create safer and more comfortable conditions for people walking. Continued investment in these features supports a more walkable and safe community for all.

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HOW DOES ADDISON PLAN TO RESPOND TO PEDESTRIAN NEEDS?

Across the country, communities are grappling with a similar set of challenges when it comes to pedestrian safety, comfort, and access. National guidance from organizations such as the Federal Highway Administration (FHWA), the National Association of City Transportation Officials (NACTO), and the American Planning Association (APA) identifies several key barriers to walkability that are commonly experienced in communities of all sizes:

- Gaps in the pedestrian network, including missing sidewalks or discontinuous trails
- Unsafe or incomplete crossings, especially on wide or high-speed streets
- Poor accessibility for people with disabilities, due to outdated curb ramps or sidewalk obstructions
- Limited connectivity between neighborhoods, parks, schools, transit, and retail
- Lack of shade, lighting, or pedestrian-scale amenities, which can deter walking in all seasons
- Insufficient data or tools for prioritizing improvements based on context and need

Addison is not immune to these issues. While many parts of the community are known for their comfortable, shaded sidewalks and high-quality pedestrian infrastructure, others are still catching up—particularly where older development patterns, wide arterials, or disconnected neighborhoods exist.

To meet these goals, Addison will rely on a flexible but structured approach—one that is aligned with national best practices and tailored to local conditions. This includes:

> **Using data-driven tools** to evaluate where pedestrian improvements are most needed, based on safety, demand, and land use context
>
> **Implementing the Citywide Trails Master Plan**, which provides a long-term vision for a connected and comfortable trail network that complements on-street improvements
>
> **Designing for context**, ensuring that cross sections, sidewalks, crossings, and amenities reflect the surrounding land use and expected pedestrian activity
>
> **Coordinating with redevelopment**, **bond-funded initiatives, and capital projects**, to implement pedestrian improvements efficiently and cost-effectively
>
> **Ensuring ADA compliance**, so that new and reconstructed infrastructure is inclusive, accessible, and supports public health and mobility for all ages and abilities

Recognizing that walking is a fundamental part of daily life, Addison is committed to a comprehensive and context-sensitive approach to improving pedestrian infrastructure. This means moving beyond basic compliance and toward a pedestrian environment that is safe, convenient, and comfortable for people of all ages and abilities.

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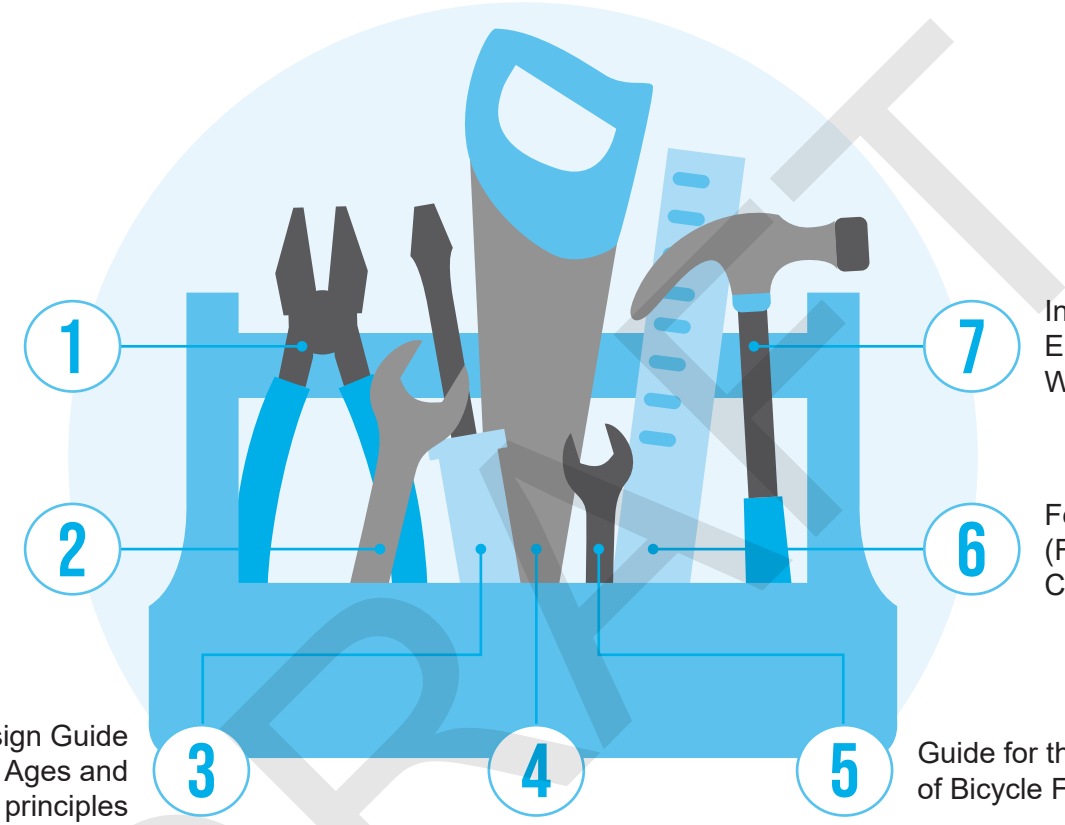
The following Pedestrian Toolbox is Addison's coordinated response to these needs. It includes a flexible suite of tools—ranging from core sidewalk and trail facilities to safety enhancements, placemaking features, and strategic crossing treatments. Each tool is grounded in national guidance, including:



1. FHWA's Safe Transportation for Every Pedestrian (STEP) program
2. Public Rights-of-Way Accessibility Guidelines (PROWAG)
3. NACTO's Urban Street Design Guide and Designing for All Ages and Abilities principles
4. American Association of State Highway and Transportation Officials (AASHTO)
5. Guide for the Development of Bicycle Facilities
6. Federal Highway Administration (FHWA) Manual of Uniform Traffic Control Devices (MUTCD)
7. Institute of Transportation Engineers (ITE) Designing Walkable Urban Thoroughfares

Together, these tools will help Addison strengthen what's working, address what's missing, and shape a safe, inclusive, and walkable public realm for generations to come.

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CORE PEDESTRIAN TOOLS

A high-quality pedestrian network is built on more than just sidewalks—it includes a range of interconnected elements that create a safe, comfortable, and accessible environment for walking. This section outlines the core infrastructure tools that support pedestrian mobility in Addison, consistent with design guidance. These tools are foundational to creating a walkable, livable community that works for people of all ages and abilities.

SIDEWALKS

Source: Kimley-Horn

DESCRIPTION

Sidewalks are the foundation of any pedestrian-friendly network. They provide a safe, dedicated space for people walking and enable everyday access to homes, workplaces, retail centers, schools, parks, and transit. Sidewalks are often the most frequently used piece of public infrastructure, and their quality directly impacts a community's walkability and livability.

In Addison, the Citywide Trails Master Plan calls for both the addition of new sidewalks and the consistent implementation of wide sidewalks—defined as at least 8 feet in width—in many locations across the community. This standard exceeds national minimum guidelines and reflects Addison's commitment to comfort and accessibility.

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TYPICAL USE

Sidewalks should be implemented on both sides of all public streets and are particularly important in the following contexts:

- Mixed-use districts, such as Addison Circle and areas along Belt Line Road, where walking is part of daily life
- Transit corridors, including Addison Road, Midway Road, and Keller Springs, where pedestrian activity and bus stop access overlap
- Commercial and civic destinations that attract higher foot traffic or host events
- Trail and park connectors, where pedestrian activity blends with recreational and fitness uses

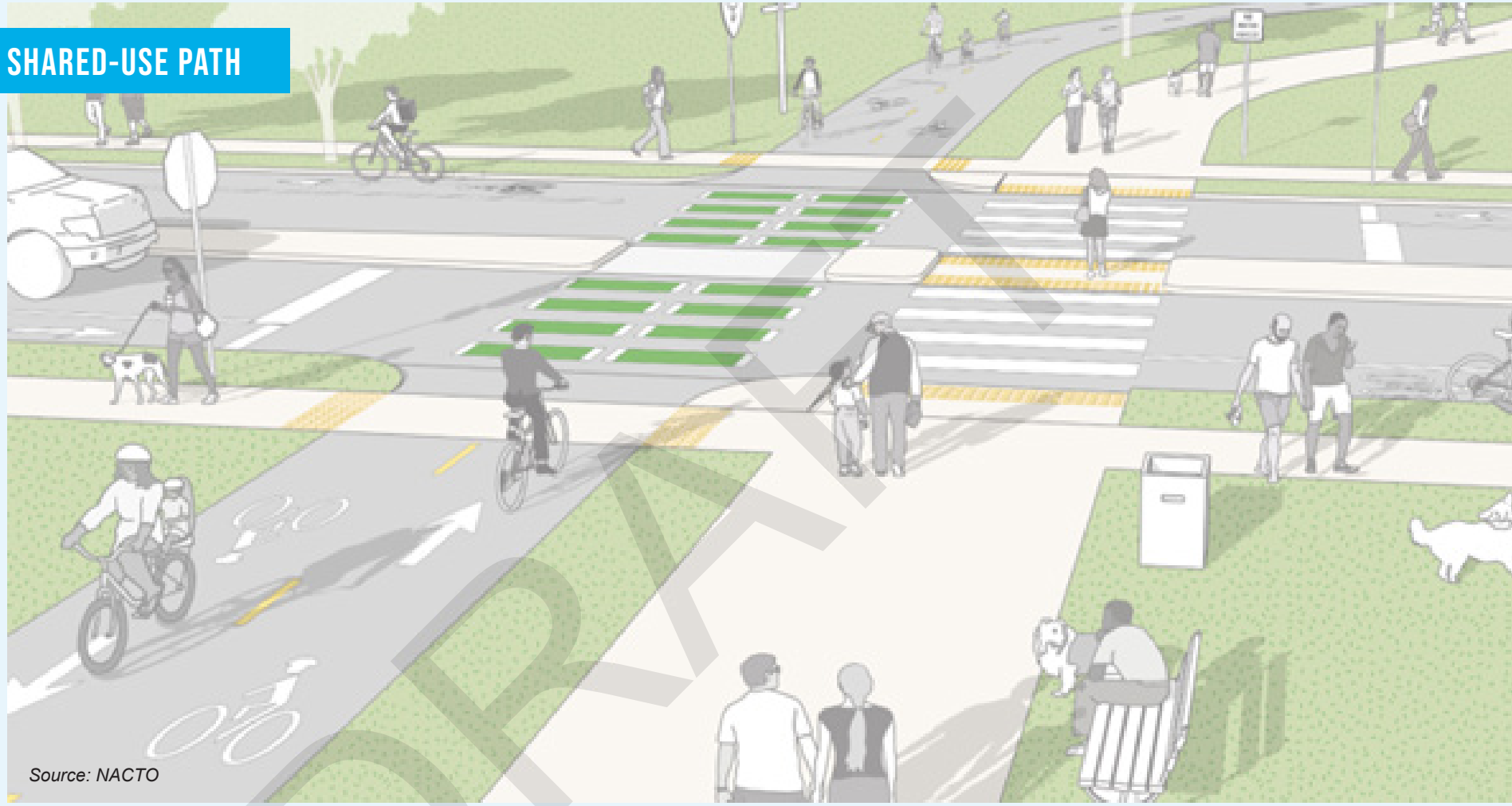
DESIGN GUIDANCE

National best practices from FHWA, NACTO, and PROWAG recommend the following:

- Sidewalks should be located on both sides of the street, regardless of street classification
- Minimum clear width should be 5 feet, with wider sidewalks (8 feet or more) provided in high-demand areas
- Sidewalks should be continuous and connected, with minimal gaps or obstructions
- ADA-compliant curb ramps, cross slopes, and landings are required at all crossings and intersections
- Landscaped buffers (typically 3 to 8 feet wide) between the sidewalk and the curb enhance comfort, improve safety, and allow for shade trees and stormwater management features

DRAFT

SHARED-USE PATH



Source: NACTO

DESCRIPTION

Shared-use sidepaths are paved, two-way trails that run parallel to roadways but are physically separated from vehicular traffic by a landscaped buffer or barrier. Unlike standalone trails, sidepaths are integrated into roadway corridors and are designed to accommodate a mix of users. They provide a safe and comfortable alternative to on-street facilities, particularly in areas where vehicle speeds are high.

Sidepaths are a key element of Addison's Citywide Trails Masterplan and have been integrated into roadway reconstruction projects, such as along Midway Road.

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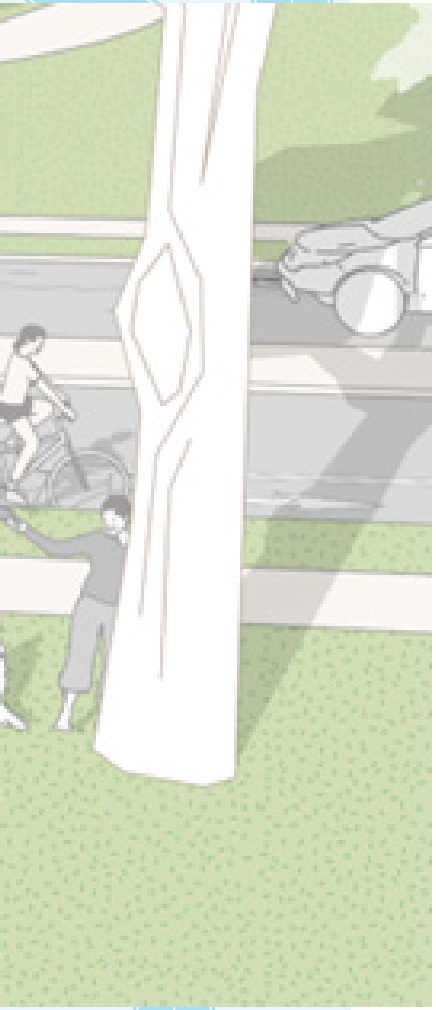

TYPICAL USE

Shared-use sidepaths are most effective in the following contexts:

- Along arterial roads with high vehicle volumes and speeds
- In areas with limited pavement width, where separate on-street bike lanes are infeasible
- As connectors between on-street bikeways and off-street trails
- Near schools, parks, and transit hubs where there is a need for two-way bicycle and pedestrian travel

DESIGN GUIDANCE

National design guidelines recommend the following standards for shared-use sidepaths:

- Minimum paved width of 10 feet; reduced to 8 feet only in constrained conditions with low expected volumes
- Two-foot shoulders or clear zones on either side of the path, where space permits
- A minimum 5-foot landscaped buffer between the path and roadway; if less than 5 feet, a physical barrier (e.g., guardrail or curb) should be provided
- Sight lines must be maintained at all crossings and driveways; signage and markings should clearly alert drivers to the presence of path users
- Each end of the sidepath should connect directly to another bicycle-compatible facility—such as an on-street bike lane, another trail, or a neighborhood street
- At signalized intersections, consider prohibiting right turns on red and implementing Leading Pedestrian Intervals (LPIs) to minimize conflicts between turning vehicles and path users
- Lighting, striping, and wayfinding elements should be provided to enhance safety, visibility, and comfort

DRAFT

MARKED CROSSWALKS

Source: Dan Burden

DESCRIPTION

Marked crosswalks play a key role in guiding pedestrians and alerting drivers to pedestrian activity. While crosswalks legally exist at all intersections where sidewalks meet the street—even without striping—markings significantly improve visibility, reinforce pedestrian priority, and clarify expectations for all users.

Ladder and continental styles, featuring wide bars perpendicular to the walking direction, are the most visible and effective. These should be paired with stop bars, signage, and, where appropriate, pedestrian signals or beacons. Decorative treatments may be used to enhance placemaking but must not compromise safety or visibility. In Addison, marked crosswalks are essential to a safe and comfortable pedestrian network, especially along arterials like Belt Line Road, Midway Road, and Addison Road, near schools and in high pedestrian areas such as Addison Circle and Vitruvian Park.

DRAFT

TYPICAL USE

Marked crosswalks are especially appropriate in the following locations:

- Along any roadway with moderate to high traffic volumes (typically >3,000 ADT) or posted speeds above 20 mph
- At all legs of signalized and stop-controlled intersections in high pedestrian activity areas
- At mid-block crossings near schools, parks, trails, transit stops, senior centers, civic buildings, or commercial areas
- Within mixed-use areas where informal crossing behavior is common or where pedestrian desire lines are clearly visible

DESIGN GUIDANCE

Design and placement of crosswalks should follow TMUTCD, PROWAG, and FHWA guidance, with the following standards recommended for Addison:

- Minimum paved width of 10 feet; reduced to 8 feet only in constrained conditions with low expected volumes
- Two-foot shoulders or clear zones on either side of the path, where space permits
- A minimum 5-foot landscaped buffer between the path and roadway; if less than 5 feet, a physical barrier (e.g., guardrail or curb) should be provided
- Sight lines must be maintained at all crossings and driveways; signage and markings should clearly alert drivers to the presence of path users
- Each end of the sidepath should connect directly to another bicycle-compatible facility—such as an on-street bike lane, another trail, or a neighborhood street
- At signalized intersections, consider prohibiting right turns on red and implementing Leading Pedestrian Intervals (LPIs) to minimize conflicts between turning vehicles and path users
- Lighting, striping, and wayfinding elements should be provided to enhance safety, visibility, and comfort

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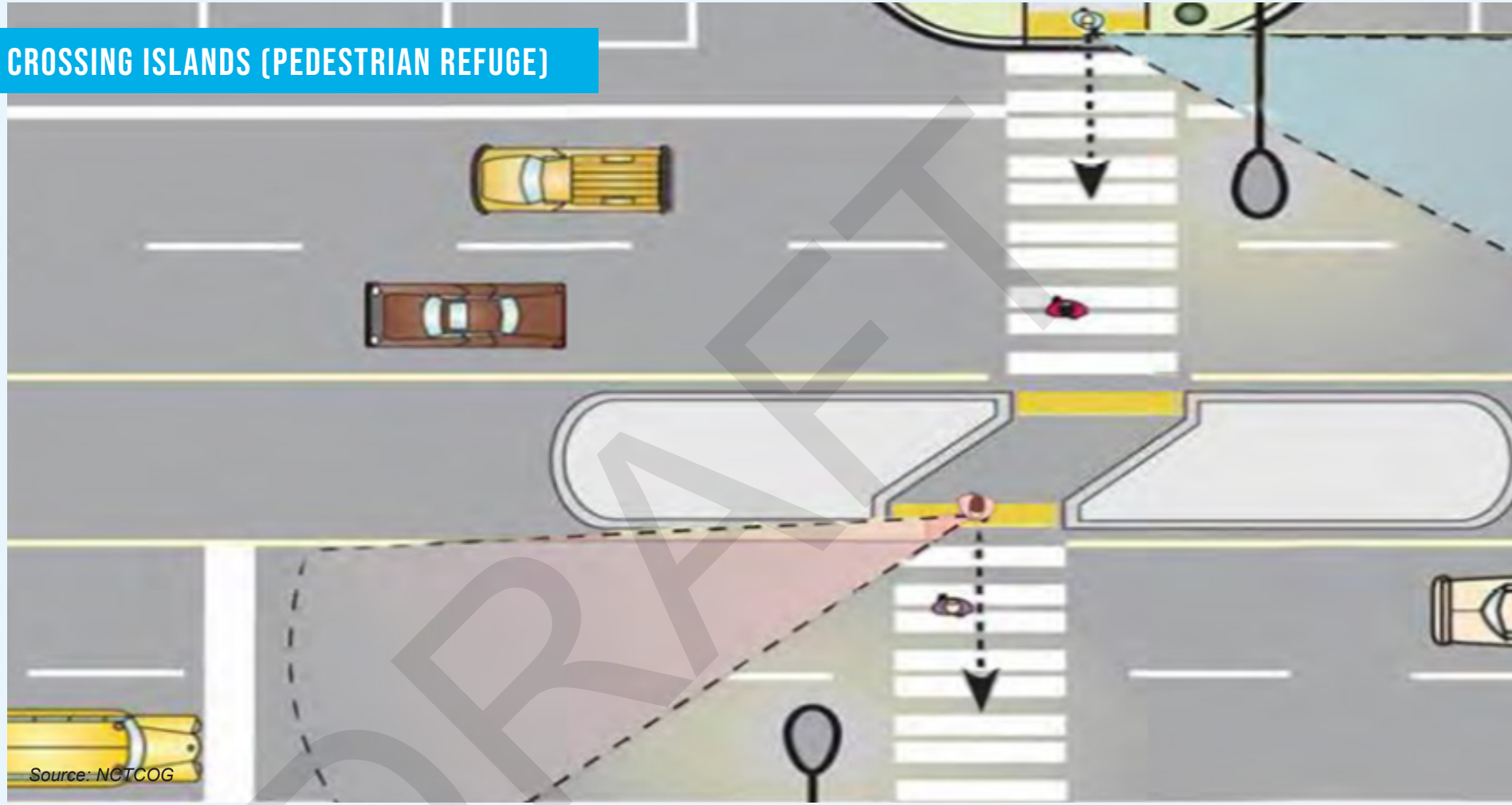
CROSSING ISLANDS (PEDESTRIAN REFUGE)



Source: NCTCOG

DESCRIPTION

Crossing islands, or pedestrian refuge islands, are raised areas in the center of the roadway that allow pedestrians to pause safely while crossing multiple lanes of traffic. By letting pedestrians cross one direction at a time, they reduce exposure and improve safety on wide or high-speed streets. In addition to supporting pedestrian safety, crossing islands can also help calm traffic by visually narrowing the roadway and encouraging slower vehicle speeds. Recognized by the FHWA as a proven safety countermeasure, they are particularly effective in locations with high pedestrian activity. In Addison, crossing islands are well-suited for major arterials like Belt Line Road, Midway Road, and Arapaho Road.

DRAFT

TYPICAL USE

Crossing islands are particularly effective in the following conditions:

- On roads with four or more travel lanes (including turn lanes)
- At mid-block crossings where pedestrians are crossing significant distances
- Near transit stops, schools, or civic destinations
- In areas with older adults, children, or users with mobility limitations
- Where pedestrian volumes are moderate to high and crossing gaps are limited

DESIGN GUIDANCE

Best practices for crossing island design include:

- Islands should be a minimum of 6 feet wide to accommodate pedestrians with mobility devices and groups of users
- Length should extend the full width of the crosswalk, with an additional buffer where feasible
- Islands should include curb ramps or cut-throughs aligned with the crosswalk; surfaces should be level, ADA-compliant, and include detectable warning strips at entry points
- Raised islands should be landscaped or designed with vertical elements (e.g., bollards or signs) to improve visibility without obstructing sight lines
- In unsignalized locations, islands may be paired with high-visibility crosswalk markings and Rectangular Rapid Flashing Beacons (RRFBs)
- Lighting should be provided where nighttime use is expected

DRAFT

CURB RAMPS

Source: pedbikeimages

DESCRIPTION

Curb ramps provide the critical transition between sidewalks and streets at intersections and crossings. They are essential for accessibility and are required by the Americans with Disabilities Act (ADA) at all locations where pedestrians are expected to cross the street. Properly designed curb ramps allow people using wheelchairs, strollers, walkers, or bicycles to move smoothly and safely between the sidewalk and roadway. In addition to ensuring compliance, well-placed curb ramps improve overall pedestrian comfort and help guide visually impaired users into the correct crossing path. In Addison, curb ramp upgrades should be incorporated into all intersection improvements, resurfacing projects, and sidewalk repairs.

As Addison upgrades sidewalks, intersections, and crossings through capital improvement projects, curb ramp retrofits should be systematically prioritized to eliminate accessibility barriers and provide safe access for all pedestrians.

DRAFT

TYPICAL USE

Curb ramps should be provided wherever a curb exists and pedestrians are expected to cross, including:

- All intersections (signalized, stop-controlled, and uncontrolled)
- Mid-block crosswalks
- Trail or sidepath crossings
- Transit stop access points
- Driveway crossings with continuous pedestrian access

DESIGN GUIDANCE

Curb ramps should meet ADA, PROWAG, and TxDOT standards. Key design elements include:

- Each pedestrian path of travel should have its own curb ramp (Type II/directional ramps), not a single diagonal ramp
- Ramps should be aligned with the crosswalk to ensure proper orientation and minimize travel distance
- Detectable warning surfaces (truncated domes) are required at the base of all ramps to alert visually impaired pedestrians to the street edge
- Ramp slope must not exceed 1:12 (8.33%)
- Side flare slopes must not exceed 1:10 (10%)
- Cross-slope should be no more than 2% for comfort and accessibility
- Ramps must connect to a level landing area of at least 4 feet by 4 feet (5 feet by 5 feet preferred), with a maximum cross-slope of 2%

DRAFT

PEDESTRIAN SIGNAL TIMING & COUNTDOWN INDICATOR

Source: Adobe Stock

DESCRIPTION

Pedestrian signals help manage crossings at signalized intersections and mid-block locations, providing clear guidance for when it is safe to cross. Standard pedestrian signal heads display three phases:

1. **Walk Interval:** Indicates that pedestrians may begin crossing (WALK symbol or walking person)
2. **Flashing Don't Walk Interval:** Warns that crossing should not be initiated; often paired with a countdown timer
3. **Steady Don't Walk Interval:** Indicates that pedestrians should not enter the crosswalk

Countdown indicators show the number of seconds remaining in the crossing phase, helping both pedestrians and drivers make informed decisions. Accessible Pedestrian Signals (APS) may supplement these indications with audible tones, speech messages, and tactile features to assist pedestrians with visual or hearing impairments. In Addison, pedestrian signals with countdown indicators should be standard at all new or upgraded signalized intersections. When coordinated with traffic operations and accessibility goals, they significantly improve safety, compliance, and comfort for people walking.

TYPICAL USE

Pedestrian signal timing and countdown indicators are appropriate for:

- All signalized intersections with regular pedestrian activity
- Mid-block crossings controlled by traffic signals
- Areas with high pedestrian volumes such as school zones, transit stations, and mixed-use districts

DESIGN GUIDANCE

Design and timing of pedestrian signals should follow standards established by the Texas Manual on Uniform Traffic Control Devices (TMUTCD):

- **Walking Speed Assumptions:** Use a pedestrian walking speed of 3.5 feet per second to determine crossing time, per TMUTCD guidance
- **Minimize Wait Time:** Excessive delays can lead to noncompliance; signal timing should minimize pedestrian wait times where feasible
- **Automatic Pedestrian Phases:** In high-activity areas (e.g., Addison Circle, near DART stops), program a pedestrian phase into every signal cycle, rather than requiring pushbutton activation
- **Accessibility:** Consider APS at key locations to support all users; ensure clear visibility of signal heads for children, older adults, and people using mobility devices
- **Countdown Placement:** Install countdown indicators during the flashing Don't Walk interval to inform pedestrians how much crossing time remains

DRAFT

SAFETY TOOLS

Creating a walkable community sometimes requires more than sidewalks and core pedestrian tools; it requires infrastructure that makes walking feel safe, visible, and predictable. Safety tools help reduce conflicts between pedestrians and vehicles by addressing crossing distance, speed, and driver awareness.

This section outlines proven design strategies such as high-visibility crosswalks, refuge islands, and signal enhancements. These tools are based on national best practices and support Addison's goals to improve pedestrian safety, especially along busy corridors and at key crossing locations.

RECTANGULAR RAPID FLASHING BEACON

Source: Kimley-Horn

DESCRIPTION

RRFBs are user-activated flashing beacons installed at uncontrolled pedestrian crossings to alert drivers to crossing activity. When activated by a pedestrian, the device emits a bright, alternating (wig-wag) rectangular flash pattern mounted with standard pedestrian crossing signs.

Recognized by FHWA as a proven safety countermeasure, RRFBs are effective at increasing driver yielding behavior, particularly on multilane or high-speed roads where visibility is a concern. In Addison, RRFBs should be prioritized at high-activity mid-block locations; such as along principal and minor arterials or at trail crossings identified in the Citywide Trails Master Plan. They offer a cost-effective way to enhance pedestrian safety without requiring full traffic signal installation.

TYPICAL USE

RRFBs are best suited for:

- Unsignalized or mid-block crosswalks with moderate to high pedestrian activity
- Trail and shared-use path crossings at roadways
- School routes, near multifamily housing, retail, or employment centers
- Locations where full signal warrants are not met but enhanced visibility is needed

DESIGN GUIDANCE

Design and placement of the RRFB should follow standards established by the TMUTCD:

- Install per FHWA Interim Approval IA-21 and TMUTCD Section 2B.12
- Locate beacons on both sides of the crossing; add a third unit in a median, if present
- Pair with pedestrian crossing (W11-2) signs and downward arrow plaques (W16-7P)
- Use pushbutton or passive activation; flash duration should match crossing time
- Provide advance yield or stop bars 20–50 feet in advance of the crosswalk
- Use only at marked crosswalks on uncontrolled approaches
- Ensure automatic shutoff after pedestrian clearance phase

DRAFT

PEDESTRIAN HYBRID BEACON

Source: Kimley-Horn – Intersection of Belt Line Road and Asbury Road in Addison

DESCRIPTION

Pedestrian Hybrid Beacons (PHBs), sometimes referred to as HAWK signals, are a type of traffic control device used at mid-block or unsignalized crossings to stop vehicle traffic and provide pedestrians or bicyclists a protected opportunity to cross. Unlike full traffic signals, PHBs remain dark until activated by a user and are often used at high-speed, high-volume locations that do not meet traditional signal warrants. When activated, the beacon flashes yellow, then changes to a solid red, requiring motorists to stop.

PHBs are a proven safety countermeasure and are especially effective on wide arterials or multilane roads where traditional signs and markings alone do not yield high driver compliance.

DRAFT

TYPICAL USE

PHBs are recommended for:

- Crossings of high-speed, multi-lane arterial roadways
- Locations with ≥20 pedestrians or bicyclists per hour and ≥2,000 vehicles per hour
- Unsignalized crossings with 6 or more travel lanes
- Trail or shared-use path crossings where other treatments are insufficient
- Areas with crash history or observed non-compliance at crossings

DESIGN GUIDANCE

Design and placement of the PHB should follow standards established by the TMUTCD. Key considerations include:

- Install at logical crossing points on pedestrian and bicycle networks where traffic volumes or speeds present barriers
- Use “hot” pushbuttons for immediate response, or passive detection (e.g., infrared or video) to activate the beacon
- Provide clear crosswalk markings and ADA-compliant curb ramps
- Ensure signal timing provides adequate clearance for pedestrians of all abilities
- Include appropriate signage (W11-2 with W16-7P) and advance warning devices as needed

DRAFT

LEADING PEDESTRIAN INTERVALS

Source: City of Long Beach

DESCRIPTION

Leading Pedestrian Intervals (LPIs) give pedestrians a 3 to 7-second head start at signalized intersections before parallel vehicular traffic is released. This early walk phase allows pedestrians to enter the crosswalk and become more visible, reducing conflicts with turning vehicles. LPIs are especially effective at increasing driver yielding and improving crossing safety in high-volume or complex intersection environments. They are implemented through signal timing adjustments and typically do not require any additional physical infrastructure.

In Addison, LPIs should be prioritized at busy intersections with high pedestrian volumes, and near mixed-use or transit-oriented areas. They offer a low-cost, high-impact improvement to reduce crashes and improve pedestrian visibility at intersections.

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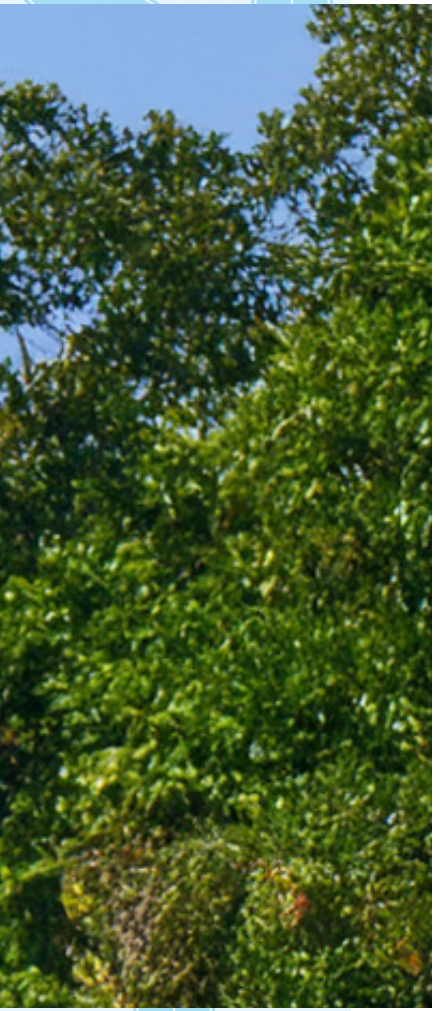

TYPICAL USE

LPIs are most effective at:

- Signalized intersections with high pedestrian volumes and frequent turning conflicts
- Locations where pedestrian visibility is limited or turning speeds are high
- Intersections near schools, commercial centers, or transit stops
- Areas with a high proportion of slower-moving pedestrians, including seniors or people with disabilities

DESIGN GUIDANCE

Design should follow FHWA and TMUTCD guidance, including:

- Provide a pedestrian head start of 3–7 seconds, depending on crossing width and signal phasing
- Ensure pedestrians can enter and be fully visible in the intersection before vehicles receive a green indication
- LPIs should not be used where protected (exclusive) left or right turns already eliminate conflicts
- Pair LPIs with complementary treatments such as curb extensions, high-visibility crosswalks, or No Turn on Red restrictions to improve effectiveness
- Clearly communicate pedestrian priority through signage and public education

DRAFT

CURB EXTENSIONS (BULB-OUTS)

Source: Kimley-Horn – Intersection of Calloway Drive and Quorum Road in Addison Circle Neighborhood

DESCRIPTION

Curb extensions (also known as bulb-outs or neckdowns) extend the sidewalk or curb line into the parking lane at intersections or mid-block crossings. This reduces the width of the roadway that pedestrians must cross, improves visibility between pedestrians and drivers, and slows turning vehicles by tightening corner radii. Curb extensions are a proven traffic calming tool and can also create space for street trees, lighting, benches, or stormwater infrastructure.

In Addison, curb extensions are especially well-suited for mixed-use areas, commercial districts, and urban roadways where pedestrian activity is high and slower vehicle speeds are desirable. They can be implemented as permanent infrastructure or as temporary installations using materials like flexible curbs, striping, or planters (also known as quick-build or tactical applications).

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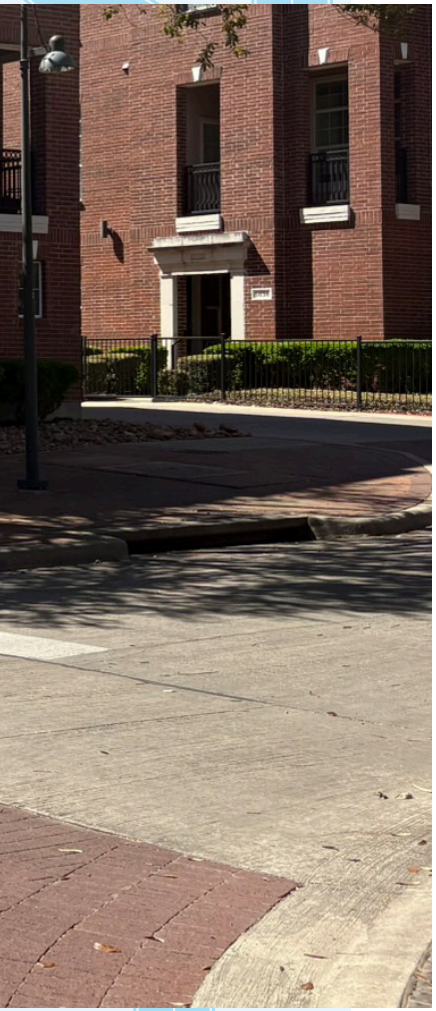


TYPICAL USE

Curb extensions are most effective in the following contexts:

- At intersections with high pedestrian activity or long crossing distances
- In downtown or walkable districts such as Addison Circle
- Near schools, parks, senior housing, or transit stops where pedestrian visibility is critical
- Along corridors with on-street parking, where curb extensions can be added without affecting travel lanes
- As part of traffic calming or placemaking projects

DESIGN GUIDANCE

Curb extensions should be designed in accordance with NACTO, FHWA, and ADA standards. Key considerations include:

- Reduce pedestrian crossing distance by 6–8 feet (the width of a typical parking lane)
- Maintain a minimum clear pedestrian path of 5 feet through the extension
- Curb radii should be tightened to slow turning speeds, but must still accommodate emergency and turning vehicles (use mountable aprons if needed)
- Ensure extensions do not block bike lanes unless a dedicated bypass is provided
- Include ADA-compliant curb ramps and landings where extensions incorporate crossings
- In mid-block locations, curb extensions should include high-visibility crosswalks and, where appropriate, signage or RRFBs

DRAFT

RIGHT-TURN ON RED RESTRICTIONS

Source: Adobe Stock

DESCRIPTION

Right Turn on Red (RTOR) restrictions prohibit vehicles from turning right during the red signal phase, reducing conflicts with pedestrians crossing in the same direction. While RTOR is generally permitted under state and federal traffic laws, local agencies may restrict it at intersections where turning vehicles frequently conflict with pedestrians or where safety concerns warrant greater control.

RTOR restrictions are an effective, low-cost measure to improve pedestrian safety, particularly when paired with other signal timing tools like Leading Pedestrian Intervals (LPIs). Prohibiting RTOR increases driver attentiveness and reduces the likelihood of right-hook crashes, especially where visibility is limited or pedestrian volumes are high.

In Addison, RTOR restrictions should be considered at key intersections along corridors with shared-use side paths, and within high-pedestrian activity areas like Addison Circle and near future transit-oriented development. They are a simple but effective measure to enhance pedestrian safety without major infrastructure changes.

DRAFT

TYPICAL USE

RTOR restrictions are appropriate at:

- Intersections adjacent to shared-use paths with high pedestrian and bicycle volumes and frequent turning conflict
- Locations with LPIs, where early pedestrian movement may conflict with turning drivers
- Intersections with a history of pedestrian-related crashes or near-misses
- Places where sight distance is limited due to geometry, landscaping, or parked vehicles

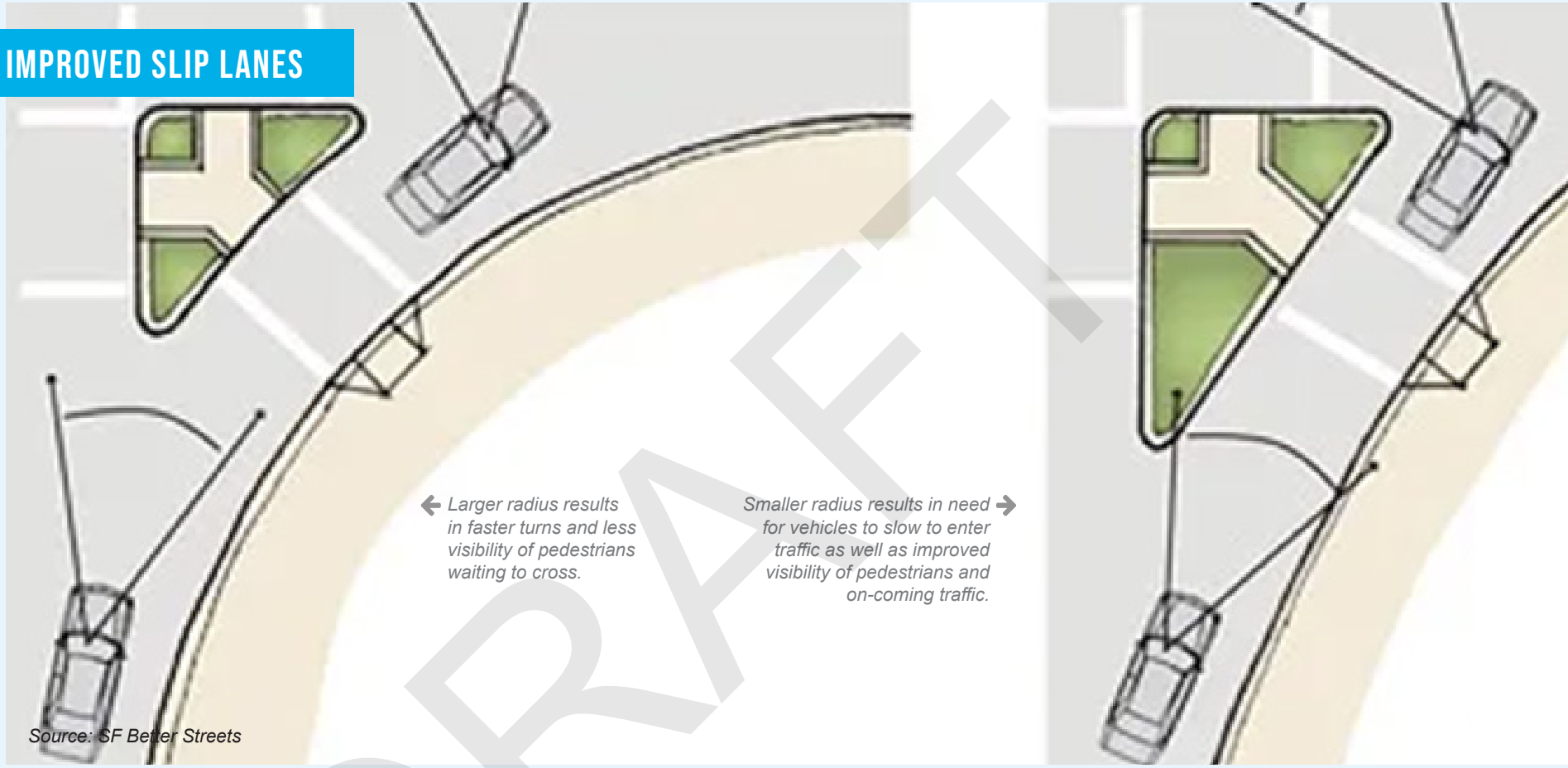
DESIGN GUIDANCE

Design and implementation should follow guidance from the TMUTCD (Section 2B.54) and FHWA:

- Install **"No Turn on Red" (R10-11)** or time-based restriction signs at signalized intersections as warranted
- Consider **variable restrictions** that apply during peak pedestrian hours (e.g., school start/end times or special events)
- Pair RTOR restrictions with **LPIs, high-visibility crosswalks, and curb extensions** to maximize pedestrian visibility
- Evaluate turning movement volumes, pedestrian crash history, and observed conflicts before applying full-time restrictions
- Clearly place signage where drivers are likely to see it—typically near the signal head or curbside post

DRAFT

IMPROVED SLIP LANES



Source: SF Better Streets

DESCRIPTION

Slip lanes, or free-flowing right-turn lanes, are designed to allow vehicles to turn without stopping at intersections—often bypassing traffic signals. However, when poorly designed, they create conflict points for pedestrians by encouraging high-speed turns and limiting visibility. Improved slip lane designs prioritize pedestrian safety by reducing vehicle speeds, improving sight lines, and increasing driver awareness at crossings.

Common design enhancements include sharper entry angles, enlarged islands (“pork chop” islands) with curb ramps and waiting space, raised crosswalks, and high-visibility markings. These features ensure that turning motorists can clearly see and yield to pedestrians, especially at large or complex intersections.

In Addison, improved slip lanes should be considered at arterial intersections such as along Belt Line Road, where right-turn traffic volumes are high and pedestrian activity is expected to increase. These design upgrades offer a targeted, cost-effective solution to enhance safety and comfort at complex intersections.

DRAFT

TYPICAL USE

Improved slip lanes are best applied at:

- Arterial-arterial intersections with high right-turn volumes
- Existing intersections where right-turn slip lanes cross marked pedestrian paths
- Intersections with a history of pedestrian conflicts or visibility concerns
- Locations near schools, parks, or commercial areas with frequent pedestrian activity

DESIGN GUIDANCE

Design should follow guidance from NACTO and FHWA, and be context-sensitive. Key best practices include:

- Align crosswalks perpendicular (90 degrees) to the slip lane to improve visibility between drivers and pedestrians
- Set crosswalks at least one car length back from the intersecting roadway to give turning vehicles space to yield
- Reduce the turning radius with a sharper slip lane entry angle (ideally 45–60 degrees) to lower vehicle speeds
- Provide large, accessible pedestrian refuge islands with ADA-compliant curb ramps and detectable warnings
- Consider installing a raised crosswalk within the slip lane to further reduce vehicle speed and highlight pedestrian priority
- Use high-visibility crosswalk striping and appropriate signage (W11-2 with W16-7P) to alert drivers to pedestrian crossings

DRAFT

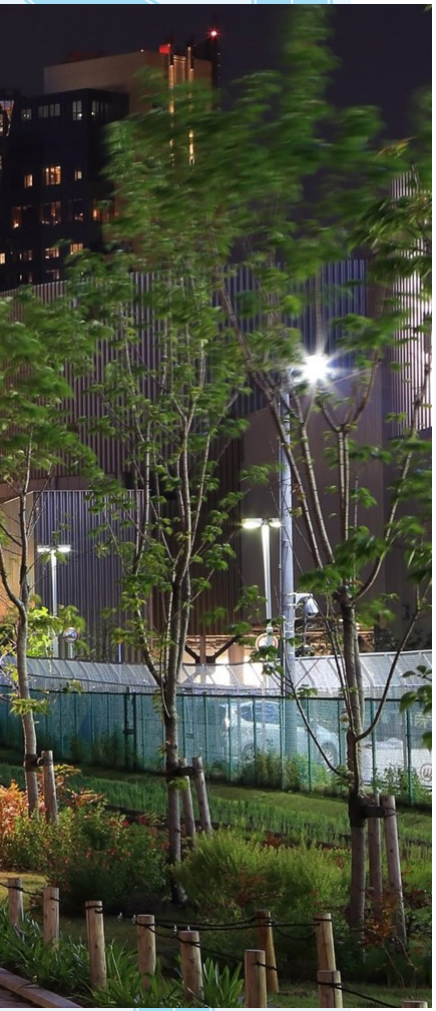
PEDESTRIAN LIGHTING

Source: Adobe Stock

DESCRIPTION

Pedestrian-scale lighting improves visibility, safety, and comfort along sidewalks, trails, and crossings—especially during early morning, evening, and nighttime hours. Unlike overhead roadway lighting, pedestrian lighting is mounted lower and designed to illuminate the walking zone, faces, and potential obstacles without creating glare. In addition to its safety function, well-designed pedestrian lighting enhances the character of streets and public spaces, supporting placemaking and encouraging greater use of walkable areas after dark.

In Addison, lighting is a key component of walkable design, particularly in mixed-use areas like Addison Circle, along major corridors, and within the Citywide Trails Master Plan network.



TYPICAL USE

Pedestrian lighting should be prioritized in:

- Areas with high nighttime foot traffic, including transit stops, parks, and entertainment districts
- Along trails and shared-use paths, especially where natural surveillance is limited
- At pedestrian crossings, curb ramps, and intersections to improve visibility and reduce crash risk
- Mixed-use corridors or town centers where ambiance and aesthetics are part of the pedestrian experience

DESIGN GUIDANCE

Design should follow IESNA (Illuminating Engineering Society of North America), TxDOT and FHWA recommendations:

- Mount fixtures between 10–15 feet in height to light the sidewalk and adjacent pedestrian zone
- Avoid high-intensity glare or over-lighting; use warm, uniform lighting to improve comfort and visibility
- Prioritize lighting at decision points, including crosswalks, bus stops, trailheads, and curb ramps
- Space fixtures to eliminate dark spots and ensure even illumination along continuous pedestrian paths
- Incorporate full cutoff luminaires to reduce light pollution and preserve dark skies where appropriate
- Coordinate lighting design with streetscape elements, using fixtures that align with the area's character and contribute to placemaking

DRAFT

COMFORT AND PLACEMAKING TOOLS

A walkable environment is not just about getting from point A to B; it's about making that experience comfortable, welcoming, and memorable. For Addison, this is especially important. Public feedback gathered through the Citywide Trails Master Plan, Advance Addison 2050, and MTP outreach consistently emphasized the importance of high-quality pedestrian infrastructure that goes beyond basic function. Residents expressed a strong desire for shaded walkways, attractive streetscapes, opportunities to sit and rest, and a more vibrant, human-scaled public realm.

These elements, shade, seating, public art, and well-designed transit amenities are not just aesthetic upgrades; they directly influence whether people choose to walk and how they feel while doing so. They also support Addison's identity as a community known for thoughtful design, active public spaces, and attention to detail.

This section outlines key comfort and placemaking tools that help transform sidewalks, trails, and waiting areas into inviting destinations, enhancing both usability and the sense of place across Addison's pedestrian network.

SHADE

Source: Kimley-Horn – Intersection of Arapaho Road and Edwin Lewis Drive in Addison

DESCRIPTION

Shade is a critical component of a comfortable pedestrian environment, particularly in warmer climates like Texas summers. Whether provided by street trees, architectural elements, or built structures, shade significantly improves thermal comfort, making walking more viable year-round. In addition to comfort, shaded walkways can extend the amount of time people are willing to spend outside, increase foot traffic to local businesses, and support broader goals related to health, equity, and livability.

Public feedback in Addison has consistently emphasized the value of shaded sidewalks and trails, and the Town has already incorporated this principle into several key corridors. Expanding shade throughout the pedestrian network will support both walkability and community character.

TYPICAL USE

Shade should be prioritized in the following locations:

- Along high-use pedestrian corridors
- On sidewalks near retail, dining, and civic destinations, where pedestrians may dwell or gather
- Along trails and shared-use paths in open or exposed areas
- At transit stops, public plazas, and trailheads where people may spend time waiting
- In school zones, near senior housing, or in areas with vulnerable populations

DESIGN GUIDANCE

Effective shade strategies should combine natural and built elements and follow best practices in urban design and streetscape planning:

- Use street trees with wide canopies spaced regularly (typically 20–30 feet apart) in landscaped buffers between sidewalks and roadways
- Choose drought-tolerant, regionally appropriate tree species that provide dense canopy and require minimal maintenance
- In areas where trees are not feasible, incorporate structural shade elements such as awnings, arcades, pergolas, or freestanding shade canopies
- Prioritize placement on west- and south-facing sidewalks to block afternoon sun
- Maintain clear pedestrian paths and ADA access; ensure tree grates, planters, or supports do not obstruct movement
- Combine shade with other comfort amenities such as benches, lighting, or water fountains where appropriate

DRAFT

STREET FURNITURE

Source: Kimley-Horn – Addison Road across from Addison Circle Park

DESCRIPTION

Street furniture includes the small-scale elements—such as benches, trash receptacles, bike racks, and planters—that support pedestrian comfort and contribute to the overall functionality and identity of public spaces. These features offer places to rest, socialize, or secure a bicycle, while also helping organize the pedestrian zone and enhance the visual quality of sidewalks and trails.

In Addison, public feedback has consistently pointed to the importance of high-quality pedestrian environments that feel complete, comfortable, and thoughtfully designed. Well-placed street furniture supports longer and more enjoyable walking experiences and reinforces the character of Addison's commercial areas, parks, and civic corridors.

TYPICAL USE

Street furniture should be provided in:

- Mixed-use districts such as Addison Circle and along Belt Line Road
- Parks, plazas, trailheads, and open spaces where people may gather or rest
- Transit stops, near public buildings, and within shopping or dining areas
- Along long stretches of trail or sidewalk where seating is desired for comfort, accessibility, or social use
- Public gathering areas, event zones, or locations with high pedestrian activity

DESIGN GUIDANCE

Street furniture should be thoughtfully selected and placed to support pedestrian needs and complement the surrounding context. Key considerations include:

- Place benches at regular intervals (e.g., every 300–500 feet) along high-use corridors, and near destinations such as transit stops, parks, and shops
- Select durable, low-maintenance materials appropriate for outdoor use and local climate conditions
- Ensure furniture placement maintains a clear pedestrian path (minimum 5 feet clearance) and complies with ADA requirements
- Coordinate furniture styles and finishes within each district to create a cohesive streetscape identity
- Place trash and recycling receptacles so that it is accessible to seating areas, bus stops, and commercial zones
- Include bike racks near destinations and trailheads; ensure racks allow for locking the bicycle frame and wheel
- Where appropriate, integrate planters, lighting, or public art into street furniture installations for added placemaking value

DRAFT

BUS STOP SHELTERS

Source: Town of Addison

DESCRIPTION

Bus stop shelters provide a protected, comfortable space for transit users waiting to board. By offering shade, seating, and weather protection, shelters enhance the rider experience and make transit a more attractive and equitable transportation option. These amenities are especially important for seniors, individuals with disabilities, and transit-dependent riders who may wait longer for service or use transit frequently.

In Addison, public feedback consistently emphasized the need for better bus stop comfort and visibility. Enhancing shelters along key DART routes—specifically Route 229 along Belt Line Road and Route 239 serving Quorum Drive and Addison Road—will play a central role in improving pedestrian and transit infrastructure across the Town.

TYPICAL USE

Bus stop shelters should be prioritized at:

- Stops with moderate to high boardings, particularly along Routes 229 and 239
- Destinations with consistent foot traffic such as commercial corridors, employment centers, senior housing, and civic facilities
- Areas with limited shade or high sun exposure
- Locations where wait times are longer or transfers are common
- Corridors identified for multimodal investment or streetscape upgrades

DESIGN GUIDANCE

Shelters should comply with ADA standards, DART design guidelines, and context-sensitive streetscape design. Key recommendations include:

- Provide a covered structure that offers protection from sun, wind, and rain
- Include a level landing pad at least 5 feet wide by 8 feet deep, connected to the sidewalk or trail
- Integrate seating (preferably with back support), lighting, and trash receptacles
- Maintain a 5-foot minimum pedestrian clear zone on adjacent walkways
- Locate shelters to ensure visibility, comfort, and convenience, avoiding driveways or obstructions
- Include transit information such as route maps, schedules, and real-time arrival displays where feasible
- Consider shelter enhancements—such as landscaping, public art, or branded design elements—in high-visibility areas like Addison Circle and along Belt Line Road

DRAFT

PUBLIC ART

Source: Kimley-Horn – the AMLI Addison on Edwin Lewis Drive in Addison

DESCRIPTION

Public art enhances the visual and cultural experience of public spaces by creating distinct, memorable environments that reflect a community's identity. In the pedestrian realm, public art can serve multiple functions, including wayfinding, placemaking, engagement, and beautification, while enriching the walking experience. Art can be integrated into sidewalks, trails, walls, utility boxes, transit shelters, or open space features, offering both visual interest and a sense of civic pride.

Addison is already known for its creative public spaces and commitment to design excellence. The Quorum Art Walk project, currently under development, incorporates lighting, seating, and space for future art installations along a key pedestrian corridor from the DART line to Dallas Parkway—highlighting Addison's active investment in placemaking and pedestrian experience. Expanding public art throughout the pedestrian network aligns with this vision and supports Addison's identity as a vibrant, people-focused community.

TYPICAL USE

Public art is well-suited for:

- Trailheads, plazas, and park entrances where it can serve as a visual anchor
- Transit stops or streetscape zones along corridors like Belt Line Road and Quorum Drive
- Nodes along trails or sidewalks to highlight rest areas, gathering spots, or intersections
- Walls, fences, or underpasses where mural treatments can enhance the walking environment
- Wayfinding or interpretive elements that combine function with artistic expression

DESIGN GUIDANCE

Public art installations should align with Addison's design standards, reflect community character, and enhance pedestrian-scale experiences:

- Prioritize art that is site-specific and context-sensitive, responding to the location's history, culture, or purpose
- Use durable, low-maintenance materials suitable for outdoor exposure and public interaction
- Coordinate with local artists or arts organizations to ensure community relevance and engagement
- Where possible, integrate art into existing infrastructure—such as pavement, light poles, benches, or retaining walls
- Ensure installations do not obstruct clear pedestrian paths or compromise accessibility
- Lighting and signage can be used to enhance visibility and encourage evening use

DRAFT

CHAPTER 8:

TRAFFIC CALMING TOOLBOX

Traffic calming is a critical element of a complete street network. By reducing vehicle speeds, improving driver awareness, and enhancing safety for all users, traffic calming strategies help transform roadways into shared public spaces that support community livability, health, and mobility.

In Addison, many streets already incorporate high-quality urban design elements, including landscaping, wide sidewalks, and thoughtful lighting. However, as the Town continues to evolve—with denser infill, mixed-use developments, and increasing multimodal demand—it must also expand its toolbox of traffic calming tools to ensure that neighborhood streets, collectors, and arterials function safely and comfortably for all.

This Traffic Calming Toolbox provides a flexible but actionable set of tools that can be applied across different street types, aligned with the Town's goals for safety, context-sensitive design, and long-term sustainability.

Streetscape in Addison along Arapaho Road

DRAFT

WHY PLAN FOR TRAFFIC CALMING?

Across North Texas and the nation, communities are increasingly turning to traffic calming to address a common set of challenges: excessive vehicle speeds, unsafe crossings, cut-through traffic, and the need to better balance the movement of cars with the safety of people walking, biking, or accessing transit.

For Addison, these challenges are particularly important in residential neighborhoods, near parks and schools, and on corridors transitioning into more walkable urban contexts. Residents have expressed consistent support for measures that slow traffic, reduce crash risk, and enhance neighborhood quality of life.

TRAFFIC CALMING ALSO SUPPORTS A BROADER RANGE OF COMMUNITY PRIORITIES:

Safety

Reducing speeds directly lowers the risk and severity of crashes—for all modes.

Livability

Calmer streets support outdoor activity, social interaction, and walkability.

Mobility

Slower, safer streets make it easier to cross, bike, or use transit comfortably.

Health & Environment

Reduced speeds support emissions reductions and encourage active travel.

The following toolbox categorizes key traffic calming strategies into three categories: speed management tools, pavement and parking applications, and intersection tools. Each tool is supported by national guidance from FHWA, NACTO, and ITE and tailored to Addison's specific context and goals.

DRAFT

SPEED MANAGEMENT TOOLS

Managing vehicle speed is one of the most effective ways to improve safety and livability on public streets. Lower speeds reduce crash risk and severity, increase reaction time for drivers, and create more comfortable conditions for people walking, biking, or crossing the street. In Addison, speed management is especially important in residential neighborhoods, near schools and parks, and in areas transitioning to more walkable development patterns. The tools in this section are designed to calm traffic in strategic locations and reinforce safe, context-sensitive driving behavior across the network.

RAISED INTERSECTIONS

Source: abaat.org

DESCRIPTION

Raised intersections elevate the entire intersection to sidewalk level, creating a flat, continuous crossing for pedestrians. By forcing drivers to reduce speed while turning or proceeding through, raised intersections improve safety for all users and reinforce pedestrian priority in walkable areas.

TYPICAL USE

- Mixed-use areas like Addison Circle and Urban Village Place Types
- School zones and senior living areas
- Intersections along streets with high pedestrian activity

DESIGN GUIDANCE

- Use detectable warning surfaces and gentle ramps on all approaches
- Combine with high-visibility crosswalks and curb extensions where feasible
- Ensure ADA compliance and drainage considerations are addressed
- May be constructed with decorative paving or contrasting materials for visibility and placemaking

DRAFT

RADAR SPEED SIGNS

Source: Kimley-Horn

DESCRIPTION

Radar speed signs display approaching driver speeds in real-time, encouraging voluntary speed reduction by increasing awareness. These signs are often portable or solar-powered and can be deployed flexibly in response to complaints or data-identified speed issues. In Addison, radar speed signs were recently installed along Quorum Drive and have proven effective in reducing vehicle speeds, particularly in areas with high pedestrian activity. The Town has collected before-and-after speed data demonstrating measurable improvements, reinforcing the value of these signs as a cost-effective speed management tool.

TYPICAL USE

- Residential streets with recurring speeding issues
- Near parks, schools, or community centers
- Collector roads where full physical traffic calming is not appropriate
- Commercial corridors with mixed-use activity, such as Quorum Drive

DESIGN GUIDANCE

- Use on streets with posted speeds of 25–35 mph
- Position signs for maximum driver visibility and at strategic entry points
- Evaluate speed reduction effectiveness using before/after data collection
- Pair with educational campaigns or enforcement efforts as needed
- Consider periodic relocation or rotation of signs to maintain driver attentiveness and broaden coverage across the network

DRAFT

ROADWAY DELINEATION TOOLS

Visual cues and roadway markings play an essential role in shaping driver behavior and reinforcing intended travel paths. Roadway delineation tools—such as narrowed lane striping, medians, and edge treatments—can help slow traffic, reduce confusion, and clarify expectations without the need for full physical reconstruction. In Addison, these tools offer a cost-effective and adaptable strategy for calming traffic on a wide range of streets, from quiet neighborhood roads to busy collectors. When combined with broader corridor improvements, delineation treatments contribute to a safer, more legible, and more visually appealing public realm.

PAVEMENT MARKINGS

Source: FHWA

DESCRIPTION

Reducing lane widths through pavement markings—such as edge lines, advisory bike lanes, or shoulder stripes—helps visually narrow the street, encouraging drivers to slow down. These applications can be used flexibly without reconstruction and are ideal for quick-build traffic calming.

TYPICAL USE

- Residential collector streets and neighborhood entries
- Wide local streets with low on-street parking demand
- Areas near parks or schools where additional buffer space is desirable

DESIGN GUIDANCE

- Reduce travel lanes to 10–11 feet in most urban and residential contexts
- Use edge striping or colored treatments to create visual narrowing
- Consider pairing with sharrows, advisory bike lanes, or pedestrian buffers
- Monitor for driver compliance and effectiveness through speed studies
- May be constructed with decorative paving or contrasting materials for visibility and placemaking

DRAFT

DIVIDERS & MEDIANS

Source: Kimley-Horn

DESCRIPTION

Medians and centerline dividers create a physical and visual break in the roadway that slows traffic, reduces passing, and improves pedestrian safety by providing a refuge. They may be landscaped, raised, or flush depending on context. In Addison, medians have also been strategically installed just in advance of intersections—such as on Proton Drive—to calm traffic, improve driver focus, and reinforce intersection visibility and control. This application helps reduce approach speeds and creates a more orderly transition into cross traffic or turning environments.

TYPICAL USE

- Entry treatments to residential neighborhoods
- Transition zones on collector or arterial streets
- Mid-block crossings or trail intersections
- Intersection approaches where speed control or visibility is a concern, such as Proton Drive

DESIGN GUIDANCE

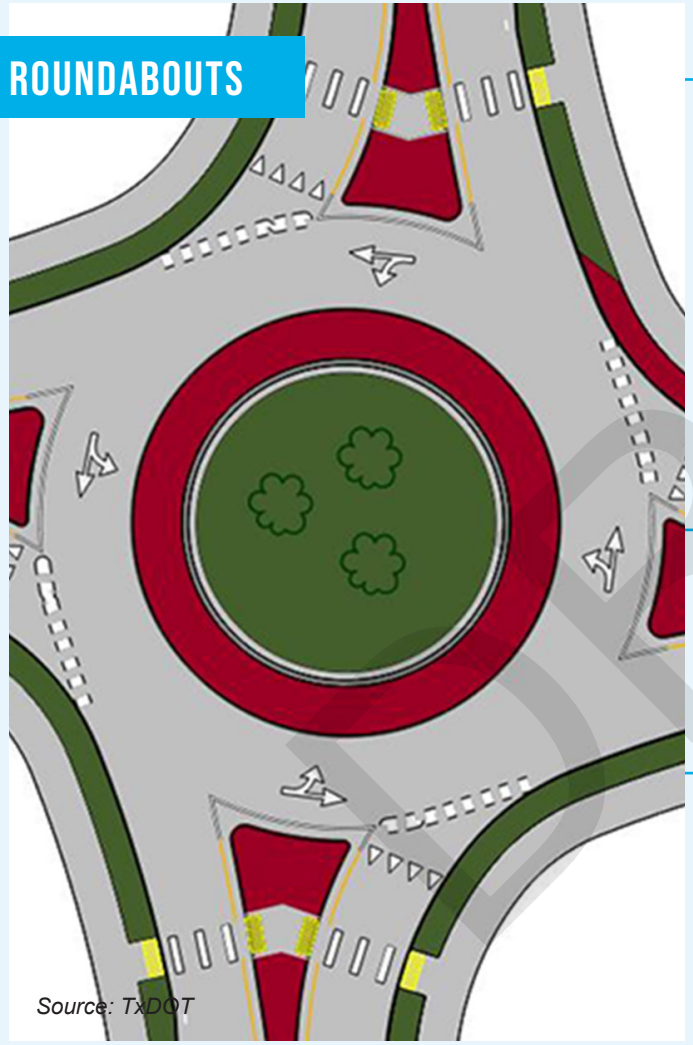
- Minimum width of 6 feet for pedestrian refuge
- Use landscaping or vertical elements to enhance visibility and aesthetics
- Ensure emergency vehicle access and drainage needs are accommodated
- Coordinate with lighting, signage, and access management strategies
- Consider use at intersection approaches to reinforce speed transition and turning behavior
- Consider periodic relocation or rotation of signs to maintain driver attentiveness and broaden coverage across the network

DRAFT

INTERSECTION TOOLS

Intersections are some of the most critical points in the street network—where travel paths converge, speeds shift, and users interact across multiple modes. Well-designed intersections can significantly improve safety, comfort, and predictability for everyone, especially pedestrians and cyclists. In Addison, intersection treatments are key to achieving slower turning speeds, shorter crossing distances, and clearer visual cues for drivers. Whether through geometric changes, signage, or enhanced crossings, these tools help reinforce the Town's broader goals for multimodal access, safe neighborhood streets, and high-quality urban design.

ROUNDABOUTS



Source: TxDOT

DESCRIPTION

Roundabouts are circular intersections that reduce conflict points, improve safety, and calm traffic by requiring drivers to slow down and yield. Modern roundabouts are more compact than older traffic circles, requiring less right-of-way and offering better lane guidance upon entry. They are specifically engineered to operate at low speeds and accommodate all users—including pedestrians, cyclists, and large vehicles—through clear deflection and consistent design.

In Addison, the Addison Circle roundabout serves as a prominent roadway and placemaking feature. While larger in scale and less compact than modern designs, it is still effective at reducing vehicle speeds and visually signaling a change in context, especially in a high-activity mixed-use area.

TYPICAL USE

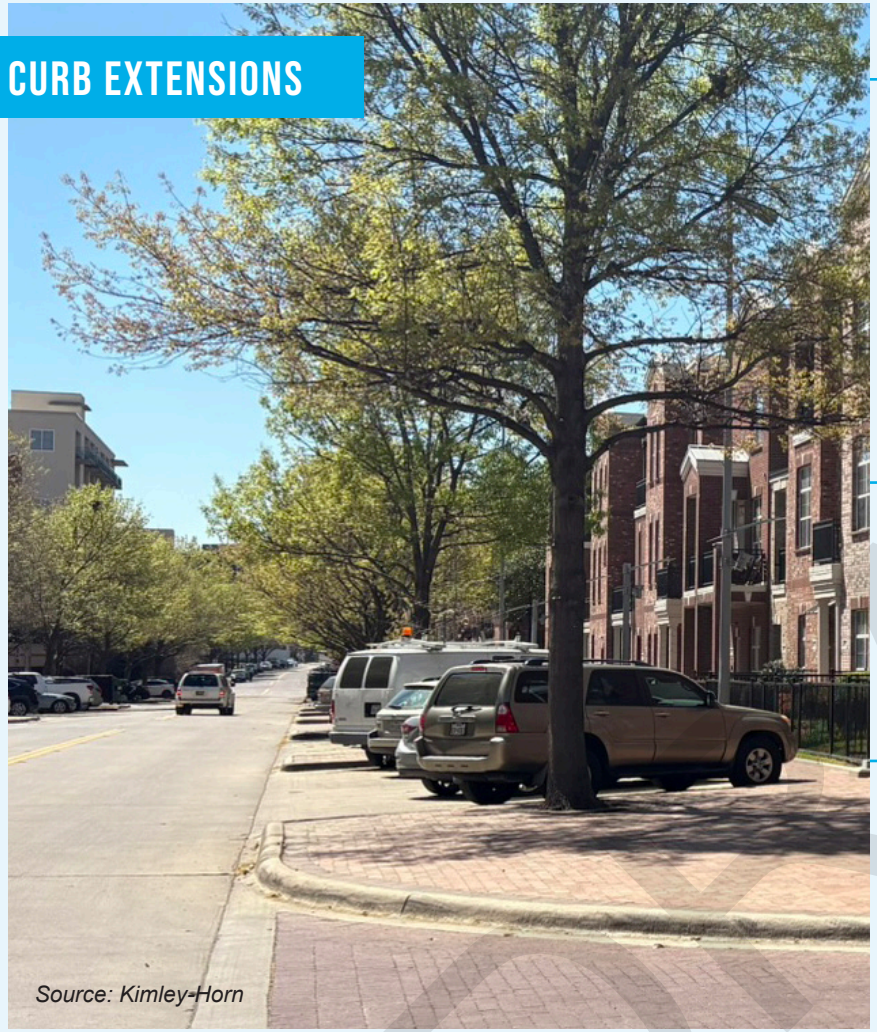
- Collector-to-collector intersections or minor arterials
- Neighborhood gateways and intersections with crash history
- Intersections where traditional signalization is ineffective
- Urban centers or mixed-use zones, such as Addison Circle

DESIGN GUIDANCE

- Design for entry and circulating speeds under 20 mph
- Use clear horizontal deflection and splitter islands to guide entering vehicles
- Include pedestrian crossings set back from circulating lanes to improve visibility and safety
- Accommodate large vehicles with mountable aprons where needed
- Incorporate landscaping, public art, or gateway signage in central islands to reinforce placemaking and visibility

DRAFT

CURB EXTENSIONS



Source: Kimley-Horn

DESCRIPTION

Curb extensions (also known as bulb-outs) reduce crossing distances, improve pedestrian visibility, and tighten vehicle turning radii, thereby reducing speeds and enhancing safety at intersections. They are especially common in urban areas, where they not only improve safety but also contribute to the walkability and character of streetscapes. In Addison, curb extensions are prominently featured throughout Addison Circle, where they enhance the pedestrian experience and support the Town's goals for a vibrant, walkable mixed-use environment.

TYPICAL USE

- Mixed-use districts and school zones
- Transit stop locations and neighborhood centers
- Any intersection where long crossing distances are a concern
- Urban districts like Addison Circle, where pedestrian activity is high

DESIGN GUIDANCE

- Extend sidewalk into the parking lane by 6–8 feet
- Maintain drainage flow and ensure ADA-compliant curb ramps
- Use modular or quick-build materials for temporary installations
- Coordinate with crosswalk placement and pedestrian signal timing
- Consider integrating landscaping, lighting, or street furniture to enhance placemaking and visibility

DRAFT

IN-STREET CROSSWALK SIGNS

Source: Kimley-Horn

DESCRIPTION

In-street pedestrian signs are flexible signs placed on the centerline or median at marked crosswalks to alert drivers to pedestrian activity. These signs reinforce pedestrian priority and help calm traffic by visually narrowing the roadway. They are especially effective in school zones and should be prioritized around schools, where frequent crossings and the presence of children require heightened driver awareness and reduced speeds.

TYPICAL USE

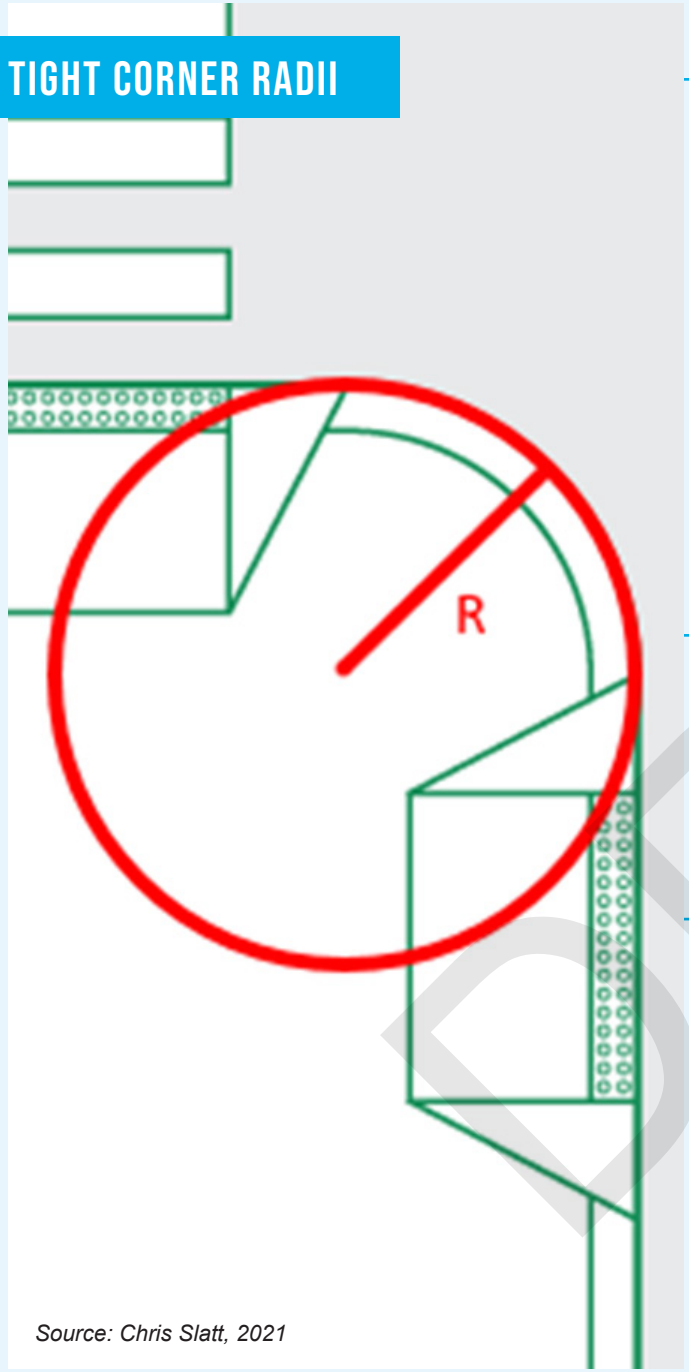
- Mid-block crossings and trail crossings
- Intersections without signals or stop control
- School routes and high pedestrian activity corridors
- Crosswalks near elementary and middle schools

DESIGN GUIDANCE

- Use at crossings with high visibility needs but lower vehicle volumes
- Ensure signs are TMUTCD-compliant and placed within breakaway bases
- Replace or reset signs regularly if damaged by traffic
- Pair with high-visibility markings and advance yield lines
- Consider seasonal deployment (e.g., during the school year) to align with pedestrian activity patterns

DRAFT

TIGHT CORNER RADII



Source: Chris Slatt, 2021

DESCRIPTION

Reducing the turning radius at intersections forces drivers—especially those making right turns—to slow down and navigate more carefully. This design strategy enhances safety by decreasing the likelihood of high-speed turning conflicts with pedestrians and cyclists, while also improving driver visibility at corners. Tighter radii encourage more deliberate maneuvering, shorten crossing distances, and promote a more compact, walkable street geometry that aligns with the goals of urban and mixed-use districts.

In contrast to suburban-style intersections with wide curb returns (often designed for speed and large-vehicle accommodation), tight corner radii reflect a people-first approach—slowing vehicles to more appropriate urban speeds and better defining space for all users. These treatments are especially well-suited for future Transit-Oriented Development (TOD) areas, where safe, multimodal street design will play a key role in shaping walkable, high-activity environments.

TYPICAL USE

- Walkable districts and downtown intersections
- Intersections near schools, parks, or civic spaces
- Future Transit-Oriented Development (TOD) zones
- Locations with documented right-turn speeding issues
- Streets transitioning into mixed-use or pedestrian-priority area

DESIGN GUIDANCE

- Target effective curb return radii of 10–15 feet in low-speed, pedestrian-oriented areas
- Use mountable aprons or truck aprons to accommodate infrequent large vehicle turns without sacrificing pedestrian safety
- Incorporate curb extensions, planters, bollards, or flexible delineators to reinforce turning geometry and protect corners
- Evaluate turning paths using AutoTURN or truck turning templates to balance safety and operational needs
- Combine with high-visibility crosswalks, signage, and signal timing to further reduce conflicts at busy intersections
- Where appropriate, apply context-sensitive radii—smaller at residential corners, larger at freight-heavy or emergency access routes

DRAFT

COMMUNITY ENHANCEMENT TOOLS

Traffic calming is not just about slowing vehicles—it's also about enhancing the experience of the street. Community enhancement tools help reinforce a sense of place, promote neighborhood identity, and create more attractive and welcoming environments for people walking, biking, or driving. In Addison, these tools play a dual role: they support functional goals like speed reduction and safety while also elevating the aesthetics and comfort of the public realm.

These treatments are especially important in areas where design quality, character, and placemaking matter—such as neighborhood gateways, park frontage roads, or commercial corridors. When thoughtfully designed, community enhancement tools help foster pride, increase property values, and strengthen the Town's identity as a vibrant, people-first community.

TEXTURED PAVEMENT

Source: Kimley-Horn

DESCRIPTION

Textured or decorative pavement treatments—such as stamped asphalt or colored concrete—create visual and tactile contrast that encourages drivers to slow down. These treatments enhance the visibility of crossings, intersections, and key nodes while reinforcing pedestrian priority and supporting a sense of place.

Addison has used textured pavement for years, integrating it into streetscapes, plazas, and intersections throughout the community. From Addison Circle to Belt Line Road, these treatments are not only functional but also help define the Town's distinct aesthetic—contributing to the high-quality urban character that residents and visitors associate with Addison. When thoughtfully designed, textured pavement supports both traffic calming and placemaking goals, helping streets function as both travelways and public spaces.

TYPICAL USE

- Mid-block or uncontrolled pedestrian crossings
- Intersection approaches in walkable districts
- Entryways into neighborhoods, parks, or mixed-use zones

DESIGN GUIDANCE

- Use patterns and colors that contrast with standard pavement but maintain good visibility
- Ensure surfaces meet ADA slip resistance and accessibility standards
- Select durable materials appropriate for traffic loads and climate
- Consider use in conjunction with raised intersections or crosswalks for added impact

DRAFT

STREET TREES & LANDSCAPING

Source: treesforstreets.org

DESCRIPTION

Street trees and landscaping serve both functional and aesthetic roles in traffic calming. Strategically placed plantings help frame the roadway, visually narrow the travelway, and signal to drivers that they are entering a lower-speed, pedestrian-friendly environment. They also enhance comfort, support shade, and contribute to environmental goals.

TYPICAL USE

- Along neighborhood streets and park frontages
- Within medians, curb extensions, or pedestrian refuge islands
- Along commercial corridors or trail-adjacent roadways

DESIGN GUIDANCE

- Use native, drought-tolerant species that require minimal maintenance
- Maintain clear sight lines near intersections and driveways
- Include landscaped buffers between sidewalks and travel lanes where possible
- Incorporate trees into curb extensions or chicanes to enhance traffic calming benefits
- Ensure root systems are protected with structural soil or root barriers in urban conditions

DRAFT

GATEWAY TREATMENTS

Source: Kimley-Horn

DESCRIPTION

Gateway treatments are visual cues that alert drivers they are entering a distinct area—such as a residential neighborhood, school zone, or commercial district—and should adjust their speed accordingly. Treatments may include signage, pavement changes, medians, vertical features, or art elements that signal a transition in context and reinforce a sense of arrival.

In Addison, gateway treatments are closely tied to the Town's ongoing Gateway and Wayfinding Project, which is focused on transforming streets into memorable places and destinations. These enhancements go beyond function—they establish identity, support traffic calming, and reflect the community's commitment to high-quality urban design. Whether marking the entrance to Addison Circle, a park, or a neighborhood, gateways help define space, communicate character, and create a stronger connection between people and place.

TYPICAL USE

- Transitions between higher- and lower-speed road types
- Entrances to residential neighborhoods or town centers
- School zones, parks, or civic campuses

DESIGN GUIDANCE

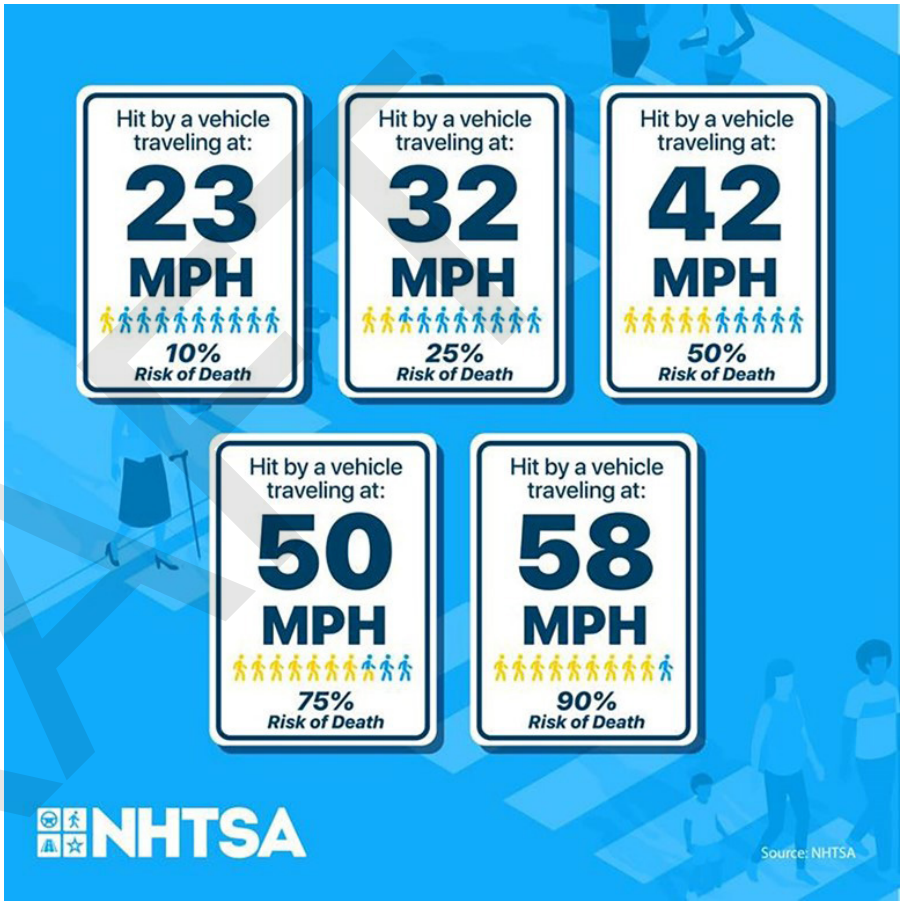
- Combine multiple elements—e.g., signage, landscaping, medians, or pavement markings—for maximum effect
- Incorporate branding elements or materials that reflect Addison's identity and design standards
- Design features to be low-maintenance and consistent with adjacent land use
- Consider use of textured pavement, lighting, or vertical elements (e.g., columns or monuments) to reinforce gateway visibility
- Coordinate with speed limit transitions or school zone signage where applicable

DRAFT

SPEED MANAGEMENT STRATEGY & CORRIDOR EVALUATION

Establishing appropriate speed limits is a foundational element of street design, safety, and livability. While traffic calming tools physically shape driver behavior, posted speed limits set expectations and serve as a key regulatory measure. In Addison, where the vision prioritizes walkability, multimodal access, and community character, speed limits must reflect the context of the street—not just traffic flow. A central motivation for evaluating and adjusting speed limits is to reduce the risk of serious injuries and fatalities, particularly among vulnerable road users such as pedestrians, cyclists, and children. Slower speeds improve reaction times, reduce stopping distances, and significantly increase survival rates in the event of a crash.

This section outlines the Town's evolving approach to speed limit evaluation, including the use of data-driven tools, crash data analysis, and corridor context assessments. As part of the Master Transportation Plan (MTP) process, speed limits will be reviewed and updated where appropriate to better match land use patterns, roadway design, and the Town's broader safety and livability goals.



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LEGAL AND ENGINEERING FRAMEWORK

Across Texas and nationally, the methodology for setting speed limits is changing. Traditionally, speed limits were based heavily on the 85th percentile speed—the speed at or below which 85% of vehicles are observed traveling. While this method remains commonly used, it is increasingly criticized for reinforcing existing unsafe behaviors, especially in urban and mixed-use contexts.

New guidance from the Texas Manual on Uniform Traffic Control Devices (TMUTCD)—scheduled for publication in late 2025 and required for legal adoption by January 2026—will expand the role of engineering judgment, land use context, and multimodal safety considerations when setting speed limits. This shift empowers communities like Addison to balance technical standards with public safety and quality-of-life goals.

Importantly, Texas state law allows cities to lower speed limits on certain local and collector streets through ordinance, as long as they conduct supporting studies and follow procedural requirements. Speed limits should always be reinforced by complementary tools, such as the Traffic Calming Toolbox (see previous section), design-based interventions, or enforcement strategies.

CORRIDOR EVALUATION & INRIX ANALYSIS

As part of the MTP, Kimley-Horn evaluated speed patterns on several key corridors across Addison using INRIX, a nationally recognized platform that provides anonymized vehicle speed data collected from GPS and mobile device signals. INRIX allows for cost-effective, real-world analysis of travel speeds over time and across specific segments—useful for screening corridors for potential speed limit changes.

An estimated 85th percentile speed was derived for each corridor using time-based INRIX data. While this does not replace on-the-ground speed studies, it serves as a reliable planning-level tool to identify areas where posted speed limits may be too high—or out of sync with actual driver behavior. Results of the analysis are summarized in the table to the right.

TABLE 15. INRIX SPEED ANALYSIS IN ADDISON

ROADWAY NAME	85TH PERCENTILE SPEED (TIME-BASED)	POSTED SPEED LIMIT
EB Westgrove Drive	37 mph	40 mph
WB Westgrove Drive	37 mph	40 mph
NB Quorum Drive	29 mph	30 mph
SB Quorum Drive	28 mph	30 mph
EB Arapaho Road	41 mph	40 mph
WB Arapaho Road	39 mph	40 mph
SB Addison Road	36 mph	40 mph
NB Addison Road	36 mph	40 mph

These findings suggest several key points:

Quorum Drive is already operating below its 30 mph limit, supporting a proposed reduction to 25 mph between Airport Parkway and Arapaho Road.

Addison Road and Westgrove Drive operate close to or slightly below 85th percentile speeds for their posted limits, reinforcing the opportunity for a lower, context-based speed limit.

Arapaho Road shows some variance, with eastbound speeds exceeding the posted limit, warranting further study and targeted calming measures.

DRAFT

Looking Ahead

Addison has an opportunity to lead with a safer, more context-sensitive approach to setting speed limits. By using data, applying local authority, and aligning with the Town's mobility and livability goals, speed limits can move beyond just numbers—they can reflect Addison's commitment to protecting people and creating a safer, more walkable community.

DRAFT

PROPOSED SPEED LIMIT MAP

The Proposed Speed Limit Map identifies corridors where posted speed limits could be reduced to better align with Addison's community character, land use context, and safety goals. As part of the Master Transportation Plan (MTP), this map serves as a planning tool to evaluate speed limit reductions based on preliminary speed data, public input, and evolving national guidance. It complements the Traffic Calming Toolbox by identifying locations where changes in posted speed should be paired with design interventions or enforcement strategies.

Addison has long prioritized walkability, safety, and high-quality urban design—values that are increasingly reflected in national and state-level changes to speed limit policy. Under Texas law, cities have the authority to reduce speed limits through engineering studies and council action.

WHAT THE MAP SHOWS

- Corridors identified for proposed speed limit reductions from 40 to 35 mph, 35 to 30 mph, and 30 to 25 mph
- Locations where INRIX data, land use context, and public feedback suggest current speed limits may be too high
- Focus areas where speed reductions support pedestrian safety, redevelopment, or multimodal access

IMPLEMENTATION GUIDANCE

- Speed limit changes should be supported by engineering analysis and reflected in an updated Speed Limit Map
- Proposed corridors should be evaluated in tandem with traffic calming tools or design strategies to ensure compliance and safety
- Recommended speed limits will be finalized through coordination with the Town, public engagement, and legal review under state law and the new TMUTCD
- Changes support the Town's position that 40 mph is no longer appropriate for most street contexts within Addison

TABLE 16. SPEED LIMIT RESTRICTIONS

ROADWAY	PROJECT LIMITS	EXISTING SPEED LIMIT	PROPOSED SPEED LIMIT
Westgrove Drive	Northern Limits to Addison Road	40 MPH	35 MPH
Addison Road	Northern Limits to Belt Line Road	40 MPH	35 MPH
Keller Springs Road	Midway Road to Dallas North Tollway	40 MPH	35 MPH
Airport Parkway	Addison Road to Dallas North Tollway	40 MPH	35 MPH
Arapaho Road	Midway Bridge to Addison Road	40 MPH	35 MPH
Marsh Lane	Northern Limits to Belt Line Road	40 MPH	35 MPH
Quorum Drive	Keller Springs Road to Belt Line Road	30 MPH	25 MPH
Spectrum Drive	Airport Parkway to Dallas North Tollway	30 MPH	25 MPH
Addison Circle	Addison Road to Dallas North Tollway	30 MPH	25 MPH

Note: Proposed speed limit reductions reflect safety data, roadway configurations, land use context, and TMUTCD guidance, with changes reinforced by traffic calming design tools or enforcement.

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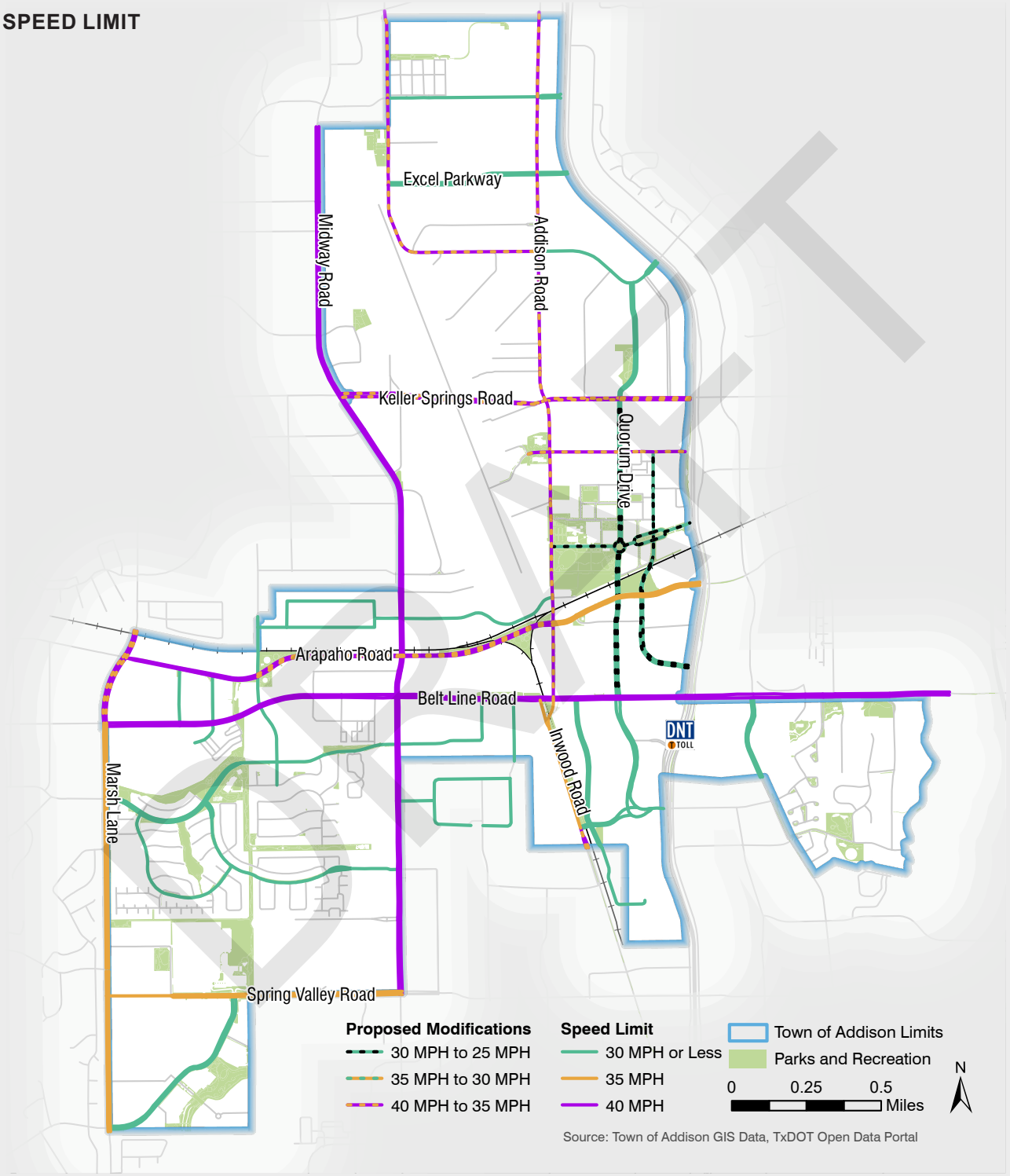
MAP 10. PROPOSED SPEED LIMIT



CHAPTER 9:

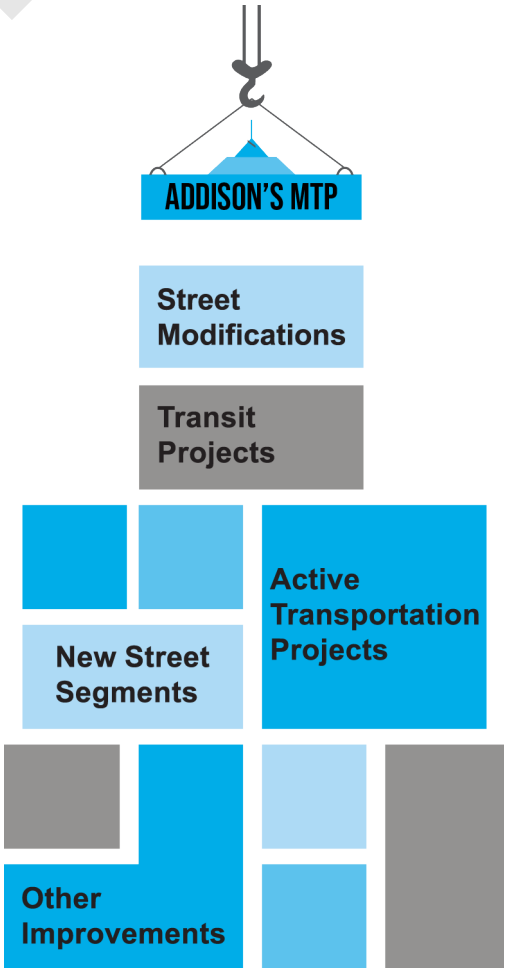
IMPLEMENTATION PLAN

REVIEW OF THE 1998 AND 2016 MTP RECOMMENDATIONS

As part of the 2025 update to the Town of Addison's Master Transportation Plan, the Town reviewed progress since the 1998 and 2016 plans. While many recommended improvements from those plans have been completed—such as the extension of Arapaho Road, the Keller Springs Toll Tunnel, Landmark Place, and improvements along Spectrum Drive—other projects have evolved in response to shifting land use, development potential, and emerging priorities like walkability and active transportation.

Some recommendations from earlier plans remain relevant and are carried forward, while others have been revised or removed. Changes in regional infrastructure (e.g., George Bush Turnpike, LBJ Freeway) have reduced pressure on local arterials, allowing the Town to shift its focus toward placemaking, multimodal connectivity, and equitable infrastructure upgrades.

In this latest Implementation section, we review the status of projects across five major categories: Street Modifications, New Street Segments, Transit Projects, Active Transportation Projects, and Other Improvements. Many of these projects build upon recommendations from the 1998 and 2016 MTPs (projects carried over from the 2016 plan are marked with an asterisk * in the detailed tables), reflecting a continued commitment to Addison's long-term transportation vision.



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PRIORITIZATION

A core objective of the Master Transportation Plan is to ensure that improvements are implemented in a way that is responsive, coordinated, and fiscally responsible. To that end, the Town of Addison has assigned general priority levels—**High**, **Medium**, or **Low**—to each project based on its expected community benefit, alignment with Town policies, potential for improving safety or mobility, and readiness for implementation.

- **High-priority projects** typically address critical safety needs, provide immediate multimodal benefits, support ongoing development or infrastructure efforts, or are essential to the success of regionally significant investments (such as the DART Silver Line rail).
- **Medium-priority projects** often provide meaningful enhancements but may depend on redevelopment, further design, or funding availability.
- **Low-priority projects** tend to be long-term or visionary in nature and may require further coordination or feasibility study before proceeding.

In many cases, priority is also linked to timing—projects that are shovel-ready or already in the design pipeline receive higher priority for implementation, while others remain on hold until development activity or right-of-way becomes available. In this way, Addison can stay responsive to evolving conditions and strategic opportunities, while still advancing toward its long-term vision.

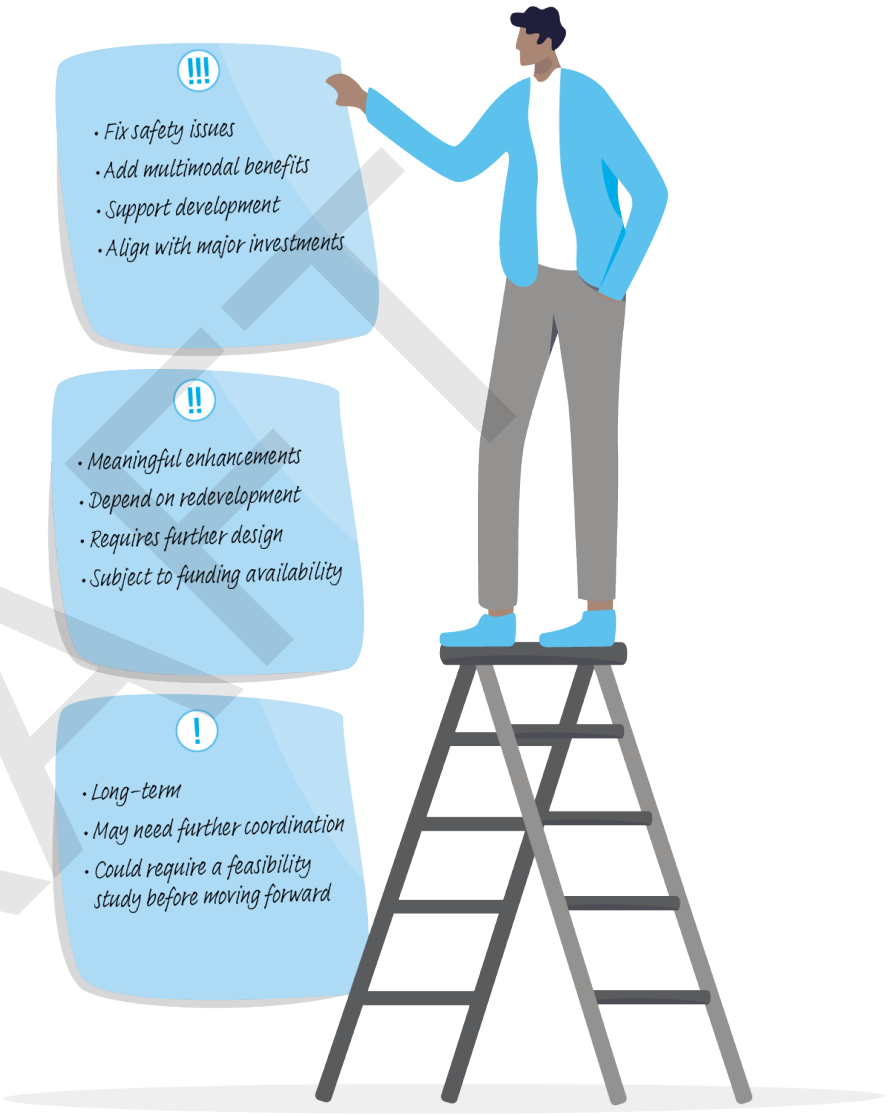

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TABLE 17. PRIORITY PROJECTS

PROJECT ID	PROJECT NAME	CATEGORY	STATUS	PRIORITY
RM1	**Midway Road**	Roadway Modification	Complete	High
RM2	**Keller Springs Road**	Roadway Modification	Under Construction	High
RM3	**Montfort Drive**	Roadway Modification	Design Phase	High
RM4	**Quorum Drive**	Roadway Modification	Design Phase	High
RM5	**Airport Parkway**	Roadway Modification	Design Phase	High
RM6	**Addison/Inwood Road**	Roadway Modification	Planned	High
RM7	**Addison Road**	Roadway Modification	Planned	Medium
RM5	**Marsh Lane**	Roadway Modification	Planned	Low
RM8	**Arapaho Road**	Roadway Modification	Planned	Low
RM9	**Quorum & Westgrove Intersection**	Roadway Modification	Planned	Low
NR1	**Alpha Road/Bella Lane**	New Roadway	Completed	Not Applicable
NR2	**Beltway Drive East-West Segment**	New Roadway	Planned	Medium
NR3	**Landmark Boulevard**	New Roadway	Planned	Medium
NR4	**Beltway Drive - North-South Segment**	New Roadway	Planned	Low
NR5	**Beltwood Parkway**	New Roadway	Planned	Low
AT1	**Crossing Improvements**	Active Transportation	Ongoing	High
AT2	**Bicycle Parking**	Active Transportation	Ongoing	Medium
AT3	**Quorum Drive**	Active Transportation	Design Phase	High
AT4	**Westgrove Drive**	Active Transportation	Design Phase	High
AT5	**Tollway Crossing**	Active Transportation	Planned	High
AT6	**Belt Line Road**	Active Transportation	Planned	Medium
AT7	**Inwood 'Rail Trail'**	Active Transportation	Planned	Medium
AT8	**Spring Valley Road**	Active Transportation	Planned	Medium
AT9	**Addison Road**	Active Transportation	Planned	Medium
AT10	**Micro-Mobility Options**	Active Transportation	Ongoing	Low

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TABLE 17. PRIORITY PROJECTS (CONTINUED)

PROJECT ID	PROJECT NAME	CATEGORY	STATUS	PRIORITY
TP1	**DART Silver Line Rail**	Transit Project	Under Construction	High
TP2	**DART Bus Service Enhancements**	Transit Project	Ongoing	Medium
TP3	**Bus Stop Improvements**	Transit Project	Ongoing	Medium
TP4	**Addison Station TOD**	Transit Project	Planned	High
TP5	**Addison Shuttle/Circulator System**	Transit Project	Planned	Medium
TP6	**DART Service to Vitruvian Park**	Transit Project	Planned	Medium
TP7	**First/Last Mile Transit Support**	Transit Project	Planned	Low
O1	**Wayfinding Plan**	Other	Ongoing	High
O2	**Roadway Speed Limit Evaluation**	Other	Ongoing	High
O3	**Intersection Improvements**	Other	Ongoing	High
O4	**Sidewalk Gap/Repair Program**	Other	Ongoing	High
O5	**Safety Action Plan**	Other	Planned	Medium
O6	**Safe Routes to School Program**	Other	Planned	Medium
O3	**Safety Action Plan**	Other	Planned	High
O4	**Safe Routes to School Program**	Other	Planned	High
O5	**Roadway Speed Limit Evaluation**	Other	Planned	Medium
O6	**Safe Routes to School Program**	Other	Planned	Medium

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PRIORITY PROJECTS MAP

As part of the Master Transportation Plan (MTP) update, Addison's strategy includes three separate Priority Projects Maps, each aligned with a different timeframe and county-level planning tool. These maps are vital to the Town's Capital Improvement Program (CIP) and bond planning, illustrating how targeted transportation investments enhance safety, mobility, and connectivity for all users.

WHAT THE MAPS SHOWS

- **High Priority Map (0–7 years):** Projects that are Under Construction, in Design Phase, or imminently Planned—targeted for immediate execution.
- **Medium Priority Map (7–12 years):** Projects in Design Phase or Planned that align with mid-term planning horizons and capital programming.
- **Low Priority Map (12+ years):** Long-range Planned projects envisioned for future bond cycles or major development coordination.
- Each map visually depicts where roadway improvements, new connections, and active transportation facilities sit within the Town's network, helping stakeholders and staff quickly assess project phase and prioritization.

IMPLEMENTATION GUIDANCE

- Start with High Priority initiatives that address urgent safety or connectivity needs.
- Sync Medium and Low Priority projects with upcoming infrastructure or development opportunities to achieve cost-effectiveness and synergy.
- Ensure that every project, regardless of priority, adheres to multimodal and Complete Streets principles—integrating pedestrian, bicycle, and transit needs seamlessly.
- Update the maps regularly to reflect changes in project status or timeline. These dynamic maps should guide CIP and bond decision-making, ensuring investments remain responsive and coordinated across Town departments.
- These three phased maps will serve as Addison's navigational tools for strategic, timely, and equitable transportation investments—ensuring that improvements are effectively prioritized, communicated, and implemented in line with MTP goals.

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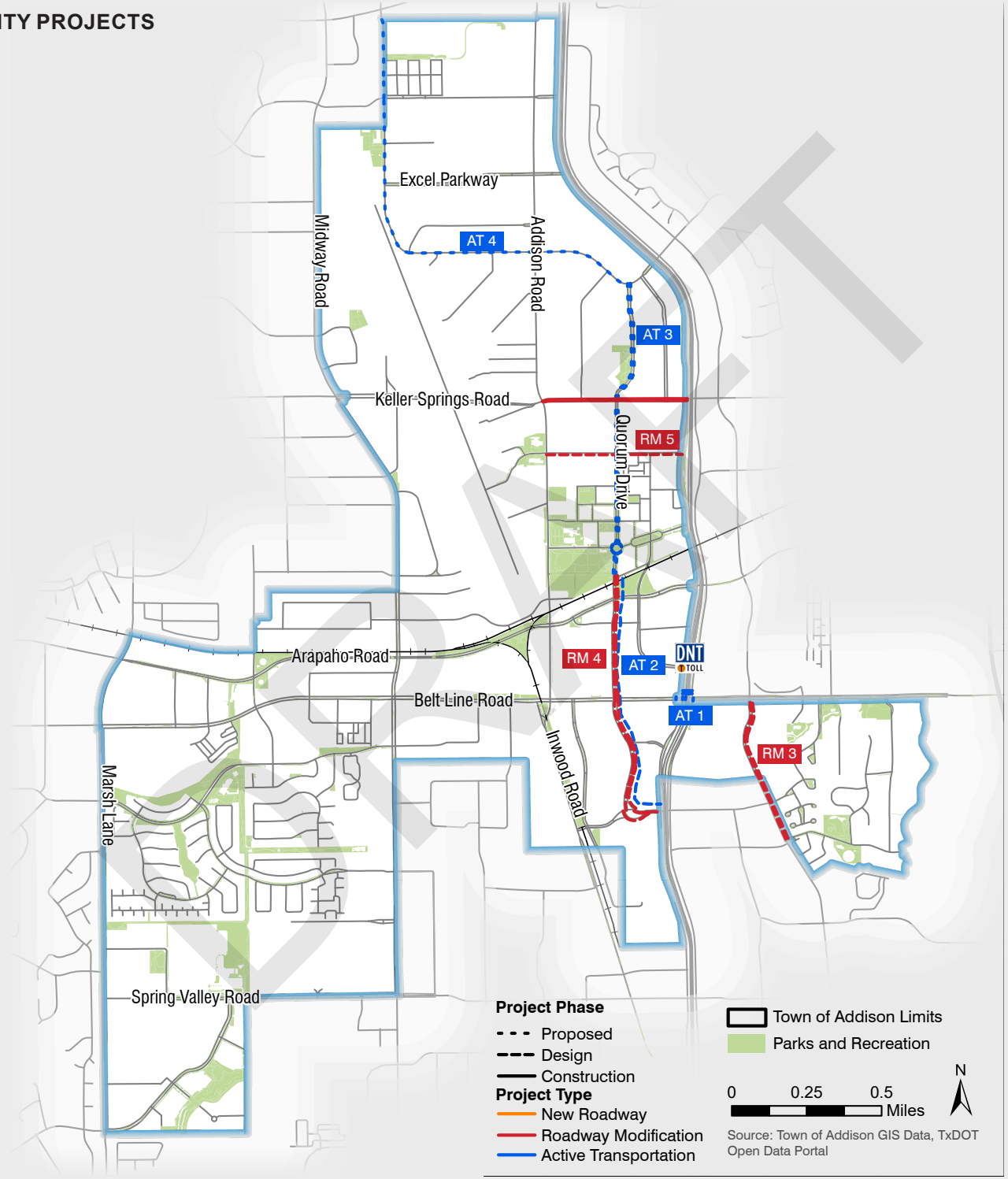
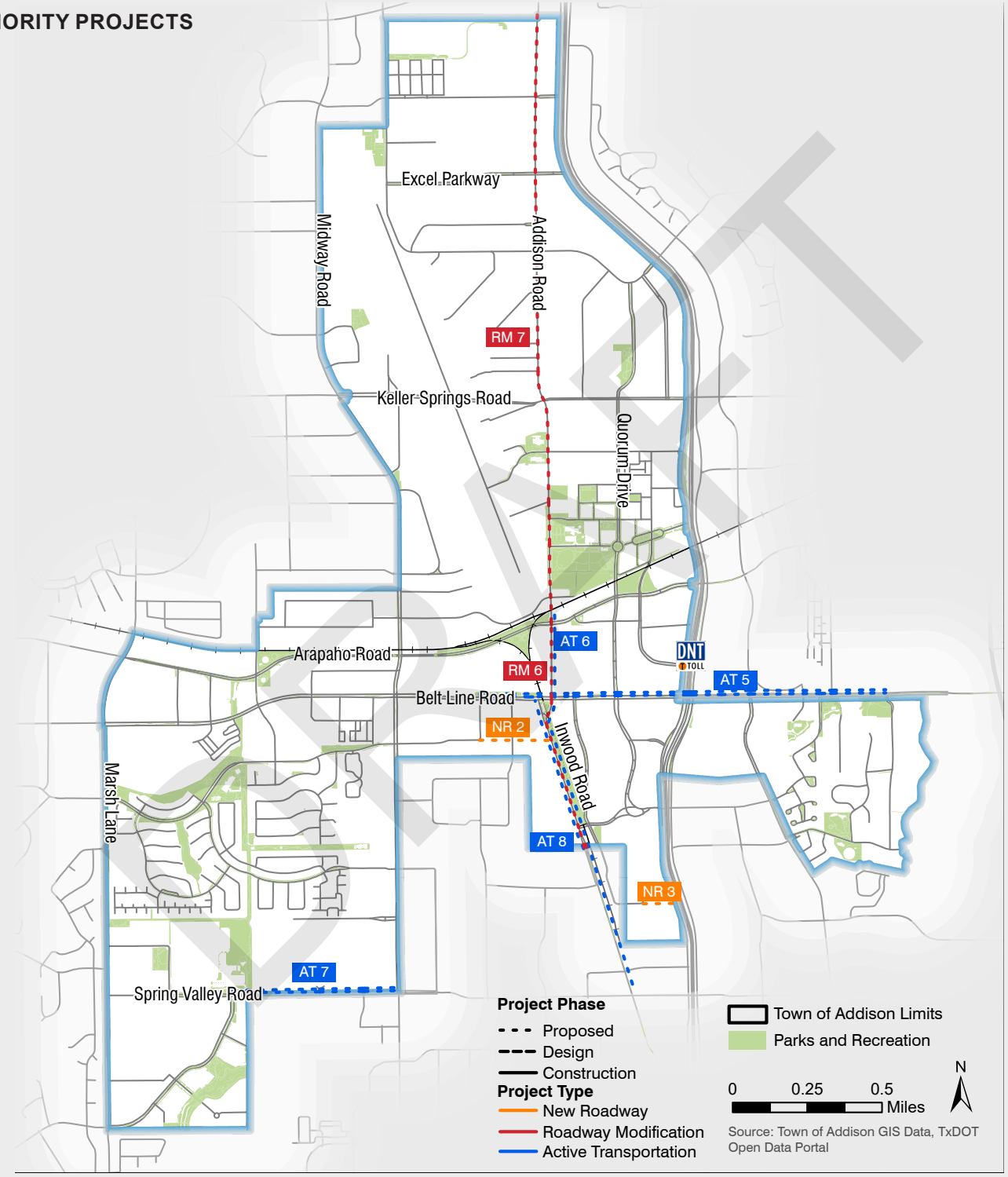
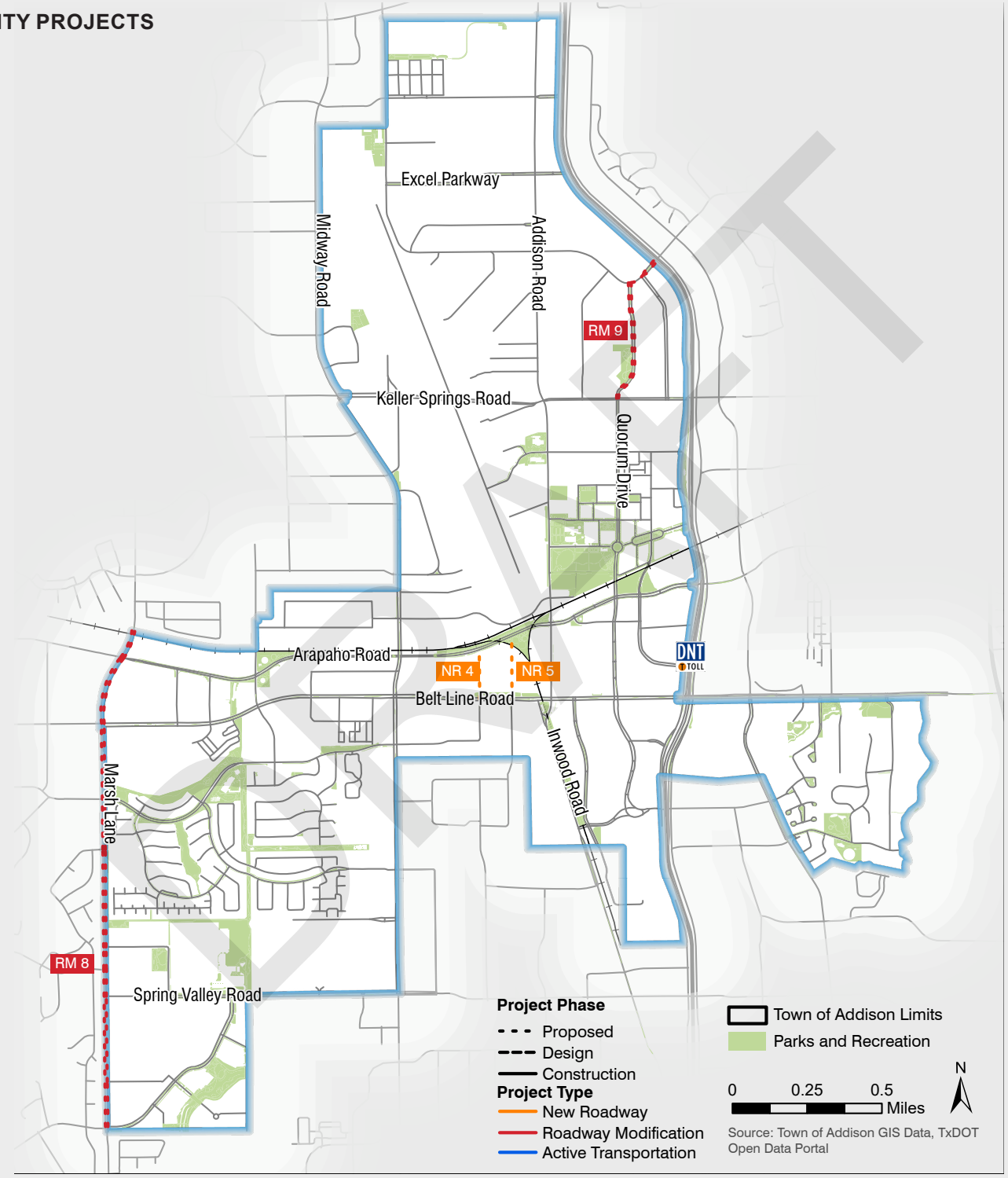
MAP 11. HIGH PRIORITY PROJECTS



MAP 12. MEDIUM PRIORITY PROJECTS



MAP 13. LOW PRIORITY PROJECTS



FUNDING STRATEGIES AND OPPORTUNITIES

Delivering the full vision of Addison's Master Transportation Plan will require a strategic and diversified funding approach. While the Town has made substantial investments in capital infrastructure—such as the full reconstruction of Midway Road and ongoing trail and sidewalk projects—it is not feasible to fund all improvements through local sources alone. Therefore, the Town will continue to pursue a mix of local, regional, state, and federal funding mechanisms to support project delivery.

Key funding strategies include:

Capital Improvement Program (CIP): Addison's CIP remains the primary tool for programming local funds for transportation projects. Continued coordination between the MTP and annual CIP updates will ensure that priority projects receive timely support.

Bond Funding: The Town may consider future bond programs for large-scale or transformative projects, similar to how Midway Road reconstruction was supported.

Regional Partnerships: Addison will continue collaborating with the North Central Texas Council of Governments (NCTCOG) to pursue Regional Transportation Council (RTC) funding programs such as the Transportation Alternatives Set-Aside (TASA) for trails and bike/ped projects, and the Surface Transportation Block Grant Program (STBG) for road and transit investments.

State and Federal Grants: Strategic use of TxDOT programs, FTA/FHWA competitive grants, and new federal infrastructure packages offers opportunities for high-impact projects such as first/last mile improvements, safety programs, and transit-supportive infrastructure.

Private Sector Contributions: Many projects—particularly new street segments and active transportation infrastructure—can be coordinated with redevelopment. In these cases, Addison may require developer participation or cost-sharing through tools like developer agreements, in-kind infrastructure contributions, or public improvement districts (PIDs).

Innovative and Emerging Tools: The Town remains open to public-private partnerships (P3s), value capture financing, and grants tied to housing, sustainability, or economic development, especially for transit-oriented development around Addison Station.

By aligning its funding efforts with regional priorities and remaining proactive in grant-seeking and private-sector coordination, the Town can continue delivering transportation projects that reflect community values while maximizing available resources.

Addison's largest-ever infrastructure project—the full reconstruction of Midway Road—was made possible through a combination of local bond funding, Certificates of Obligation, and regional grants. Voters approved $16 million in bonds to launch the project, with additional funds provided through Addison's CIP and debt financing. In 2019, the Town secured a $2.7 million grant from Dallas County to add a 10-foot sidepath trail along Midway, enhancing multimodal access and connecting to the future DART Silver Line station. This funding strategy allowed Addison to transform Midway into a modern, multimodal corridor without relying solely on local tax dollars.

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PARTNERSHIP AND COORDINATION STRATEGIES

Implementing the Master Transportation Plan will require sustained coordination with regional agencies, neighboring cities, private developers, and the Addison community. The Town has a proven history of working across jurisdictions to deliver transportation projects efficiently and strategically. To support successful implementation, Addison will continue to advance the following partnership strategies:

COORDINATE WITH REGIONAL TRANSIT AND TRANSPORTATION AGENCIES

Addison will continue to build on its strong relationships with DART, NCTCOG, TxDOT, NTTA, and Dallas County to support regional mobility goals. Specific coordination strategies include:

DART

- Collaborate on the opening, operations, and promotion of the Silver Line commuter rail and Addison Station.
- Coordinate first/last-mile connections, including trails, sidewalks, and shuttles.
- Integrate station planning with the Cotton Belt Trail and transit-oriented development (TOD) at Addison Circle.

NCTCOG

- Pursue funding through TASA, STBG, and other regional calls for projects.
- Align Addison projects with Mobility 2050 and regional transportation priorities.
- Partner on regional trail planning and multimodal infrastructure studies.

TxDOT and Dallas County

- Coordinate on projects impacting major arterials, traffic signal timing, and safety initiatives.
- Leverage Dallas County Major Capital Improvement Program (MCIP) funding for trail and roadway improvements.
- Participate in TxDOT-administered grant programs such as Transportation Alternatives.

PARTNER WITH NEIGHBORING CITIES

Many transportation projects in Addison benefit from interjurisdictional collaboration, and the Town will continue to work closely with adjacent cities such as Farmers Branch, Carrollton, and Dallas to enhance regional connectivity. This includes joint street improvement projects, coordinated trail segments and wayfinding near shared boundaries, and efforts to maintain traffic management consistency and corridor design across city limits. These partnerships help ensure a seamless travel experience for residents and support the broader regional transportation network.

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ALIGN REDEVELOPMENT WITH INFRASTRUCTURE INVESTMENTS

Addison integrates transportation planning with land use and redevelopment to ensure projects are built at the right time and place. Key strategies include:

Coordinate infrastructure delivery with private development in key areas such as:

- **Inwood Road Enhancement Zone:** where the Town is pursuing street extensions and public realm upgrades as redevelopment occurs.
- **Addison Circle TOD area:** where transit station access, sidewalks, and local street connections are tied to new housing and offices.

ENGAGE THE COMMUNITY THROUGHOUT IMPLEMENTATION

Public and stakeholder input will remain a cornerstone of transportation planning and implementation in Addison. The Town is committed to ensuring that residents, businesses, and community organizations are actively involved at every stage of the process. Key engagement strategies include:

PUBLIC WORKSHOPS AND OPEN HOUSES

Conduct interactive events during design and implementation phases to gather feedback and share project updates.

STAKEHOLDER COORDINATION

Maintain regular communication with local groups such as:

- Addison Business Association
- Homeowner associations
- Civic, school, and neighborhood organizations

SMALL AREA STUDIES AND PILOT PROJECTS

Invite public input on targeted initiatives like the Safe Routes to School program, neighborhood mobility enhancements, and trail connections.

PUBLIC-PRIVATE PARTNERSHIPS

Encourage collaboration with residents, businesses, and developers to support infrastructure delivery, streetscape improvements, and beautification efforts.

These ongoing efforts help ensure that transportation improvements reflect community needs and values, while fostering shared ownership and long-term support.

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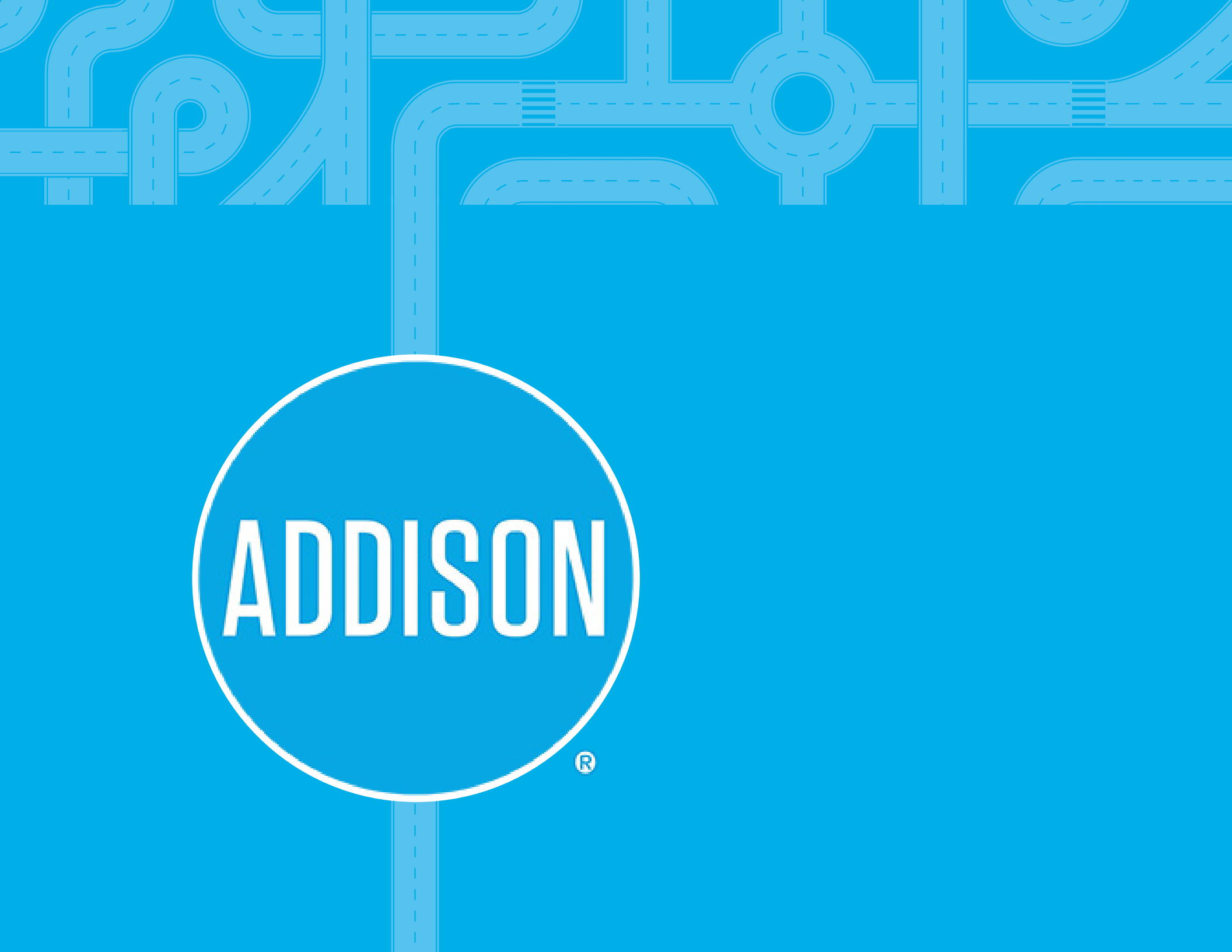
ADDISON

2025 City Council Regular Meeting **2. a.**
Meeting Date: 10/28/2025
Department: City Manager

AGENDA CAPTION:
City Manager's Announcements.

BACKGROUND:
The City Manager will make announcements of interest to the Town.

FISCAL IMPACT
N/A

RECOMMENDATION
Information only.

2025 City Council Regular Meeting **2. b.**
Meeting Date: 10/28/2025
Department: City Manager

AGENDA CAPTION:
Employee Recognition.

BACKGROUND:
The City Manager will recognize an employee for his/her service to the Town.

FISCAL IMPACT
N/A

RECOMMENDATION
Information only.

2025 City Council Regular Meeting **4. a.**

Meeting Date: 10/28/2025

Department: City Secretary

AGENDA CAPTION:

Consider action on the Minutes from the October 14, 2025 Regular City Council Meeting.

BACKGROUND:

The minutes for the September 9, 2025 Regular City Council Meeting have been prepared for consideration.

FISCAL IMPACT

N/A

RECOMMENDATION

Staff recommends approval.

Attachments

Minutes - October 14, 2025 Regular City Council Meeting

D R A F T

OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL

October 14, 2025

Addison Town Hall
5300 Belt Line Road, Dallas, TX 75254
5:30 PM Work Session – Town Hall Parlor
7:00 PM Regular Meeting – Town Hall City Council Chambers

Present: Mayor Bruce Arfsten; Mayor Pro-Tempore Marlin Willesen; Deputy Mayor Pro-Tempore Chris DeFrancisco; Council Member Howard Freed; Council Member Darren Gardner; Council Member Dan Liscio; Council Member Randy Smith

WORK SESSION

The Addison City Council will convene in the Town Hall Parlor at 5:30 PM.

1. **Call Meeting to Order and Announce that a Quorum is Present.**

Mayor Arfsten called the meeting to order in the Town Hall Parlor at 5:30 PM.

2. **Public Comment.** *The City Council invites citizens to address the City Council on any matter, including items on the agenda, except public hearings that are included on the agenda. Comments related to Public Hearings will be heard when the specific hearing starts. Citizen comments are limited to three (3) minutes, unless otherwise required by law. To address the Council, please fill out a City Council Appearance Card and submit it to a staff member prior to the Public Comment item on the agenda. The Council is not permitted to take any action or discuss any item not listed on the agenda. The Council may choose to place the item on a future agenda.*

No citizens requested to address the City Council.

3. **Council Member Clarification Requests Regarding Consent Agenda Items.**

   a. **Council Questions and Answers**

Mayor Arfsten closed the Open Meeting to convene the City Council into Closed Meeting at 5:33 PM.

4. **Closed Meeting.** The Addison City Council will enter a Closed Meeting pursuant to Texas

Government Code Sections 551-071 through 090 to discuss the following item(s):

a. Pursuant to Section 771.071(2) - Consultation with the City Attorney regarding matters in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code
    - Individual Consideration Item #6a – AMLI Treehouse Master Development Agreement

Mayor Arfsten convened the City Council into Open Meeting at 6:15 PM. No action was taken as a result of the Closed Meeting.

5. **Open Meeting.** In accordance with Texas Government Code Chapter 551, the Addison City Council will reconvene in an Open Meeting to consider action, if any, on the matters discussed in the Closed Meeting.

6. **Work Session Reports**

a. **Present and discuss adding a public safety component to the Rental & Lodging Registration Program for hotels and motels based on a calculated Call for Service (CFS) ratio per room.**
[Addison Police Chief, Chris Freis]

Addison Police Chief Chris Freis presented a proposal to add a public safety component to the Town's Rental Registration Program for hotels and motels based on a calculated Calls for Service (CFS) per room ratio.

Over the past several years, the Addison Police Department has collaborated with local hotels and motels to address recurring issues that negatively affect public safety and community wellbeing. However, some locations continue to use a disproportionate amount of public safety resources, placing a persistent burden on both the department and the surrounding community. Staff collected data on each hotel and motel property in Addison over the last twelve months, focusing on public safety responses. The data included:

1. The number of CFS per location.
2. The number of CFS per room at each location.

After reviewing the data, it was evident that a few locations account for the majority of public safety calls for service. The average CFS to room ratio for hotels and motels within Addison is 0.55. Currently, there are four hotels and motels that are above a 1.0 CFS to room ratio threshold ranging from 1.29 to 2.22 CFS per room. To mitigate this issue, staff proposed the addition of a public safety component to the Town's current Rental & Lodging Registration program for hotels and motels. This component would take into account a CFS to room ratio to place hotels and motels into tiers on an annual basis under the Rental & Lodging Registration program.

Requirements and consequences for failure to comply with program requirements would escalate

for the higher tier.
Staff requested direction from the City Council on whether staff should add the public safety component to the Town's Rental Registration Program for hotels and motels. If so, this would be done via an update to the Rental Registration Program Ordinance.

City Council Direction: The City Council directed the City Manager to proceed with the addition of a public safety component to the Town's Rental Registration Program via Ordinance update to be considered at the next Regular City Council Meeting.

b. **Present and discuss potential amendments to the Unified Development Code (UDC) pertaining to the creation of Parks Zoning District(s).**
[Director of Development & Neighborhood Services, Lesley Nyp]

Director of Development and Neighborhood Services Lesley Nyp presented potential amendments to the Town's Unified Development Code creating Parks Zoning Districts.

The Town of Addison first engaged Clarion Associates in 2019 to review and update the Town's "development regulations," including ordinances for zoning, subdivision of land, signs, and related issues. The Unified Development Code (UDC) consolidated and updated the regulations into one document that is clear, enforceable, and helps implement the Town's shared vision for the future.

The UDC was adopted by the City Council on March 25, 2025. The new zoning map was adopted on August 12, 2025 with an effective date of September 1, 2025. During the approval process of the new zoning map, there was discussion regarding the potential modification or creation of a new zoning district related to public parks. Staff has prepared options for possible amendments to the UDC to address parks. Additional information pertaining to the UDC can be found on the project website at www.addisonudc.org.

Previous Town zoning ordinances did not introduce a parks zoning district; however, the zoning map was erroneously updated. The UDC did not introduce a parks zoning district. Parks are allowed by right in all zoning districts. This allows each park to be used and developed in a manner most compatible with the adjacent uses. Parklands are currently protected under Town Charter and State law.

Most cities do not establish a dedicated "parks" zoning district in their development codes. Parks are generally considered a compatible land use in all zoning districts, so they are already allowed throughout the community without needing a special district. Additionally, zoning is designed primarily to regulate private property, while parkland is publicly owned and already protected through stronger tools such as deed restrictions, City Charter provisions, State law, and adopted parks and recreation master plans.

Creating a specific "parks" district could also limit flexibility, since parks often contain a wide range of uses— from playgrounds and trails to recreation centers and amphitheaters—that would be difficult to regulate under a single set of zoning standards. It could also create unnecessary nonconformities, since many existing parks are currently zoned residential or commercial. For these reasons, cities rely on public ownership, charter requirements, and long-term planning

documents to preserve and guide parkland, rather than a stand-alone zoning district.
Staff requested direction from the City Council to pursue one of three amendments options:

1. No change – keep as adopted.
2. Create a Parks Overlay Zoning District.
3. Develop new Parks Zoning Districts.

City Council Direction: The City Council directed the City Manager to proceed with option 2 to create a Parks Overlay Zoning District.

c. **Present and discuss the operations and financial reconciliation for the 2025 Addison Kaboom Town!**
[Director of Special Events & Theatre, Abby Morales]

Director of Special Events & Theatre Abby Morales presented a report on the operations and financial reconciliations for the 2025 Addison Kaboom Town! Event.

Addison Kaboom Town! is a major festival produced by the Town annually to promote tourism while supporting Addison hotels, restaurants, and other businesses. It continues to be one of the nation's most impressive and unique Independence Day celebrations. The festivities kicked off with the Addison Airport Airshow, followed by a spectacular fireworks display that could be viewed town-wide from restaurant watch parties, hotel balconies, or the award-winning festival in Addison Circle Park. The event celebrated its 40th anniversary this year and was held July 3, 2025.

Overall revenue for 2025 increased by 45% over last year. Expenses also increased, with the most notable areas of increase being rental costs associated with additional tables and chairs, barriers, and fencing. There was also a $75,000 increase in the costs of fireworks for the event, which was approved at the February 25, 2025 Regular City Council Meeting.

Addison Kaboom Town! was funded by the Hotel Fund and was included in the FY 2025 Budget.

City Council Direction: No specific feedback was requested. This report was provided for informational purposes only.

Mayor Arfsten closed the Work Session at 7:23 PM.

COUNCIL MEETING

Mayor Arfsten convened the City Council Meeting at 7:32 PM in the Town Hall City Council Chambers.

1. **Pledge of Allegiance.** United States and Texas Flags.

Mayor Arfsten led the Pledge of Allegiance to the United States and Texas Flags.

2. **Proclamations / Presentations**
    a. **City Manager's Announcements**
    b. **Employee Recognition**
        - Development & Neighborhood Services Director Lesley Nyp introduced Animal Services Supervisor Miguel Gauna.

3. **Public Comment.** *The City Council invites citizens to address the City Council on any matter, including items on the agenda, except public hearings that are included on the agenda. Comments related to Public Hearings will be heard when the specific hearing starts. Citizen comments are limited to three (3) minutes, unless otherwise required by law. To address the Council, please fill out a City Council Appearance Card and submit it to a staff member prior to the Public Comment item on the agenda. The Council is not permitted to take any action or discuss any item not listed on the agenda. The Council may choose to place the item on a future agenda.*

The following citizens requested to speak during the Public Comment period:

- Ken Gedney, 4511 Eddie Rickenbacker – spoke in opposition to the Town's future consideration of a ground lease agreement with Thrust Properties.

The following citizens submitted a written public comment which was acknowledged during the public comment period but not read aloud. The written comment is attached to the Minutes.

- B. Lee and Rose Ann Hopwood, 4111 Leadville Place – expressed their concerns with a Resolution to be considered for action by the City Council as a part of IC Item #6a regarding a Master Development Agreement with AMLI Residential for the AMLI Treehouse Phase I development project.

4. **Consent Agenda.** *All items listed under the Consent Agenda are considered routine by the City Council and will be enacted by one motion with no individual consideration. If individual consideration of an item is requested, it will be pulled from the Consent Agenda and discussed separately.*

    a. **Consider action on the Minutes from the September 9, 2025 Regular City Council Meeting.**

    b. **Consider action on the Minutes from the September 23, 2025 Regular City Council Meeting.**

    c. *Resolution No. R25-069:* **Consider action on a Resolution approving a Partner Agreement with WaterTower Theatre in an amount not to exceed $380,000 in cash and in-kind contributions, and authorizing the City Manager to execute the Agreement.**

    d. *Resolution No. R25-070:* **Consider action on a Resolution approving a Funding Agreement between the Town of Addison and Plano Symphony Orchestra and authorizing the City Manager to execute the Agreement in an amount not to exceed $10,000.**

    e. *Resolution No. R25-071:* **Consider action on a Resolution approving a Funding**

Agreement between the Town of Addison and Outcry Theatre in an amount not to exceed $10,000 and authorizing the City Manager to execute the Agreement.

f. *Resolution No. R25-072:* **Consider action on a Resolution approving a Funding Agreement between the Town of Addison and Accolade Community Theatre in an amount not to exceed $5,000 and authorizing the City Manager to execute the Agreement.**

g. *Resolution No. R25-073:* **Consider action on a Resolution approving a Grant Funding Agreement between the Town of Addison and Dallas Cat Lady in an amount not to exceed $5,000 and authorizing the City Manager to execute the Agreement.**

h. *Resolution No. R25-074:* **Consider action on a Resolution approving a Grant Funding Agreement between the Town of Addison and Metrocrest Services in an amount not to exceed $187,129 and authorizing the City Manager to execute the Agreement.**

i. *Resolution No. R25-075:* **Consider action on a Resolution approving a Grant Funding Agreement between the Town of Addison and Woven Health Clinic in an amount not to exceed $5,000 and authorizing the City Manager to execute the Agreement.**

j. *Resolution No. R25-076:* **Consider action on a Resolution approving a Grant Funding Agreement between the Town of Addison and Jewish Family Service in an amount not to exceed $25,000 and authorizing the City Manager to execute the Agreement.**

k. *Resolution No. R25-077:* **Consider action on a Resolution approving a Grant Funding Agreement between the Town of Addison and Traffick911 in an amount not to exceed $15,000 and authorizing the City Manager to execute the Agreement.**

l. *Resolution No. R25-078:* **Consider action on a Resolution approving a Grant Funding Agreement between the Town of Addison and Addison Arbor Foundation in an amount not to exceed $45,000, approving additional matching funding in an amount not to exceed $20,000, and authorizing the City Manager to execute the Agreement.**

m. *Resolution No. R25-079:* **Consider action on a Resolution approving a service agreement between the Town of Addison and the Metrocrest Chamber of Commerce in an amount not to exceed $42,000 and authorizing the City Manager to execute the Agreement.**

n. *Resolution No. R25-080:* **Consider action on a Resolution approving the purchase of a Spartan Aerial Pumper Apparatus from Metro Fire Apparatus Specialists and authorizing the City Manager to execute the purchase order in an amount not to exceed $1,993,178.00.**

o. *Resolution No. R25-081:* **Consider action on a Resolution approving a Professional Services Agreement between the Town of Addison and CodeRyze, Inc. for contract GIS staffing services and authorizing the City Manager to execute the agreement in an amount not to exceed $110,000.**

p. *Resolution No. R25-082:* **Consider action on a Resolution authorizing and ratifying emergency expenditures for waterline repair services associated with a water leak on Quorum Drive that occurred on July 9, 2025, in an amount not to exceed $64,025; and authorizing the City Manager to administer the emergency repair and provide an effective date.**

MOTION: Mayor Pro-Tempore Willesen moved to approve §4 - CONSENT AGENDA (a-p) as presented. Council Member Liscio seconded the motion. Motion carried unanimously.

5. **Public Hearings.**

a. **Hold a public hearing, present, discuss, and consider action on a request to rezone a 1.57-acre property, located at 4850 Airport Parkway, from Mixed-Use Center (M-4) to Mixed-Use Suburban Corridor (M-2) zoning district, for a 29-unit, fee-simple townhouse development. Case 1941-Z/4850 Airport Parkway Rezoning.**
[Director of Development & Neighborhood Services, Lesley Nyp]

The applicant has submitted a request that consideration of the request be postponed until a future meeting. Because the public hearing had already been noticed, staff recommended holding the public hearing as scheduled.

Mayor Arfsten opened the Public Hearing. No citizens requested to address the Council.

Mayor Arfsten closed the Public Hearing.

Staff recommended approval of the applicant's request to postpone consideration to a date that is yet to be determined. The City Council agreed to grant the applicant's request to postpone consideration indefinitely.

b. *Ordinance No. O25-024:* **Hold a public hearing, present, discuss, and consider action on a request for a Special Use Permit (SUP) for property located at 5100 Belt Line Road, Suite 776, that is currently zoned Planned Development (PD), through Ordinance Nos. O23-03, to allow late-night hours of operation for a restaurant with indoor entertainment (darts) and the sale of alcoholic beverages for on-premises consumption. Case 1936-SUP/5100 Belt Line Road, Suite 776 (Flight Club).**
[Director of Development & Neighborhood Services, Lesley Nyp]

The Addison Planning and Zoning Commission, meeting in regular session on September 16, 2025, voted to recommend approval of a request for a Special Use Permit (SUP) to allow late-night hours of operation for a restaurant with indoor entertainment (darts) and the sale of alcoholic beverages for on-premises consumption on a property located at 5100 Belt Line Road, Suite 776, which is currently zoned Planned Development (PD) via Ordinance No. O23-03.

Voting Aye: Barker, Braun, Copeland, Fansler, Smith, Then, Wright
Voting Nay: none
Absent: none

SPEAKERS AT THE PUBLIC HEARING:
For: none
On: none
Against: none

Staff recommended approval of the request.

Mayor Arfsten opened the Public Hearing. No citizens requested to address the Council.

Mayor Arfsten closed the Public Hearing.

MOTION: Council Member Gardner moved to approve Ordinance No. O25-024 approving a Special Use Permit for Flight Club. Deputy Mayor Pro-Tempore DeFrancisco seconded the motion. Motion carried unanimously.

c. *Ordinance No. O25-025:* **Hold a public hearing, present, discuss, and consider action on a request to amend the permitted use and development standards and development plans for Planned Development (PD), Ordinance No. 022-25, for a 13.78± acre property located on the west side of Midway Road, approximately 1,000 feet south of Beltway Drive and immediately north of the Redding Trail Dog Park, to allow for the construction of 30 fee-simple townhome dwelling units. Case 1940-Z/AMLI Treehouse, Phase 1 Amendment.**
[Director of Development & Neighborhood Services, Lesley Nyp]

The Addison Planning and Zoning Commission, meeting in regular session on September 16, 2025, voted to recommend approval of an amendment to Planned Development District (PD) Ordinance No. O22-25 to amend the permitted use and development standards and development plans to allow for the construction of 30 fee-simple townhome dwelling units, as presented.

Voting Aye: Barker, Braun, Copeland, Fansler, Smith, Then, Wright
Voting Nay: none
Absent: none

SPEAKERS AT THE PUBLIC HEARING:

For: none
On: Al Cioffi, 14867 Town Lake Circle
Against: none

Staff recommended approval of the request.

Mayor Arfsten opened the Public Hearing. No citizens requested to address the Council.

Mayor Arfsten closed the Public Hearing.

MOTION: Council Member Liscio moved to approve Ordinance No. O25-025 amending Planned Development Ordinance No. O22-025 to amend the permitted use and development standards as

well as the development plans to allow for the construction of 30 fee-simple townhome dwelling units. Mayor Pro-Tempore Willesen seconded the motion. Motion carried unanimously.

d. *Ordinance No. O25-026:* **Hold a public hearing, present, discuss, and consider action on a request to amend the permitted use and development standards and development plans for Planned Development (PD), Ordinance No. 024-35, for an 8.02± acre property generally located at the southwest corner of Midway Road and Beltway Drive, to allow for the construction of 26 fee-simple townhome dwelling units. Case 1942-Z/AMLI Treehouse, Phase 2 Amendment.**
[Director of Development & Neighborhood Services, Lesley Nyp]

The Addison Planning and Zoning Commission, meeting in regular session on September 16, 2025, voted to recommend approval of an amendment to Planned Development District (PD) Ordinance No. O24-35 to amend the permitted use and development standards and development plans to allow for the construction of 26 fee-simple townhome dwelling units, with the following modification to item 12.H of Exhibit B: Phase II Permitted Uses and Development Standards:

- Outdoor Living Areas: All dwelling units shall have a projected or recessed balcony, from the front or rear of the unit, and a ground floor patio area accessible from a sidewalk or trail, that is a minimum depth of 4 feet. The Director of Development & Neighborhood Services may approve an alternate condition if a ground floor patio is not feasible for Buildings 19 and 20, as depicted in the Development Plans.

Voting Aye: Barker, Braun, Copeland, Fansler, Smith, Then, Wright
Voting Nay: none
Absent: none

SPEAKERS AT THE PUBLIC HEARING:

For: none
On: Al Cioffi, 14867 Town Lake Circle
Against: none

Staff recommended approval of the request as recommended by the Planning & Zoning Commission.

Mayor Arfsten opened the Public Hearing. No citizens requested to address the Council.

Mayor Arfsten closed the Public Hearing.

MOTION: Deputy Mayor Pro-Tempore DeFrancisco moved to approve Ordinance No. O25-026 amending Planned Development Ordinance No. O24-035 to amend the permitted use and development standards as well as the development plans to allow for the construction of 26 fee-simple townhome dwelling units. Mayor Pro-Tempore Willesen seconded the motion. Motion carried unanimously.

6. **Individual Consideration.**

a. *Resolution No. R25-083:* **Present, discuss, and consider action on a Resolution approving a Master Development Agreement and related definitive agreements between the Town of Addison and AMLI Residential for the AMLI Treehouse, Phase I development project, and authorizing the City Manager to execute the agreements.**
[Director of Development & Neighborhood Services, Lesley Nyp]

At the August 9, 2022 City Council meeting, the zoning for AMLI Treehouse Phase 1 was approved via Ordinance No. O22-25. At the same meeting, City Council approved a Memorandum of Understanding (MOU) to establish more restrictive performance standards above and beyond what may typically be established through the zoning process. Staff has prepared the Master Development Agreement (MDA) and related agreements based upon standards agreed upon within the MOU for consideration by City Council.

Key components of the MDA include:

- Performance standards for initial finish out, use, and leasing of the two ground-floor retail spaces in the multifamily wrap building.
- Performance standards for the improvement and dedication of the proposed public open space and trail improvements.
- Performance standards for the development of the fee simple townhomes that enhance the Town's capacity to ensure that those dwelling units are completed in a timely manner.
- More restrictive construction work hours that limit work during the evening and on weekends.
- Defining material facade construction standards.
- Commitment to achieve LEED Silver certification, at a minimum, for the multifamily rental component of the project.
- Provision for electric vehicle charging stations.
- Resolution of fence encroachment.

Staff recommended the City Council approve and authorize the City Manager to enter into the Master Development Agreement and related definitive agreements with AMLI Residential for the AMLI Treehouse Phase 1 project.

MOTION: Council Member Smith moved to table the item for consideration at an upcoming City Council Meeting. Council Member Freed seconded the motion. Motion failed 5-2 with Mayor Arfsten, Mayor-Pro Tempore Willesen, Deputy Mayor Pro-Tempore DeFrancisco, Council Member Gardner, and Council Member Liscio voting against.

MOTION: Mayor Pro-Tempore Willesen moved to approve Resolution No. R25-083 to approve a Master Development Agreement and related definitive agreements with AMLI Residential for the AMLI Treehouse Phase I project. Council Member Gardner seconded the motion. Motion carried 5-2 with Council Member Freed and Council Member Smith voting against.

b. *Resolution No. R25-084:* **Present, discuss, and consider action on a Resolution**

approving a contract agreement between the Town of Addison and Community Waste Disposal, L.P., in an amount not to exceed $339,370 for residential services and in an amount not to exceed $90,955 for facility services for a total amount not to exceed $430,325, authorizing the City Manager to execute the agreement, and providing an effective date.
[Director of Public Works & Engineering, Becky Diviney]

The Town currently receives residential solid waste collection from Community Waste Disposal, L.P. (CWD) through an existing contract that expires on October 31, 2025, which is considered the Initial Term. The term of this contract would be five (5) years beginning November 1, 2025, through September 30, 2030, including successive five (5) year renewal terms without further action of either party. CWD currently provides manual residential refuse service to each residential unit two days per week, including curbside, alleyway, and closet collection where necessary, and does not dictate the volume placed in these locations for pickup. CWD currently provides a residential refuse service to each single-family home with a container for recyclables with cart service or bin service, dependent upon residential preference, once per week. CWD provides Town facilities refuse service as needed and a recycling service once a week.

The Town has added contract requirements to include:

- Annual Cost Adjustment and Revenue Sharing Model based on the service rendered system to include CPI, CNG fuel and disposal.
- Liquidated and escalated damages

Once the contract is approved, Finance staff will present an ordinance at the October 28, 2025 Regular City Council meeting amending the solid waste fee as reflected in the contract. The new rate will take effect on November 1, 2025 and will be reflected on customers' utility bills beginning in December 2025.

Staff recommended approval.

MOTION: Mayor Pro-Tempore Willesen moved to approve Resolution No. R25-084 approving a contract agreement with Community Waste Disposal for residential solid waste collection services and facility solid waste collection services in an amount not to exceed $430,325. Deputy Mayor Pro-Tempore DeFrancisco seconded the motion. Motion carried unanimously.

c. *Resolution No. R25-085:* **Present, discuss, and consider action on a Resolution creating a Community Bond Advisory Committee for a proposed May 2026 Bond Election; providing for the appointment of Committee members; establishing a charge for the Committee; and providing an effective date.**
[Chief of Staff, Sarah Kuechler]

At the prior City Council Work Session on September 23, 2025, Council provided direction to move ahead with forming a Bond Advisory Committee to consider and make a recommendation to City Council regarding a Police and Courts facility capital project and funding for a potential May 2026 Bond Election.

On Wednesday, September 24th, applications were opened on the Town's website for residents that were interested in serving on the Committee. Applications closed on Tuesday, October 7th. All applications received were forwarded to City Council for consideration for appointments.

This Resolution for Council consideration would establish and appoint the Committee. The following summarizes the Committee's proposed composition and charge based on discussion from the September 23rd City Council Work Session.

- The Committee would have a total of 14 members, with each Council Member appointing two (2) Addison residents.
- The Committee would be charged with making recommendations to the City Council regarding a future capital project to address the Town's aging police and courts facility and the monetary amount of the bond program to be considered by voters during the May 2026 Election. The City Council requests the Committee review and consider the following options and costs for the project:
    - Remodel the existing police and courts facility or build a new facility at the existing site.
    - Purchase and remodel a vacant building; or
    - Construct a new police and courts facility on property currently owned by the Town and / or through the acquisition of new property.
- Town staff and consultants would support the Committee, including staff from the City Manager's Office, Finance, Police Department, and General Services.
- Town staff would prepare meeting agendas and materials. Committee meetings are planned to be recorded and made available on the Town's website for viewing.

All meetings would take place during the evening. The tentative Committee meeting schedule is as follows:

- Thursday, October 30, 2025
- Thursday, November 20, 2025
- Thursday, December 4, 2025
- Thursday, January 8, 2026

There is no direct fiscal impact associated with this item. However, if created, the Bond Advisory Committee would consider and make a recommendation to City Council on the proposed project and dollar amounts to be considered by the public in a potential May 2026 Bond Election.

The Mayor and City Council nominated the following individuals for appointment to the Bond Advisory Committee:

Nominating Council Member	**Nominee 1**	**Nominee 2**
Mayor Arfsten	Joseph Pedroza	Nancy Craig
Mayor Pro-Tempore Willesen	Fran Powell	Tom Braun
Deputy Mayor Pro-Tempore	Bertha Rivera Roop	Ron Whitehead

DeFrancisco		
Council Member Freed	Tricia Stuart	Jimmy Barker
Council Member Gardner	James Decuir	Scott Hunt
Council Member Liscio	Armando Gallardo	Guillermo Quintanilla
Council Member Smith	Robert Jacoby	Phillip Valentine

MOTION: Council Member Liscio moved to approve Resolution No. R25-085 creating a Bond Advisory Committee and appointing members to the Committee as nominated by City Council. Mayor Pro-Tempore Willesen seconded the motion. Motion carried unanimously.

d. *Resolution No. R25-086:* **Present, discuss and consider action on a Resolution approving an amendment to the Professional Services Agreement between the Town and GFF Design Architects dated January 7, 2025 to include Additional Service Proposal No. 1 for planning and design services for the Police and Courts Facility Project in an amount not to exceed $68,400.00, authorizing the City Manager to execute the amendment, and providing an effective date.**
[Director of General Services, Bill Hawley and Chief of Staff, Sarah Kuechler]

In October 2024, staff sent out a Request for Qualifications (RFQ) to solicit proposals from qualified firms to conduct a needs and site assessment for a new Police and Courts building, including assessing space needs for both current day and a 20-year horizon; performing a site assessment of the current Police and Courts site and alternative site assessments, evaluating construction options on those sites, and estimating construction costs.

Ten (10) responses to the RFQ were received in November 2024. A staff committee reviewed and scored the responses based upon evaluation criteria including the firm's general profile, professional qualifications of proposed team members, the relative project experience, supplemental information, and references. Based upon the evaluation, a recommendation was made to award the scope of work for professional services to GFF Design in a not-to-exceed amount of $49,000.00. Staff executed this agreement in January 2025 following the prior direction from City Council in May 2024 to proceed with planning for a new Police and Courts facility.

During the May 6, 2025 City Council Work Session, staff presented the findings of GFF Design's assessment regarding the space needs, site, and estimated costs. Based on the increased costs and added complexity of decisions to construct a new Police and Courts facility, City Council directed staff to plan for a bond election, rather than issue certificates of obligation, and begin development of a Bond Advisory Committee to further vet the project, options, and costs.

During the September 23, 2025 City Council Work Session, City Council directed staff to proceed with the creation of a Bond Advisory Committee. The proposed charge for the Committee includes reviewing various options for a capital project for the Police and Courts facility. To assist the Committee with evaluating the listed options, including the site planning, design elements for a PD facility, and cost estimations, and to prepare and attend the Committee meetings with staff, GFF Design submitted a proposal for the additional services in a not-to-exceed amount of $68,400.00.

In addition to GFF Design, staff intends to engage a construction project management firm to review the proposed options and validate programmatic construction cost estimates, conceptual master project schedules, conceptual construction phasing plans, and comprehensive owner's development budget.

Professional Services Agreement Scope (January 7, 2025)	$49,000
Additional Service Proposal No. 1	$68,400
Total:	**$117,400**

For Additional Services Proposal No. 1, the total not-to-exceed amount of $68,400 is broken down into three parts:

- $48,100 as the base additional services
- $19,500 for supplemental services for structural and MEP assessments of the existing Police and Courts building to evaluate remodeling and modifying the facility, and
- $800 for reimbursable allowances

Staff recommended approval.

MOTION: Mayor Pro-Tempore Willesen moved to approve Resolution No. R25-086 approving an amendment to the Professional Services Agreement with GFF Design Architects to include Additional Service Proposal No. 1 in an amount not to exceed $68,400. Council Member Liscio seconded the motion. Motion carried unanimously.

7. **Items of Community Interest.** *The City Council will have this opportunity to address items of community interest, including: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition; a reminder about an upcoming event organized or sponsored by the Town of Addison; information regarding a social, ceremonial, or community event that was or will be attended by an Addison City Council member or an official; and, announcements involving an eminent threat to public health and safety in Addison that has arisen since posting this agenda.*

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7. **Adjourn Meeting.**

There being no further business to come before the City Council, Mayor Arfsten adjourned the meeting at 10:00 PM.

TOWN OF ADDISON, TEXAS

_____

Bruce Arfsten, Mayor

ATTEST:

_____

Valencia Garcia, City Secretary

October 14, 2025

TO: City Council, Town of Addison, Texas

CC: David Gaines, City Manager, Town of Addison, Texas

FROM: B. Lee and Rose Ann Hopwood, 4111 Leadville Place, Addison, Texas

RE: **Today's Council Agenda** *"Items for Individual Consideration, Item 6.a."*: Resolution Requiring Town to File "Park Dedication, Covenant and Restriction Agreement" in Dallas County Real Property Records

We are the current owners of Block F, Lot 37, Revised Midway Meadows[i], Addison, Texas. Thank you for this opportunity to notify the Addison City Council and Staff of problems in the draft resolution[ii] included in today's Council Agenda (Oct. 14, 2025). Specifically, we ask you to consider items in *"Section I"* and *"Section V"* of the *"Park Dedication, Covenant and Restriction Agreement"* (PDCRA):

> ***"Section I – Dedication, Item 1.2 Encumbrances:*** *Under this Agreement, 'encumbrances' shall mean collectively, (i) those Exceptions to Conveyance and Warranty as defined in the Dedication Deed and (ii) the Encroachment, as defined in this Agreement."*
>
> ***"Section I – Dedication, Item 1.5 Encroachment; Indemnification"***
> a. *"Developer and the Town acknowledge and agree that the Parkland abuts a residential subdivision known as Block F, Midway Meadows Subdivision, Addison, Texas, and that the existing fence located along the boundary line between the Parkland and such subdivision (the 'Fence') encroaches on the Parkland as shown on Exhibit E attached hereto (the 'Encroachment')."*
> b. *"Developer intends to enter into a boundary line agreement with the owners of each lot within the residential subdivision affected by the Encroachment, being Lots 25, 26, 37, 38, 39, 40 and 51 as identified on Exhibit E (each, an 'Affected Lot'), substantially in the form attached hereto as Exhibit F, which form has been approved by the Town."*
>
> ***"Section V – Recording of the Dedication Agreement:*** *The Parties agree that the Town shall record this Agreement in the Real Property Records of Dallas County, Texas. This Agreement and the restrictions, covenants, and conditions set forth herein are for the purpose of protecting the value and desirability of the Park and Park Amenities and shall run with the Parkland. These covenants, conditions, and restrictions shall be for the mutual benefit of Developer and the Town of Addison, Texas.*

"Section V" states that the Town *"shall"* file the PDCRA in the *"Real Property Records"* of Dallas County, Texas. Filing the PDCRA in its current form would be problematic for the Town, for us, and for owners of the other *"Affected Lots,"* including seven Addison residents who are over the age of 75. **Filing the PDCRA in its current form would be problematic given the issues listed below:**

A. As shown in 1.5.a. above, the PDCRA states that the Town joins with the Developer to assert, as fact, an encroachment that has not been established by law through boundary agreement, arbitration, mediation or litigation. None of these processes have been applied to the Town's allegation of encroachment by our lot (Revised Midway Meadows, Block F, Lot 37), and possibly not to the Town's allegations against our neighbors' lots.

B. As shown in 1.5.a. above, the PDCRA makes encroachment assertions against our lot even though Town Staff have reviewed evidence to the contrary. On Oct. 29, 2024, owners of *"Affected Lots"* 25, 26, 37, 38, 39 and 40 met with Town of Addison Staff Lesley Nyp (Development & Neighborhood Services Director), Janna Tidwell (Parks & Recreation Director), and Passion Hayes (Deputy City Manager), as well as AMLI Vice President Robert Lapp. At the direction of the Board of our neighborhood association, Addison Timbers HOA, we attended this meeting and presented, with other *"Affected Lot"* owners, evidence from five certified surveys of our lots: four title surveys dated 1995 through 2017) and one construction survey dated 2022. All five of these surveys record

the *Affected Lots'* east fence lines in alignment with the lots' legal east property lines. None of these surveys indicate fence encroachment onto the Developer's property.

C. As shown in 1.5.b. above, the PDCRA refers to *"Exhibit E"* as evidence for its encroachment assertion. As evidence, *"Exhibit E"* has notable problems:

- *"Exhibit E"* has no title block, no date, no legend, and no scale.
- *"Exhibit E"* appears to be only a portion of a complete survey.
- *"Exhibit E"* lacks any sort of attribution or certification. It lacks the name, seal, signature and license number of a Registered Professional Licensed Surveyor.
- *"Exhibit E"* does not record or indicate the specific dimensions of the fence encroachments alleged against each *"Affected Lot."*

D. As shown in 1.5.b. above, the PDCRA states that the Developer's intended Boundary Line Agreement *(Exhibit F) "has been approved by the Town."*

1. **PDCRA *"Exhibit F"* (the Town-approved Boundary Line Agreement) includes these statements:**

   "E. A boundary survey of the AMLI Tract prepared by Traverse Land Surveying (Project No. TR-359-25) is attached hereto as Exhibit C (the "Survey")."

   "F. The existing fence located along the boundary line between the AMLI Tract and the Residential Tract (the "Fence") encroaches onto the AMLI Tract, as shown on the Survey and on Exhibit D attached hereto (the "Encroachment")."

   a. **In its current form, PDRCA *"Exhibit F, Item E"* (shown above), references *"Exhibit C"* as evidence of the Developer's encroachment assertion against *"Affected Lots."*** In its current form, Exhibit C has notable problems:
      - *"Exhibit C"* includes this notation: *"Preliminary. This survey shall not be recorded for any purpose and shall not be used, or viewed, or relied upon as a final survey document."*
      - *"Exhibit C"* includes this notation, *"This survey was created with the information provided by the client or their representative. the surveyor did not abstract the subject property and [the survey] cannot be used to represent warranty of title or guarantee of ownership."*
      - *"Exhibit C"* does not record the dimensions of the fence encroachments alleged against each *"Affected Lot."*
      - *"Exhibit C"* lacks the name, seal, signature and/or license number of a Registered Professional Licensed Surveyor.
      - *"Exhibit C"* is not a "boundary survey" as asserted in *"Item E."* Its title block states that it is a *"Boundary Exhibit,"* not a *"Boundary Survey,"* an important technical distinction.

   b. **In its current form, PDRCA *"Exhibit F, Item F"* (shown above), references *"Exhibit D"* as additional evidence of the alleged encroachment.** *"Exhibit D"* has a notable problem. It contains nothing but a blank page with the title *"Exhibit D to Boundary Line Agreement."*

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[i] Revised Midway Meadows, Vol. 80068 Pg 2077, Deed Records of Dallas County Texas

[ii] AGENDA – Addison City Council Meeting, October 14, 2025, Council Meeting, Items for Individual Consideration, Item 6. a. / RESOLUTION – AMLI Master Development Agreement; Park Dedication, Covenant and Restriction Agreement. Downloaded 10/13/2025 from https://www.addisontx.gov/Government/Meetings-Agendas

2025 City Council Regular Meeting **4. b.**

Meeting Date: 10/28/2025

Department: City Manager

Key Focus Areas: Financial Health and Organizational Excellence

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AGENDA CAPTION:

Consider action on a Resolution denying the rate change application proposed by Oncor Electric Delivery Company LLC.

BACKGROUND:

The Town is a member of a 170-city coalition known as the Steering Committee of Cities Served by Oncor (OCSC). OCSC has been in existence since the late 1980s. It took on a formal structure in the early 1990s when cities served by the former TXU gave up their statutory right to rate case expense reimbursement in exchange for higher franchise fee payments. Empowered by city resolutions and funded by per capita assessments, OCSC has been the primary public interest advocate before the Public Utility Commission, the Courts, and the Legislature on electric utility regulation matters for the last 30 years.

On June 26, 2025, Oncor Electric Delivery Company LLC (Oncor) filed an application with cities retaining original jurisdiction seeking to increase system-wide transmission and distribution rates by about $834 million or approximately 13% over present revenues. Oncor is asking the Town to approve a 12.3% increase in residential rates and a 51.0% increase in street lighting rates. If approved, the impact of this requested increase on an average residential customer would be about $7.90 per month.

In a prior City Council action, Oncor's rate request was suspended from taking effect for 90 days, the fullest extent permissible under the law. The rate request was suspended via Resolution No. R25-052, which was approved at the July 22, 2025 Regular City Council Meeting. The agenda item containing more information on this action can be found here. This time period has permitted the Town, through its participation with the OCSC, to determine that the proposed rate increase is unreasonable. Consistent with the recommendations of the experts engaged by the OCSC, Oncor's request for a rate increase should be denied.

Accordingly, the purpose of the Resolution is to deny the rate change application proposed by Oncor. Once the Resolution is adopted, Oncor will have 30 days to appeal the decision to the Public Utility Commission of Texas (PUC) where the appeal will be consolidated with Oncor's filing (PUC Docket No. 58306) currently

pending at the PUC. As this was recommended for denial by the OCSC, other cities in DFW have taken action to deny the rate change application including:

- Arlington
- Colleyville
- Coppell
- Fort Worth
- Lewisville
- Plano
- Prosper

FISCAL IMPACT

There is no direct fiscal impact to the Town for this item.

RECOMMENDATION

Staff recommends approval.

Attachments

Resolution - Oncor Requested Rate Change Denial

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC'S APPLICATION TO CHANGE RATES WITHIN THE TOWN SHOULD BE DENIED; FINDING THAT THE TOWN'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.

WHEREAS, the Town of Addison, Texas ("City") is an electric utility customer of Oncor Electric Delivery Company LLC ("Oncor" or "Company"), and a regulatory authority with an interest in the rates and charges of Oncor; and

WHEREAS, the Town is a member of the Steering Committee of Cities Served by Oncor ("Steering Committee"), a coalition of similarly situated cities served by Oncor that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in Oncor's service area; and

WHEREAS, on or about June 26, 2025, Oncor filed with the Town an application to increase system-wide transmission and distribution rates by about $834 million or approximately 13% over present revenues. The Company asks the Town to approve an 12.3% increase in residential rates and a 51.0% increase in street lighting rates; and

WHEREAS, the Steering Committee is coordinating its review of Oncor's application and working with the designated attorneys and consultants to resolve issues in the Company's filing; and

WHEREAS, through review of the application, the Steering Committee's consultants determined that Oncor's proposed rates are excessive; and

WHEREAS, the Steering Committee's members and attorneys recommend that members deny the Application; and

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

SECTION 1. That the rates proposed by Oncor to be recovered through its electric rates charged to customers located within the Town limits, are hereby found to be unreasonable and shall be denied.

SECTION 2. That the Company shall continue to charge its existing rates to customers within the Town.

SECTION 3. That the Town's reasonable rate case expenses shall be reimbursed in full by Oncor.

SECTION 4. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

SECTION 5. That a copy of this Resolution shall be sent to Oncor Electric Delivery Company LLC, 1616 Woodall Rodgers Freeway, Dallas, Texas 75202 and to Thomas Brocato, Counsel to the Steering Committee, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Ave., Suite 1900, Austin, Texas 78701.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas on this the ***28th*** day of ***OCTOBER***, **2025**.

TOWN OF ADDISON, TEXAS

_____
Bruce Arfsten, Mayor

ATTEST:

_____
Valencia Garcia, City Secretary

2025 City Council Regular Meeting **4. c.**

Meeting Date: 10/28/2025

Department: Finance

Pillars: Gold Standard in Customer Service

AGENDA CAPTION:

Consider action on an Ordinance to amend the Code of Ordinances by amending Chapter 66 (Solid Waste) Article II (Collection And Disposal), Division 2 (Service Charge) Section 66-52 increasing from $14.83 to $15.74 the monthly fee for each residential unit.

BACKGROUND:

The Town contracts with Community Waste Disposal (CWD) for the provision of residential garbage and recycling collections for all single-family homes in Addison. This contract was renewed by the City Council at the October 14th, 2025 Council meeting via Resolution No. R25-084 and begins November 1, 2025.

As stated in the contract, prices will increase or decrease by one hundred percent (100%) in wholesale price as measured by the Consumer's Price Index for All Urban Consumers (CPI-U) U.S. City Average, Garbage and Trash and not a seasonally adjusted 12-month average during May of the adjustment year. According to the Bureau of Labor Statistics, the percent change in the CPI-U U.S. City Average, Garbage and Trash not seasonally adjusted 12-month average from May 2024 to May 2025 was an increase of 6.1%. This increase results in a monthly garbage and recycling rate increase from $14.83 to $15.74, per single-family home. The increase will take effect November 1, 2025 and be reflected on the December utility bill.

RECOMMENDATION:

Administration recommends approval.

Attachments

Ordinance - 2026 Solid Waste Fee

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS, AMENDING CHAPTER 66 (SOLID WASTE), ARTICLE II (COLLECTION AND DISPOSAL), DIVISION 2 (SERVICE CHARGE), SECTION 66-52 (SINGLE DWELLING UNITS) OF THE CODE OF ORDINANCES TO INCREASE THE MONTHLY FEE FOR GARBAGE COLLECTION, HAULING AND DISPOSAL (CURBSIDE PICKUP) FROM EACH SINGLE DWELLING UNIT WITHIN THE TOWN FROM $14.83 TO $15.74; PROVIDING THAT SUCH INCREASED RATE SHALL BE EFFECTIVE NOVEMBER 1, 2025, AND REFLECTED IN THE DECEMBER 2025 BILLING CYCLE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE

WHEREAS, the Town of Addison (the "Town") currently provides for garbage collection, hauling, and disposal by collecting a monthly fee for curbside pickup from each residential dwelling unit to ensure a safe and sanitary environment for residents; and

WHEREAS, Town staff have identified that an increase in the fee is necessary to continue safe and sanitary garbage collection services, and other necessary clarifying changes to the Section 66-52 of the Town Code of Ordinances; and

WHEREAS, the City Council of the Town deems the increase in monthly fee and other changes to Section 66-52 are necessary to promote the health, safety and general welfare of the Town and its residents.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. The Code of Ordinances of the Town of Addison, Texas, Chapter 66 (Solid Waste), Article II (Collection and Disposal), Division 2 (Service Charge), Section 66-52 (Single dwelling units) is hereby amended and restated in its entirety to read as follows:

"**Section 66-52.** - Single dwelling units.

All owners, lessees, or persons in possession of residential property shall be charged a mandatory monthly fee for garbage collection, hauling, and disposal from residences situated within the corporate limits of the town as follows:

Curbside pickup for each single dwelling unit, exclusive of sales tax and applicable state fees: $15.74."

SECTION 2. The change in the mandatory monthly fee for garbage collection, hauling, and disposal from residences as set forth in Section 1 above shall become effective on November 1, 2025, and shall be applied to monthly customer bills beginning with the December 2025 billing cycle.

SECTION 3. This Ordinance shall be cumulative of all other ordinances of the Town and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those Ordinances are in direct conflict with the provisions of this Ordinance.

SECTION 4. The sections, paragraphs, sentences, phrases, clauses, and words of this Ordinance are severable, and if any section, paragraph, sentence, phrase, clause, or word in this Ordinance or application thereof to any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portion of this Ordinance, and the City Council hereby declares that it would have passed such remaining portion of this Ordinance despite such invalidity, which remaining portion shall remain in full force and effect.

SECTION 5. The above and foregoing recitals to this Ordinance are true and correct and are incorporated herein and made a part of this Ordinance for all purposes.

SECTION 6. This Ordinance shall become effective from and after its passage and approval, and publication as may be required by law.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this ***28th*** day of ***OCTOBER*** 2025.

TOWN OF ADDISON, TEXAS

_____
Bruce Arfsten, Mayor

ATTEST:

_____
Valencia Garcia, City Secretary

APPROVED AS TO FORM:

_____
Whitt Wyatt, City Attorney

2025 City Council Regular Meeting **4. d.**

Meeting Date: 10/28/2025

Department: Finance

Pillars: Gold Standard in Financial Health

Milestones: Continue development and implementation of the Long-Term Financi Plan

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AGENDA CAPTION:

Consider action on a Resolution adopting an investment strategy and approving brokers, dealers, and financial institutions for fiscal year 2025-2026.

BACKGROUND:

The Public Funds Investment Act (PFIA) requires the Council to annually adopt the Town's Investment Policy. The document has been drafted to comply with all aspects of the PFIA. This policy applies to the investment and management of all funds of the Town. Direct management responsibility for the investment program is delegated by the City Council to the Chief Financial Officer. The investment policy includes the following priorities:

- Preservation and safety of principal
- Understanding the suitability of the investment to the financial requirements of the Town
- Liquidity
- Marketability of the investment if the need arises to liquidate the investment prior to maturity
- Diversification of the investment portfolio
- Yield

Finance staff determined that no changes are needed to the Town's investment policy.

The attached Resolution includes the Town's Investment Policy in Exhibit A.

The list of recommended qualified brokers, dealers, and financial institutions was vetted by Town staff in accordance with the requirements of the adopted Investment Policy which requires the City Council to review, revise, and adopt the list at least annually. The recommended list includes the addition of RBC Capital Markets to the list that was approved on October 8, 2024.

The attached Resolution includes the list of brokers, dealers, and financial institutions in Exhibit B.

RECOMMENDATION:

Administration recommends approval.

Attachments

Resolution - Investment Policy

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS ADOPTING AN INVESTMENT STRATEGY AND APPROVING BROKERS, DEALERS, AND FINANCIAL INSTITUTIONS FOR FISCAL YEAR 2025-2026; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Texas Public Funds Investment Act ("PFIA") requires the City Council of the Town of Addison, Texas ("City") to annually review the City's investment policy (the "Policy"); and

WHEREAS, the City's Staff has developed the City's Policy and investment strategy to comply with all aspects of the PFIA;

WHEREAS, City staff has received and reviewed all documentation required by the City's Policy for each approved broker, dealer, and financial institution listed in conformance with Section XI of the Policy; and

WHEREAS, for Fiscal Year 2025-2026, City Staff is recommending no changes from the Fiscal Year 2024-2025 approved investment strategy.

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

SECTION 1. The recitals set forth above are true and correct and are incorporated as if fully set forth herein.

SECTION 2. The City Council does hereby adopt and approve the investment Policy and strategy for Fiscal Year 2025-2026 attached hereto as **Exhibit A** and incorporated herein.

SECTION 3. In conformance with Section XI of the Policy, the City Council does hereby adopt and approve the list of qualified brokers, dealers, and financial institutions for Fiscal Year 2025-2026 attached hereto as **Exhibit B** and incorporated herein.

SECTION 4. This Resolution shall take effect upon its passage and approval.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on the ***28th*** day of ***OCTOBER 2025.***

ATTEST:

Valencia Garcia, City Secretary

TOWN OF ADDISON, TEXAS

Bruce Arfsten, Mayor

TOWN OF ADDISON

INVESTMENT POLICY

For

FY 2025-2026

EXHIBIT A

Section I. SCOPE
Section II. OBJECTIVES
Section III. INVESTMENT STRATEGY
Section IV. DELEGATION OF AUTHORITY
Section V. INVESTMENT ADVISORS
Section VI. STANDARD OF CARE
Section VII. AUTHORIZED SECURITIES INVESTMENTS
Section VIII. OTHER INVESMTNE GUIDELINES
Section IX. PORTFOLIO MATURITIES
Section X. INVESTMENT LIMITS
Section XI. SELECTION OF BROKER/DEALERS
Section XII. SELECTION OF DEPOSITORIES
Section XIII. SAFEKEEPING AND CUSTODY
Section XIV. RECORDKEEPING AND REPORTING
Section XV. ETHICS AND CONFLICTS OF INTEREST
Section XVI. COLLATERAL REQUIREMENTS
Section XVII. POLICY REVISIONS

Section I. SCOPE

The Public Funds Investment Act, Chapter 2256, Texas Government Code, prescribes that each Town is to adopt rules governing its investment practices and to define the authority of the investment officer. The following Investment Policy addresses the methods, procedures, and practices which must be exercised to ensure effective and judicious fiscal management of the Town's funds. This Policy shall not apply to the selection, retention or other issues concerning the depositories of the Town's funds in demand and time deposits as provided under Chapter 105 of the Local Government Code.

This Policy shall apply to the investment and management of all funds of the Town under its control, other than those expressly excluded herein or by applicable law or valid agreement. This Policy shall not supersede the restrictions on investment and use applicable to any specific fund and, in the event of any conflict between this Policy and the requirements of any fund subject hereto, the specific requirement applicable to such fund shall be followed as well as all other provisions of this Policy other than those in conflict. The Employees Deferred Compensation Agency Fund is excluded from coverage under this Policy.

This Policy also requires the formal adoption of an "Investment Strategy Statement" that specifically addresses each of the Town's fund groups. Each Investment Strategy Statement will describe its objectives concerning:

a. Suitability of investment type
b. Preservation and safety of principal
c. Liquidity
d. Marketability of each investment
e. Diversification of the portfolio
f. Yield

In order to make effective use of the Town's resources, all monies shall be pooled into one investment bank account, except for those monies required to be accounted for in other bank accounts as stipulated by applicable laws, bond covenants or contracts. The income derived from this pooled investment account shall be distributed in accordance with the Town's internal procedures.

EXHIBIT A

Section II. OBJECTIVES

The Town's principal investment objectives in order of priority are:

1. Conformance with all Federal regulations, State of Texas statutes and other legal requirements including the Town Charter and Town Ordinances, including this Policy.
2. Preservation of capital and the protection of investment principal.
3. Maintenance of sufficient liquidity to meet anticipated disbursement and cash flows.
4. Diversification to avoid incurring unreasonable risks regarding securities owned; and
5. Attainment of a market rate of return equal to or higher than the performance measure established from time to time by the Chief Financial Officer of the Town which is commensurate with the acceptable risk and liquidity objectives of this Policy

Section III. INVESTMENT STRATEGY

The Town of Addison may maintain portfolios which utilize three specific investment strategy considerations designed to address the unique characteristics of the fund groups represented in the investment portfolios.

A. Operating funds shall have their primary objective to assure that anticipated cash outflows are matched with the adequate investment liquidity. The secondary objective is to create a portfolio structure which will experience minimal volatility during economic cycles. This may be accomplished by purchasing high quality, short-to-medium term securities which will complement each other in a laddered or barbell maturity structure.

B. Debt service funds shall have as the primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. If the annual debt service obligation is covered, then securities may be purchased that have a stated final maturity date which exceeds the debt service payment date.

C. Capital project funds shall have as their primary objective to assure that anticipated cash outflows are matched with adequate investment liquidity. These portfolios should have liquid securities to allow for unanticipated project expenditures or accelerated project outlays due to a better than expected or changed construction schedule. Funds invested for capital projects may be from bond proceeds that are subject to arbitrage rebate regulations.

Section IV. DELEGATION OF AUTHORITY

The City Manager appoints the Chief Financial Officer (CFO) and the Chief Financial Officer's designee(s) as the "Investment Officers" of the Town. Direct management responsibility for the investment program is delegated by the City Council to the Chief Financial Officer (hereinafter referred to as the "CFO"). The Investment Officers' authority will at all times be limited by all applicable laws and regulations in effect from time to time and this Policy. The Investment Officers shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the investing entity.

With written approval from the City Manager, the CFO may delegate any phase of the investment management program to any of the Investment Officers. Such approval shall state specifically the functions such person is authorized to perform or that the person is authorized to perform all activities of the CFO under this Policy. The CFO and Assistant Finance Director shall obtain and maintain, at the Town's expense, fidelity bonds in amounts determined adequate by the CFO (which shall not be less than $250,000) for each fiscal year as shown by the approved budget. No person may engage in an investment transaction except as provided under the terms of this Policy and the internal procedures established by the CFO. A current list of persons authorized to transact investment business and wire funds on behalf of the Town shall be maintained by the CFO.

The CFO shall develop and maintain written administrative procedures for the operation of the investment program consistent with this Policy. The controls shall be designed to prevent, identify, and control losses of public funds arising from deviation from this Policy, fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees and officers of the Town.

In the discretion of the City Council and in any event upon the termination or reassignment of any Investment Officer authorized to conduct transactions for the Town pursuant to this Policy, the authority of such person shall be revoked and such revocation of authority shall be immediately communicated by the CFO orally and in writing to each and every depository, broker/dealer, investment advisor, custodian and other agency or entity with whom the Town has any existing or continuing relationship in the management of its investments.

The CFO and all Investment Officers shall attend at least ten (10) hours of training relating to the treasurer's or officer's responsibilities within twelve (12) months after taking office or assuming duties; and attend a training session not less than once in a two-year period that begins on the first day of the Town's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than eight (8) hours of training. Such training from an independent source shall be approved or endorsed by the Government Finance Officers Association, Government Finance Officers Association of Texas, Government Treasurers Organization of Texas, Texas Municipal League, or the North Central Texas Council of Governments to include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act.

Section V. INVESTMENT ADVISORS

The Town may, in the discretion of the CFO, and the approval of the City Council, appoint one or more Investment Advisors to assist the Town's financial staff in the management of the Town's funds. The Investment Advisor must be registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940 and also be registered with the Texas State Securities Board as an Investment Advisor. To be eligible for consideration, an Investment Advisor shall demonstrate to the CFO knowledge of, and experience in, the management of public funds. The CFO will satisfy himself as to the Advisor's qualifications by all appropriate means, including reference checks with the Advisor's other clients, the State Securities Board and the Securities and Exchange Commission. An appointed Investment Advisor shall act solely in an advisor and administrative capacity, within the guidelines of this Investment Policy and without any discretionary authority to transact business on behalf of the Town.

Each Investment Advisor, appointed by the Town, shall agree that its investment advice shall at all times be given with the judgment and care, under circumstances then prevailing, which persons paid for their special prudence, discretion and intelligence, in such matters exercise in the management of their client's affairs, not for speculation by the client or production of fee income by the advisor or broker but for investment by the client with emphasis on the probable safety of the capital while considering the probable income to be derived.

Appointment of an Investment Advisor shall otherwise be according to the Town's normal purchasing procedures for selecting professional services. Any approved investment advisor may be terminated with the approval of the City Manager, if in the opinion of the CFO, the advisor has not performed adequately. The term of any Investment Advisor contract may not exceed five years. Any renewal or extension of the Investment Advisor contract must be made by the City Council by resolution.

Section VI. STANDARD OF CARE

As provided for in the Public Funds Investment Act, the standard of care for the Town's investments shall be that such "investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived."

The overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The CFO and the Investment Officers shall recognize that the investment activities of the Town are a matter of public record.

The CFO and the Investment Officers, acting in accordance with written procedures and exercising the proper standard of care, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that this Policy and the CFO's procedures were followed. In determining whether the CFO or an Investment Officer has exercised the proper standard of care, all investments over which the individual had responsibility will be considered rather than a single investment.

Section VII. AUTHORIZED SECURITIES INVESTMENTS

Subject to any limitations otherwise imposed by applicable law, regulations, bond indentures or other agreements, (including but not limited to Chapter 2256 Texas Government Code, the Public Funds Investment Act), the following securities and deposits are the only ones permitted as investments for the Town's funds:

a. Direct obligations of the United States government with a maturity not to exceed five (5) years from the date of purchase; U.S. Treasury Bills, U.S. Treasury Notes, U.S. Treasury Bonds, and U.S. Treasury Strips (book entry U.S. Treasury securities whose coupon has been removed).

b. Senior debt obligations with a maturity not to exceed five (5) years from the date of purchase issued by, guaranteed by, or for which the credit of any of the following Federal Agencies and Instrumentalities is pledged for payment: Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), and Federal Home Loan Mortgage Corporation (FHLMC). Mortgage-backed securities may be held as collateral although principal-only and interest-only mortgage-backed securities as well as all types of collateralized mortgage obligations (CMOs) and real estate mortgage investment conduits (REMICs) are expressly prohibited.

c. Bonds or other interest-bearing obligations of which the principal and interest are guaranteed by the full faith and credit of the United States government, or fully insured by the Federal Deposit Insurance Corporation (FDIC), with a stated maturity not to exceed five (5) years from the date of purchase.

d. Time Certificates of Deposit with a maturity not to exceed five (5) years from the date of purchase, secured by a combination of insurance from the Federal Deposit Insurance Corporation (FDIC) or its successor, and collateral as described in Section XV of this investment policy in depository institutions that have a main office or a branch office in the state of Texas which have been approved by the Town in accordance with Section XI of this Investment Policy.

   In addition, separate CDs issued by depositories wherever located, bundled together into a single investment with the full amount of principal and interest of each CD federally insured may be purchased through a broker that has its main office or a branch office in Texas and is selected from a list adopted by the City Council, or from a depository institution with its main office or branch office in Texas. The broker or depository shall act as the custodian for the various certificates on behalf of the Town.

e. Prime commercial paper with an original maturity of two hundred seventy (270) days or less which at the time of purchase, is rated at least**:**

   A-1 by Standard & Poor's,
   P-1 by Moody's
   F1 by Fitch

   (1) At the time of purchase, the commercial paper must be rated by at least two (2) of the above stated ratings agencies at the above stated minimum credit rating.

(2) If more than two (2) of the above stated agencies rates an issuer, all the rating agencies must rate the issuer in accordance with the above stated minimum credit criteria.
(3) If the commercial paper issuer has senior debt* outstanding, the senior debt must be rated by each service that publishes a rating of the issue at least:

A-I by Moody's,
A+ by Standard and Poor's
A+ by Fitch

Senior Debt is defined as the most senior secured or unsecured debt of an issuer with an original maturity exceeding one year.

f. Eligible Bankers Acceptances with original maturities not exceeding one hundred eighty (180) days, issued on domestic banks operating under the banking laws of the United States, whose senior long-term debt is rated, at the time of purchase, A-I or higher by Moody's, A+ by Standard and Poor's, or A+ by Fitch.

g. Repurchase agreements with a defined termination date of ninety (90) days or less on U.S. Treasury and Federal Agency securities listed in items ***"a"*** and ***"c"*** above, collateralized initially at a minimum market value of 102% of the dollar value of the transaction, with the accrued interest accumulated on the collateral included in the calculation. An exception to the maturity may be made for bond proceeds, provided the repurchase agreement allows for multiple draws at the Town's discretion and the maturity date does not exceed the expected final expenditure date.

If the market value of the collateral falls below 101 percent the dollar value of the transaction, the collateral will be required to be brought up to the 102 percent initial maintenance level. A Repurchase Agreement is defined as a simultaneous agreement to buy, hold for ninety (90) days or less**,** and then sell back an obligation described in item ***(g)*** above**,** the principal and interest of which are guaranteed by the United States.

Repurchase Agreements shall be entered into only with dealers who:
1) are recognized as primary reporting dealers with the Market Reports Division of the Federal Reserve Board of New York; and
2) have an executed, Town approved Master Repurchase Agreement. Collateral (purchased securities) shall be held by the Town's custodian bank or in a segregated account registered in the name of the Town of Addison with an approved third-party safekeeping agent and the market value of the collateral securities shall be marked-to-the market no less than weekly.

For the purpose of item ***"g"*** of this section, the term "collateral" shall mean "purchased securities" under the terms of the Town approved Master Repurchase Agreement. Collateral bearing no coupon will have a maturity not to exceed five (5) years. All other eligible collateral shall have a maturity limit of ten (10) years.

The term repurchase agreements include reverse repurchase agreements. The term of a reverse repurchase agreement shall not exceed ninety (90) days and any investments acquired with the proceeds from the reverse repurchase agreement shall not exceed the term of that agreement.

h. Money Market Funds meeting the following criteria:

(h.1) Registered with and regulated by the Securities and Exchange Commission.
(h-2) Providing the Town with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940.
(h-3) Charging no commission fee on the purchase or sale of shares.
(h-4) Stating a fund objective to maintain a constant daily net asset value of $1.00 per share.
(h-5) Limiting fund assets to those securities listed in paragraphs ***"a"***, ***"b"***, ***"c"*** and

"g" above; and

(h-6) Having a maximum stated maturity of thirteen (13) months and dollar weighted average portfolio maturity of not more than sixty (60) days. A list of Town approved Money Market Funds shall be kept by the CFO.

i. State investment pools organized under the Interlocal Cooperation Act that meet the requirements of Chapter 2256 Texas Government Code and have been specifically approved by the CFO and authorized by the City Council.

j. Local investment pools organized under the Interlocal Cooperation Act that meet the requirements of Chapter 2256 Texas Government Code and have been specifically approved by the CFO and authorized by the City Council.

k. Other obligations**,** the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States with a maturity not to exceed five (5) years from the date of purchase.

l. Obligations of states, agencies, counties, cities, and other political subdivisions of any State having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than "A" or its equivalent with a maturity not to exceed five (5) years from the date of purchase.

m. Interest bearing bank deposits insured by the FDIC or National Credit Union Share Insurance Fund.

Section VIII. OTHER INVESTMENT GUIDELINES

The Town seeks active management of its portfolio assets. In the effort of meeting the objectives of this Policy, the Town may from time to time sell securities that it owns in order to better position its portfolio assets. Sales of securities prior to maturity shall be documented and approved by the CFO before such a transaction is consummated. Sales of securities, yielding net proceeds less than 98 percent of the book value of the securities, must be approved in advance and in writing by both the City Manager and the CFO.

Each investment transaction must be based upon competitive quotations received from at least three (3) broker/dealers who have been approved by the Town in accordance with Texas law except for government securities purchased through a primary dealer at par.

The purchase and sale of all securities shall be on a delivery-versus-payment or payment-versus-delivery basis for securities purchases, monies will not be released by the Town's safekeeping bank until securities are received at the Federal Reserve Bank for further credit to the Town's safekeeping bank. In the case of securities sales, monies will be received by the Town's safekeeping bank via the Federal Reserve Bank, as the securities are simultaneously released to the purchaser). In this manner, the Town will always have possession of either its securities or its monies.

An investment that requires a minimum credit rating does not qualify as an AUTHORIZED SECURITIES INVESTMENT during the period the investment does not have the minimum credit rating even if the investment had the appropriate rating at the time of purchase. As stated in Section 2256.017 of the PFIA, the Town is not required to liquidate investments that were authorized investments at the time of purchase. The Town shall consider the time remaining until maturity, the quality of the investment, and the quality and amounts of any collateral which may be securing the investment in determining whether to hold the investment until maturity or to redeem the investment.

Section IX. PORTFOLIO MATURITIES

Maturities shall be selected which provide for both stability of income and reasonable liquidity.

At all times, the Town shall maintain 10 percent of its total investment portfolio in instruments maturing in

ninety (90) days or less. The weighted average maturity of all securities in the Town's total investment portfolio at any given time shall not exceed twenty-four (24) months.

In the case of callable securities, the first "call" date may be used as the "maturity" date for investment purposes in this Article if in the opinion of the CFO there is little doubt that the security will be called prior to maturity. At all times, the stated final maturity shall be used in portfolio average life calculations and reported as outlined in this Policy.

Investment of bond proceeds shall be invested in the investment types listed in Section VI. ***"a"***, ***"b"***, ***"c"***, ***"h"***, ***"i"***, and ***"j"*** for a period of time not to exceed five (5) years. Additionally, bond proceeds may be invested in a repurchase agreement that exceeds ninety (90) days if reductions are allowed from the agreement without penalty for legitimate bond proceeds expenditures and the final maturity is within the "temporary period" as defined by the Internal Revenue Service (this arrangement is commonly referred to as a "flexible repurchase agreement").

Section X. INVESTMENT LIMITS

It is the policy of the Town to avoid concentration of assets by limiting the maximum investment in a specific issuer to 25% of the entire investment portfolio, except for securities listed in Section VII. ***"a"***, **"b"**, "I", and ***"j"***. The asset allocation in the portfolio should, however, be flexible depending upon the outlook for the economy and the securities markets.

The Town will not exceed the following maximum limits as a percentage of the total portfolio for each of the categories listed below:

- 20 percent in Money Market Funds
- 50 percent in Certificates of Deposit
- 30 percent in Commercial Paper
- 30 percent in Bankers Acceptances
- 70 percent in Local Government Investment Pools
- 70 percent in State Government Investment Pools
- 70 percent in Instrumentality Securities
- 50 percent in Municipal Bonds

In addition to the limitations set forth above the Town's investment in any single money market fund shall never exceed 10 percent of the total assets of the money market fund.

The CFO and investment officers shall evaluate how each security purchased fits into the Town's overall investment strategy.

Bond proceeds shall be exempt from the maximum limitation stated above for State Government Pools, but only for the period of time required to develop a comprehensive draw-down schedule for the project for which the proceeds are intended, the maximum being sixty (60) days, at which time the funds representing bond proceeds must be prudently diversified.

Section XI. SELECTION OF BROKER/DEALERS

The Town shall maintain a list of approved security broker/dealers maintaining minimum capital of $10,000,000 and being in business for at least five years. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule). Securities may only be purchased from those authorized institutions and firms identified in the above list.

Broker/dealers and other financial institutions will be selected by the CFO on the basis of expected financial stability, experience in selling fixed income securities to other local governments as well as perceived ability to service the Town's account. Each broker/dealer authorized to conduct business with the Town, shall be

required to submit a Broker/Dealer questionnaire as well as updated financial statements. In addition, all firms shall provide a detailed resume of the firm's primary sales representative, appropriate references and wiring instructions. The CFO shall maintain a file on each firm containing the most recent information.

The CFO shall review the quality of service and financial stability of each broker/dealer and financial institution approved under this Section at least annually. Any approved broker/dealer or financial institution may be removed from the list of approved broker/dealers with the approval of the CFO, if in the opinion of the CFO, the firm has not performed adequately, or its financial condition is considered inadequate. The City Council shall, at least annually, review, revise, and adopt the list of qualified broker/dealers and financial institutions which are authorized to engage in investment transactions with the Town.

All business organizations (specifically, local government investment pools and discretionary investment managers) eligible to transact investment business with the Town shall be presented a written copy of this Policy. The qualified representative of the business organization seeking to transact investment business with the Town shall execute a written instrument substantially to the effect that the qualified representative has:

1) Received and thoroughly reviewed this Policy, and
2) Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the Town.

The Town shall not enter into an investment transaction with a business organization prior to receiving the written instrument described above. In addition, each Investment Advisor appointed by the Town shall execute the written instrument described above.

If the City Council has contracted with a Registered Investment Advisor for the management of its funds, the advisor shall be responsible for performing due diligence on and maintaining a list of broker/dealers with which it shall transact business on behalf of the Town. The advisor shall determine selection criteria. The advisor shall annually present a list of its authorized broker/dealers to the Town for review and likewise shall execute the aforementioned written instrument stating that the advisor has reviewed the Town's investment policy and has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the Town. The advisor shall obtain and document competitive bids and offers on all transactions and present these to the Town as part of its standard trade documentation.

Section XII. SELECTION OF DEPOSITORIES

Certificates of Deposit (CD) may be placed with banking institutions doing business in the state of Texas which offer competitive and documented interest rates, both at or above interest rates available on government securities to similar maturity dates. All deposits exceeding the current FDIC deposit insurance amount shall be fully collateralized in order to be eligible as Town investments.

In addition to maintaining proper collateral, bank financial positions shall be considered to best assure prudent investment. Relevant criteria shall include capital ratios, liquidity, profitability, and asset growth. Information sources for financial data may include www.bankrate.com and the FDIC website at www.fdic.gov. Because the financial condition of banks may change rapidly, primary focus shall be on maintaining adequate levels of collateral to support deposit amounts. If the Town utilizes the services of an investment advisor, the advisor shall assist in the evaluation of both the financial institution and assigned collateral.

Section XIII. SAFEKEEPING AND CUSTODY

Investment securities purchased for the Town will be delivered by either book entry or physical delivery and shall be held in third-party safekeeping by a Federal Reserve Member financial institution designated as the Town's safekeeping and custodian bank. The Town may designate more than one (1) custodian bank. In no event shall the Town's custodial or safekeeping institution also be the counterparty (broker or dealer) to

the purchase or sale of those securities. The Town shall execute a written Safekeeping Agreement with each bank prior to utilizing the custodian's safekeeping services. Only a state or national bank located within the State of Texas may be utilized as a custodian of securities pledged to secure certificates of deposit. The safekeeping agreement must provide that the safekeeping bank will immediately record the receipt of purchased or pledged securities in its books and promptly issue and deliver a signed safekeeping receipt showing the receipt and the identification of the security, as well as the Town's perfected interest.

The CFO shall maintain a list of designated custodian banks and a copy of the Safekeeping Agreement executed with each custodian bank.

The CFO must approve release of securities, in writing, prior to their removal from the custodial account. A telephonic facsimile of a written authorization shall be sufficient if the custodian orally confirms receipt of the transmission and an exact copy of the document is retained in the Town's files.

All securities shall be confirmed in the name of the Town and delivered to an approved custodial bank or carried at a Federal Reserve Bank in the name of the Town. The Custodian shall not otherwise deposit purchased or pledged securities. All book entry securities, owned by the Town, shall be evidenced by a safekeeping receipt issued to the Town and signed by the appropriate officer at the custodian bank stating that the securities are held in the Federal Reserve system in a CUSTOMER ACCOUNT naming the Town as the "customer". In addition, the custodian bank will, when requested, furnish a copy of the delivery advice received by the custodian bank from the Federal Reserve Bank.

The original safekeeping receipt for each transaction including purchased securities under a repurchase agreement and collateral securing deposits will be forwarded to the CFO or his designee and held in a secured file by the Town.

Securities delivered as part of a repurchase agreement may be held with an independent third-party safekeeping agent, provided that they are fully registered in the Town's name, segregated in account designated in the name of the Town and governed by a fully executed custodial agreement.

Section XIV. RECORDKEEPING AND REPORTING

A record shall be maintained of all bids and offerings for securities transactions in order to ensure that the Town receives competitive pricing. All transactions shall be documented by the person authorizing the transaction in a form that shows that person's name, the party instructed to execute the transaction, the date, a description of the transaction and a brief statement of the reason(s) for the transaction.

Each depository institution of the Town's funds and purchased securities shall maintain separate, accurate and complete records relating to all deposits of the Town's funds, the securities pledged to secure such deposits and all transactions relating to the pledged securities. Each approved custodian shall maintain separate, accurate and complete records relating to all securities received on behalf of the Town, whether pledged, purchased, or subject to repurchase agreement, as well as all transactions related to such securities. In addition, each depository shall file all reports required by the Texas State Depository Board. Each depository and custodian shall agree to make all the records described in this paragraph available to the CFO's designee and the Town's auditors at any reasonable time.

At least once each quarter, the CFO or investment officers shall verify that all securities owned by the Town or pledged to the Town are held in safekeeping in the Town's custodial bank with proper documentation. At least annually the Town's investment program, including the records of custodians and depositories, shall be audited by independent certified public accountants selected by the City Council. This annual audit shall include a compliance audit of the management controls on investments and adherence to the Town's Investment Policy and strategies.

All broker/dealers, custodians, depositories, and investment advisors shall maintain complete records of all transactions that they conducted on behalf of the Town and shall make those records available for

inspection by the CFO or other representatives designated by the City Council or City Manager.

All sales of securities for less than the book value of the security shall be approved by the CFO and reported to the City Council at the next regular meeting. Sales of securities for less than 98 percent of the book value of the securities must be approved by both the City Manager and the CFO.

All contracted Investment Advisors shall report at least monthly on the straight-line book value, the market value of investment holdings, and total earnings yield and such other information required by the CFO. Unrealized profits or losses in the Town's investment portfolio will be disclosed but will not be used in the calculation of income earned for the month. Contracted Investment Advisors shall provide monthly reports to the CFO no later than 15 business days following receipt of all depository bank statements, investment pool statements and money market fund statements as necessary to provide a full accounting of the Town's investment and cash position.

An investment report shall be prepared by the CFO within 60 days of the quarter end that:

a) Describes in detail the investment position of the Town.
b) States the reporting period beginning book and market values, additions or changes to the book and market values during the period and ending book and market values for the period of each pooled fund group.
c) States the reporting period beginning book and market value and ending book and market value for each investment security by asset type and fund type.
d) States the maturity date of each investment security.
e) States the fund for which each investment security was purchased.
f) States fully accrued interest for the reporting period.
g) States the compliance of the investment portfolio with the Town's Investment Policy, Investment Strategy Statement, and the Public Funds Investment Act.
h) Summarizes quarterly transactions, including a detailed list of the gains and losses recognized; and
i) Explains the total earnings yield during the previous quarter and compares the portfolio's performance to other benchmarks of performance.

This report will be presented to the City Council and signed by all of the Town's Investment Officers.

Market valuations of investments shall be provided by the Investment Advisor on a monthly basis. The Investment Advisor shall use independent market pricing sources including, but not limited to, Interactive Data Corporation (IDC) and Bloomberg, to monitor the market price of investments acquired with the Town's funds.

Within sixty (60) days after the end of the Town's fiscal year the CFO shall prepare, sign and deliver to the City Manager and the City Council an annual report on the Town's investment program and investment activity which has also been signed by each officer and employee of the Town authorized to conduct any of the Town's investment activity. The annual report shall include full year earnings yield. Such annual report shall include an analysis of the compliance with this Policy as well as changes in applicable laws and regulations during the previous year and may include any other items of significance related to the investment program.

If the Town places funds in any investment other than registered investment pools or accounts offered by its depository bank, the above reports shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the City Council.

Section XV. ETHICS AND CONFLICTS OF INTEREST

Officers and employees of the Town involved in the investment process shall refrain from personal business activity that involves any of the Town's approved custodians, depositories, broker/dealers, or investment advisors and shall refrain from investing in any security issue held by the Town. Employees and officers shall not utilize investment advice concerning specific securities or classes of securities obtained in the

transaction of the Town's business for personal investment decisions, shall in all respects subordinate their personal investment transactions to those of the Town particularly with regard to the timing of purchases and sales and shall keep confidential all investment advice obtained on behalf of the Town, and all transactions contemplated and completed by the Town, except when disclosure is required by law.

All Investment Officers of the Town shall file with the Texas Ethics Commission and the City Council a statement disclosing any personal business relationship with business organization seeking to sell investments to the Town or any relationship within the second degree by affinity or consanguinity to an individual seeking to sell investments to the Town.

Section XVI. COLLATERAL REQUIREMENTS

Any and all deposits, including both principal as well as any and all interest that is directly applied to the security, shall be collateralized at the minimum margin of 102%, less applicable FDIC insurance, over the life of the security. Deposits shall be collateralized by securities listed in items "a", "b" and "c" below, and the collateral shall be held by a third-party custodian bank approved by the Town.

a. Direct obligations of the United States government; U.S. Treasury Bills, U.S. Treasury Notes, U.S. Treasury Bonds, and U.S. Treasury Strips (book entry U.S. Treasury securities whose coupon has been removed).
b. Debt obligations issued by, including letter of credit, issued by, guaranteed by, or for which the credit of any of the following Federal Agencies and Instrumentalities is pledged for payment: Government National Mortgage Association (GNMA), Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), and Federal Home Loan Mortgage Corporation (FHLMC). Mortgage-backed securities are eligible as collateral, but principal-only and interest-only mortgage-backed securities and collateralized mortgage obligations (CMOs) and real estate mortgage investment conduits (REMICs) are expressly prohibited.
c. Direct obligations of the State of Texas or its agencies or instrumentalities.

Consistent with the requirements of State law, the Town requires all bank and savings bank deposits to be federally insured or collateralized with eligible securities. Financial institutions serving as Town depositories will be required to sign a Security Agreement with the Town and the Town's custodian. The agreement shall define the Town's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations including:

a. The Agreement must be in writing.
b. The Agreement has to be executed by the Depository and the Town contemporaneously with the acquisition of the asset.
c. The Agreement must be approved by the Board of Directors or the loan committee of the Depository and a copy of the meeting minutes must be delivered to the Town; and
d. The Agreement must be part of the Depository's "official record" continuously since its execution.

Section XVII. POLICY REVISIONS

The Investment Policy and Investment Strategy Statements will be reviewed at least annually by the CFO and the City Council and may be amended as conditions warrant by the City Council.

EXHIBIT B

Authorized Broker/Dealer/Financial Institutions/Banks/Investment Pools

Comerica Financial Advisors 39400 Woodward Avenue Suite 255, MC: 7951 Bloomfield Hills, MI 48304	Chris Theut Senior Vice President Kyle Rademaker Vice President	(248) 645-4173 (248) 645-4171	ctheut@comerica.com ksrademaker@comerica.com
FHN Financial Capital Markets 920 Memorial City Way 11th Floor Houston, TX 77024	John Buddy Saragusa Vice President Zach Brewer Senior Vice President	(713) 435-4475 (817) 471-7646 C (713) 435-4351 (281) 642-4350 C	buddy.saragusa@fhnfinancial.com zach.brewer@fhnfinancial.com
Fifth Third Securities 424 Church Street Suite 600 Nashville, TN 37219	John Herald Executive Director Dawn Edmondson Director	(615) 687-3072 (931) 330-2672 C	john.herald@53.com dawn.edmondson@53.com
Great Pacific Securities 151 Kalmus Drive Suite H-8 Costa Mesa, CA 92626	Garrett Ng Account Executive Christopher Vinck-Luna CEO	(714) 619-3000 (808) 457-7528 C	gng@greatpac.com cvinck@greatpac.com
Hilltop Securities Inc. 1201 Elm Street Suite 3500 Dallas, TX 75270	Gilbert Ramon Vice President	(713) 654-8606 (713) 724-4178 C	gilbert.ramon@hilltopsecurities.com
RBC Capital Markets LLC 200 Vesey Street New York, NY 10281	Reid Christianson Vice President - Sales Michael Meyer Director - Sales	(212) 847-8741	reid.christianson@rbc.com michael.a.meyer@rbc.com
Stifel Nicolaus & Co., Inc. 100 Motor Parkway 2nd Floor Hauppauge, NY 11788	Luke Donenfeld Director of Sales Mark Davidoff Managing Director	(631) 656-4471 (917) 846-8398 C	ldonenfeld@stifel.com mdavidoff@stifel.com
The Baker Group 1601 NW Expressway 20th Floor Oklahoma City, OK 73118	Rick Hansing Managing Director	(405) 415-7237 (800) 998-8392	rick@gobaker.com
Wells Fargo Securities, LLC 1445 Ross Avenue Suite 210 Dallas, TX 75202	Susan Ward Sales Representative Pamela Steuben Sales Assistant	(214) 740-1586 (214) 777-4078	wardst@wellsfargo.com pamela.K.Steuben@wellsfargo.com
East West Bank 9090 Katy Freeway 3rd Floor Houston, TX 77024	Jia Li Client Service Lead Esau C. Liu Senior Vice President	(832) 973-8934 (281) 386-1889 C (832) 973-8938	jia.li@eastwestbank.com esau.liu@eastwestbank.com
NexBank 2515 McKinney Avenue Suite 1100 Dallas, TX 75201	Mary Lewis Senior Vice President Matt Kucholtz Senior Vice President	(512) 560-2687	mary.lewis@nexbank.com matt.kucholtz@nexbank.com
Texas Security Bank 1212 Turtle Creek Boulevard Dallas, TX 75207	Christian Garcia Treasury Mgmt Specialist Jasmine Evans Vice President	(469) 398-4817 (469) 398-4816	christian.garcia@texassecuritybank.com jasmine.evans@texassecuritybank.com
Texas Class 2435 N. Central Expressway Suite 1200 Richardson, TX 75080	Karen Proctor Regional Director	(214) 473-4224	karen.proctor@texasclass.com
TexPool Participant Services 1001 Texas Avenue Suite 1400 Houston, TX 77002	Denise Hamala Unit Manager	(866) 839-7665	dhamala@federatedinv.com
TexSTAR/LOGIC 1201 Elm Street Suite 3500 Dallas, TX 75270	Mary Ann Dunda Managing Director	(214) 953-4086	maryann.dunda@hilltopsecurities.com

2025 City Council Regular Meeting **4. e.**

Meeting Date: 10/28/2025

Department: Public Works

Key Focus Areas: Public Safety
Infrastructure Development and Maintenance

AGENDA CAPTION:

Consider action on a Resolution approving an agreement between the Town of Addison and Kleen Pipe Underground Pipe Maintenance for the repair and cleaning of stormwater pipe and authorizing the City Manager to execute the agreement in an amount not to exceed $211,068.

BACKGROUND:

The purpose of this item is to approve an agreement with Kleen Pipe Underground Pipe Maintenance to repair and clean issues found during the Addison Circle and South Addison Drainage Basins Assessment, conducted in FY 2025. This is the fourth of eight basins to have the Stormwater Assessment Program completed. Following inspections completed during the Addison Circle and South Addison Drainage Basins Assessment, there were issues discovered that need to be repaired. The repair of these issues involves the installation of pipe patch repairs to storm pipes through non-destructive means.

These services will be purchased through BuyBoard, a state-wide collective purchasing agency that bids out services and products for its members to provide the leverage needed for better pricing on products, equipment, and services. Kleen Pipe is one of the only contractors who will perform this type of work and has been the contractor used for this same type of work in the past. The Buyboard is a competitive process in which multiple bids are received at once. This expedites the process as multiple bids are not required.
Advertisements are placed in 11 newspapers across Texas once a week for two weeks. The proposal invitation and specification document are posted to the website at www.vendor.buyboard.com. Vendors registered with BuyBoard are notified via e-mail regarding the proposal opportunity. Electronic vendor responses are then received. Vendor responses received after the due date and time are not opened. Once the timely proposals received are reviewed, tabulated, and analyzed based on the criteria outlined in the proposal terms and conditions. A scoring matrix is used to rank the criteria. Recommendations are prepared and presented to the Cooperative Board for consideration of the award.

FISCAL IMPACT

This project was approved as a recurring annual decision package as a part of the FY 2024 budget process and is budgeted in the FY 2026 Stormwater Operations and Maintenance budget.

RECOMMENDATION

Administration recommends approval.

Attachments

Resolution - FY25 Assessment Stormwater Repairs (Kleen Pipe)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING AN AGREEMENT WITH KLEEN PIPE, INC. FOR STORMWATER INFRASTRUCTURE REPAIR SERVICES IN AN AMOUNT NOT TO EXCEED $211,068.00; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council desires to authorize an agreement with Kleen Pipe, Inc. for stormwater infrastructure repair services in conformance with Kleen Pipe Estimate #EST-7644.

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

SECTION 1. The City Council hereby approves a contractor agreement between the Town of Addison and Kleen Pipe, Inc. in an amount not-to-exceed of $211,068.00, a copy of which is attached to this Resolution as **Exhibit A**. The City Manager is hereby authorized to execute the agreement.

SECTION 2. This Resolution shall take effect from and after its date of adoption.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on the ***28th*** day of ***October,*** 2025.

TOWN OF ADDISON, TEXAS

_____
Bruce Arfsten, Mayor

ATTEST:

_____
Valencia Garcia, City Secretary

CONTRACT SERVICES AGREEMENT
Stormwater Infrastructure Repair Services
BuyBoard Contract #730-24

This Contract Services Agreement ("Agreement") is made by and between the **Town of Addison, Texas** ("City"), and **Kleen Pipe, LLC.** (**"**Contractor") (each a "party" and collectively the "parties"), acting by and through their respective authorized representatives.

RECITALS

WHEREAS, City desires to engage Contractor to perform certain work and services, hereinafter referred to only as "services", as further specified in the Scope of Services defined in Section 1 of this Agreement; and

WHEREAS, Contractor has expressed a willingness to perform said services in conformance with this Agreement.

NOW, THEREFORE, for and in consideration of the covenants and promises made one to the other herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. Scope of Services

Upon notice to proceed by City, Contractor agrees to provide the necessary services, labor, materials, equipment and supplies related to the stormwater infrastructure repair services more fully described herein and pursuant to the Contract Documents and Contractor's Proposal attached as **Exhibit A**. Contractor shall not be entitled to any claim for extra services, additional services or changes in the services, except as expressly authorized in writing in advance by City.

Section 2. Term of Agreement

The term of this Agreement shall begin on the last date of execution hereof (the "Effective Date") and shall continue until Contractor completes the services required herein to the satisfaction of City and has been paid in full by City, unless sooner terminated in conformance with this Agreement.

Section 3. Contract Documents

This Agreement is a part of the "Contract Documents", which include:

(1) This Agreement, including all exhibits and addenda hereto;
(2) City's solicitation for bids for BuyBoard #730-24;
(3) City's written notice(s) to proceed to the Contractor;
(4) Contractor's Estimate and Scope of Work attached as **Exhibit A**;
(5) Properly authorized change orders; and
(6) Any other materials distributed by the City that relate to the services.

In the event there exists a conflict between any term, provision and/or interpretation of the Contract Documents, the documents shall take precedent and control in the order listed above in this section. If discrepancies are found that may impact construction of the services, it shall be the Contractor's obligation to seek clarification as to which requirements or provisions control before undertaking any work on that

component of the services. Should the Contractor fail or refuse to seek a clarification of such conflicting or inconsistent requirements or provisions prior to any work on that component of the services, the Contractor shall be solely responsible for the costs and expenses - including additional time - necessary to cure, repair and/or correct that component of the services.

Section 4. Contractor's Obligations

(a) Performance of Services. Contractor shall furnish and pay for all labor, tools, materials, equipment, supplies, transportation and management necessary to perform the services. To the extent reasonably necessary, Contractor may engage the services of any agents, assistants, or other persons that Contractor may deem proper to assist in the performance of the services under this Agreement; provided, that Contractor shall be responsible for all costs related thereto, except as expressly authorized in writing in advance by City.

(b) Standard of Care. Contractor shall perform the services with the skill and care ordinarily provided by competent Contractors practicing in the same or similar locality and under the same or similar circumstances. Contractor shall be responsible for the Contractor quality, technical accuracy, and the coordination of all services under this Agreement. Without additional compensation, the contractor shall correct or revise any errors or deficiencies in the services. Contractor shall further make, without expense to City, such revisions to the services as may be required to meet the needs of City and which are within the Scope of Services.

(c) City Directives. Contractor shall comply with and timely execute the City's directives in all matters related to the operation of the City's special events parking including, without limitation, operating procedures, security, traffic control, hours of operation, locations and priority of space assignments, space markings, and general customer service matters. Contractor acknowledges that the parking areas identified in the Contract Documents may vary from time to time and that City retains sole discretion to determine the actual location of the parking areas for all City events.

(d) Customer Claims and Complaints. Contractor shall investigate and report to the City, in a manner satisfactory to the City, all complaints and all claims made for loss of or damage to vehicles or other property related to the services. If any written complaint with respect to Contractor's services under this Agreement is delivered to the Contractor, Contractor agrees that it will deliver a copy of the complaint to the City within twenty-four (24) hours after Contractor's receipt of the complaint and will promptly prepare a response for the City to review, making a good-faith attempt to explain, resolve, or rectify the cause of the complaint. The City reserves the right to respond to such complaint directly.

(e) Additional Services. Should City require additional services not included under this Agreement, Contractor shall make reasonable effort to provide such additional services at mutually agreed charges or rates, and within the time schedule prescribed by City; and without decreasing the effectiveness of the performance of services required under this Agreement.

(f) No Waiver of City's Rights. Neither City's review, approval/acceptance of, nor payment for any of the services required under this Agreement, shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and Contractor shall be and remain liable to City in accordance with applicable law for all damages to City caused by Contractor's negligent performance of any of the services furnished under this Agreement.

(g) Independent Contractor. It is understood and agreed by and between the parties that Contractor, while performing under this Agreement, is acting independently, and that City assumes no

responsibility or liabilities to any third party in connection with Contractor's actions. All services to be performed by Contractor pursuant to this Agreement shall be in the capacity of an independent contractor, and not as an agent or employee of City. Contractor shall supervise the performance of its services and shall be entitled to control the manner and means by which its services are to be performed, subject to the terms of this Agreement. There is no intended third-party beneficiary to this Agreement.

(h) Inspection of Records. Contractor grants City and its designees the right to audit, examine or inspect, at City's election, all of Contractor's Records relating to the performance of services under this Agreement, during the term of the Agreement and any retention period herein. City's audit, examination or inspection of Contractor's Records may be performed by a City designee, which may include its internal auditors or an outside representative engaged by City. Contractor agrees to retain Contractor's Records for a minimum of four (4) years following termination of the Agreement, unless there is an ongoing dispute under the contract; then, such retention period shall extend until final resolution of the dispute. "Contractor's Records" shall include any and all information, materials and data of every kind and character generated as a result of the services under this Agreement. City agrees that it will exercise its right to audit, examine or inspect Contractor's Records only during regular business hours. Contractor agrees to allow City and its designees access to all of Contractor's Records, Contractor's facilities and the current or former employees of Contractor, deemed necessary by City or its designee(s), to perform such audit, inspection or examination.

(i) Confidential Information. Contractor agrees it will notify City in writing if it considers specific information to be confidential or proprietary trade secrets and will use its best efforts to clearly mark all such information as "Confidential" and/or "Proprietary – Trade Secret" at the time it is delivered or made accessible to City. City acknowledges that all such designated information is considered by Contractor to be confidential and the exclusive property of Contractor. Notwithstanding the foregoing, Contractor acknowledges that this Agreement, and all services performed hereunder, are subject to the legal requirements of the Texas Public Information Act and that City will have no obligation to protect or otherwise limit disclosure of any confidential or proprietary information if Contractor has not notified City of such designation in conformance with this section. Contractor agrees and covenants to protect any and all proprietary rights of City in any materials provided to Contractor. Additionally, any materials provided to Contractor by City shall not be released to any third party without the consent of City and shall be returned intact to City upon termination or completion of this Agreement or if instructed to do so by City. In the event City delivers to Contractor information that it has expressly marked "Confidential" or has notified Contractor is confidential or is the proprietary information of a third-party, Contractor agrees it shall not disclose to anyone directly or indirectly during the term of this Agreement or at any time thereafter, any such information, nor shall it use any such information for any purpose other than in connection with Contractor's performance of the services under this Agreement. Contractor shall further, at its own expense, defend all suits or proceedings instituted against City and pay any award of damages or loss resulting from an injunction, against City, insofar as the same are based on any claim that materials or services provided under this Agreement constitute an infringement of any patent, trade secret, trademark, copyright or other intellectual property rights.

(j) Certification of No Conflicts. Contractor hereby warrants to the City that Contractor has made full disclosure in writing of any existing or potential conflicts of interest related to Contractor's services under this Agreement. In the event that any conflicts of interest arise after the Effective Date of this Agreement, Contractor hereby agrees immediately to make full disclosure to the City in writing.

Section 5. Performance Schedule

(a) Time for Performance. Contractor shall perform all services as provided for under this Agreement in a proper, efficient, timely, and Contractor manner in accordance with City's requirements. In the event Contractor's performance of this Agreement is delayed or interfered with by acts of the City or others, Contractor may request an extension of time in conformance with this Section 5 for the performance of same as hereinafter provided but shall not be entitled to any increase in fee or price, or to damages or additional compensation as a consequence of such delays.

(b) Extensions; Written Request Required. No allowance of any extension of time, for any cause whatever (including an event of Force Majeure as defined herein below), shall be claimed or made to Contractor, unless Contractor shall have made written request upon City for such extension within forty-eight (48) hours after the cause for such extension occurred, and unless City and Contractor have agreed in writing upon the allowance of additional time to be made.

Section 6. Payment.

(a) Payment Terms. City agrees to pay Contractor for all services authorized in writing and properly performed by Contractor in general conformance with Contractor's Proposal, attached hereto as **Exhibit A**. Unless otherwise agreed by the parties, all payments to Contractor by City shall be based on detailed monthly invoices submitted by Contractor for work performed and accepted by City, less any previous payments. Payment will be due within 30 days of the City's receipt and acceptance of an approved invoice. Notwithstanding the foregoing, City reserves the right to delay, without penalty, any payment to Contractor when, in the opinion of City, Contractor has not made satisfactory progress on any component of the services described in the Scope of Services

(b) Compensation. Contractor's total compensation for the services under this Agreement shall not exceed $ 211,068 (the "Contract Price"), subject to the parties' mutual agreement for Contractor to provide additional services in conformance with this Agreement. City may deduct from any amounts due or to become due to Contractor any sum or sums owing by Contractor to City. In the event of any breach by Contractor of any provision or obligation of this Agreement, or in the event of the assertion by other parties of any claim or lien against City, or City's premises, arising out of Contractor's performance of this Agreement, City shall have the right to retain out of any payments due or to become due to Contractor an amount sufficient to completely protect City from any and all reasonably anticipated loss, damage or expense therefrom, until the breach, claim or lien has been satisfactorily remedied or adjusted by Contractor.

(c) Appropriation of Funding. All payments made hereunder shall be paid solely from lawfully available funds appropriated by City. Under no circumstances shall City's obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Consequently, notwithstanding any other provision of this Agreement, the City shall have no obligation or liability to pay any amount due under this Agreement unless the City appropriates funds to make such payment during the budget year in which said amount is payable; provided that during the term of this Agreement City will take such steps as necessary to appropriate funding for the Project each fiscal year in an amount sufficient to satisfy the reasonably anticipated payment(s) that will become due to Contractor during the ensuing fiscal year. City shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by the Contractor. None of the City's obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

Section 6. **Default; Force Majeure**

(a) Default; Notice to Cure. A party shall be deemed in default under this Agreement if the party is in breach of a material provision of this Agreement and said breach is not cured within fifteen (15) days written notice of default by the other party. In the event the breaching party has notified the other party in writing that it is diligently working to cure the breach and has provided reasonable evidence in support of the same, the breaching party shall not be deemed in default until the thirtieth (30^{th}) day following the non-breaching party's notice of default.

(b) Default by Contractor. In addition to default under Section 6(a) above, Contractor shall be in default under this Agreement if Contractor fails to comply or becomes disabled and unable to comply with the provisions of this Agreement related to Contractor's performance of the services, including the quality or character of the services or time of performance for any material component of the services. If such default is not corrected within ten (10) days from the date of City's written notice to Contractor regarding the same, City may, at its sole discretion without prejudice to any other right or remedy:

(i) Terminate this Agreement and be relieved of the payment of any further consideration to Contractor except for all services determined by City to be satisfactorily completed prior to termination. Payment for services satisfactorily completed shall be for actual costs, including reasonable salaries and travel expenses of Contractor to and from meetings called by City at which Contractor is required to attend, but shall not include any loss of profit of Contractor. In the event of such termination, City may proceed to complete the services in any manner deemed proper by City, either by the use of its own forces or by re-subletting to others; or

(ii) City may, without terminating this Agreement or taking over the services, furnish the necessary labor, materials, equipment, supplies and/or assistance necessary to remedy the situation, at the expense of Contractor.

(c) Force Majeure. To the extent either party of this Agreement shall be wholly or partially prevented from the performance of any obligation or duty placed on such party by reason of or through work strikes, stoppage of labor, riot, fire, flood, acts of war, insurrection, court judgment, or a government restriction, quarantine or mandatory closure order enacted in response to a pandemic or other public health crises, or other specific cause reasonably beyond the parties control and not attributable to its malfeasance, neglect or nonfeasance (each an event of "Force Majeure"), the time for performance of such obligation (other than a payment obligation) may be extended for a period equal to the time lost by reason such event, provided, that the party complies with the provisions of this section. Specifically, the party asserting Force Majeure (i) shall give prompt notice to the other party of the prevention of performance as soon as the asserting party is reasonably aware of such prevention, and (ii) has the burden of demonstrating (A) how and why their performance was so prevented, (B) the period of time during which they were so prevented from performing (which under the facts may be equal to, or shorter or longer than, the duration of the Force Majeure event itself), and (C) that the party used commercially reasonable efforts to mitigate and/or eliminate such prevention and resumed performance under this Agreement as soon as reasonably practicable.

Section 7. Termination; Suspension

(a) Termination Upon Default. Either party may terminate this Agreement upon written notice if the other party is in default of this Agreement, subject to the defaulting party's right to cure in conformance with the terms of this Agreement.

(b) Termination by City. City shall be entitled to terminate this Agreement, with or without cause, by providing thirty (30) days prior written notice to Contractor.

(c) Termination Following Request for Modification. Should City require a modification of this Agreement with Contractor, and in the event City and Contractor fail to agree upon a modification to this Agreement, City shall have the option of terminating this Agreement and Contractor's services hereunder at no additional cost other than the payment to Contractor, in accordance with the terms of this Agreement, for the services reasonably determined by City to be properly performed by Contractor prior to such termination date.

(d) Suspension. City reserves the right to suspend this Agreement for the convenience of City by issuing a written notice of suspension which shall describe City's reason(s) for the suspension and the expected duration of the suspension. Such expected duration shall, in no way, guarantee what the total number of days of suspension shall occur. Such suspension shall take effect immediately upon Contractor's receipt of said notice. Should such suspension extend past the expected duration identified by City in its latest notice of suspension, Contractor shall have the right to terminate this Agreement if Contractor if (i) Contractor provides not less than thirty (30) days prior written notice to City requesting to recommence the services, and (ii) City does not recommence the services within the time requested.

Section 8. Insurance

Contractor shall during the term hereof maintain in full force and effect all policies of insurance reasonably required by City. Contractor's obligation to provide acceptable certificates of insurance is a material condition of this Agreement, and services under this Agreement shall not commence until certificates of insurance have been received, reviewed, and accepted by City. The minimum coverages and limits of liability for the policies of insurance required under this Agreement are maintained by and accessible through the City's purchasing department.

Section 9. Indemnification; Notice.

CITY SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE, OR INJURY OF ANY KIND OR CHARACTER TO ANY PERSON OR PROPERTY ARISING FROM THE SERVICES OF CONTRACTOR PURSUANT TO THIS AGREEMENT. CONTRACTOR HEREBY WAIVES ALL CLAIMS AGAINST CITY, ITS OFFICERS, AGENTS AND EMPLOYEES (COLLECTIVELY REFERRED TO IN THIS SECTION AS "CITY INDEMNITEES") FOR DAMAGE TO ANY PROPERTY OR INJURY TO, OR DEATH OF, ANY PERSON ARISING AT ANY TIME AND FROM ANY CAUSE OTHER THAN THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE CITY INDEMNITEES. CONTRACTOR AGREES TO INDEMNIFY AND SAVE HARMLESS THE CITY INDEMNITEES FROM AND AGAINST ANY AND ALL LIABILITIES, DAMAGES, CLAIMS, SUITS, COSTS (INCLUDING COURT COSTS, REASONABLE ATTORNEYS' FEES AND COSTS OF INVESTIGATION) AND ACTIONS OF ANY KIND BY REASON OF INJURY TO OR DEATH OF ANY PERSON OR DAMAGE TO OR LOSS OF PROPERTY TO THE EXTENT CAUSED BY THE NEGLIGENT PERFORMANCE OF SERVICES UNDER THIS AGREEMENT OR BY REASON OF ANY NEGLIGENT ACT OR OMISSION ON THE PART OF CONTRACTOR, ITS OFFICERS, DIRECTORS, SERVANTS, EMPLOYEES, REPRESENTATIVES, CONSULTANTS, LICENSEES, SUCCESSORS OR PERMITTED ASSIGNS (EXCEPT WHEN SUCH LIABILITY, CLAIMS, SUITS, COSTS, INJURIES, DEATHS OR DAMAGES ARISE FROM OR ARE ATTRIBUTED TO THE NEGLIGENCE OR WILFUL MISCONDUCT OF A CITY INDEMNITEE, IN WHOLE OR IN PART, IN WHICH CASE CONTRACTOR SHALL INDEMNIFY THE CITY INDEMNITEE TO THE EXTENT OR

PROPORTION OF NEGLIGENCE ATTRIBUTED TO CONTRACTOR, ITS OFFICERS, AGENTS, OR EMPLOYEES AS DETERMINED BY A COURT OR OTHER FORUM OF COMPETENT JURISDICTION).

Notices of Claim. Contractor shall promptly advise City in writing of any claim or demand against the City, related to or arising out of Contractor's acts or omissions under this Agreement and shall see to the investigation and defense of such claims or demand at Contractor's sole cost and expense; provided, that City, at its option and at its own expense, may participate in such defense without relieving Contractor of any of its obligations hereunder. Contractor's obligations under this section shall not be limited to the limits of coverage of insurance maintained or required to be maintained by Contractor under this Agreement.

THE PROVISIONS OF THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT FOR A PERIOD OF FOUR (4) YEARS.

Section 10. Notice.

All notices required by this Agreement shall be in writing and addressed to the parties at the addresses set forth on the first page of this Agreement (or to such other address that may be designated by the receiving party from time to time in accordance with this section). All notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), or e-mail of a PDF document (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a notice is effective only (a) upon receipt by the receiving party, and (b) if the party giving the notice has complied with the requirements of this section.

Section 11. **Verifications by Contractor**

Contractor's execution of this Agreement shall serve as its formal acknowledgement and written verification that:

(a) if the requirements of Subchapter J, Chapter 552, Government Code, apply to this Agreement and Contractor agrees that the Agreement can be terminated if Contractor knowingly or intentionally fails to comply with a requirement of that subchapter;

(b) pursuant to Texas Government Code Chapter 2270, that Contractor's organization does not presently boycott Israel and will not boycott Israel during the term of this Agreement; and

(c) pursuant to Texas Government Code Chapter 2251, that Contractor's organization does not currently discriminate against firearm and ammunition industries and will not for the term of the contract. Discriminating means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with the firearm or ammunition industry or with a person or entity doing business in the firearm or ammunition industry, but does not include an action made for ordinary business purposes.

Section 12. **Miscellaneous**

(a) Contractor shall not assign or sublet this Agreement, in whole or in part, without the prior written consent of City. (b) Contractor shall comply with all federal, state, county and municipal laws, ordinances, resolutions, regulations, rules, and orders applicable to the services under this Agreement. (c) The laws of the State of Texas shall govern this Agreement; and venue for any action concerning this

Agreement shall be in the state district courts of Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said courts. (d) This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and there are no oral understandings, statements or stipulations bearing upon the meaning or effect of this Agreement which have not been incorporated herein. (e) The exhibits attached hereto, if any, are incorporated herein and made a part hereof for all purposes. (f) Unless expressly provided otherwise herein, this Agreement may only be modified, amended, supplemented or waived by a mutual written agreement of the parties. (g) In the event 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 provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it. (h) Any of the representations and obligations of the parties, as well as any rights and benefits of the parties pertaining to a period of time following the termination of this Agreement shall survive termination. (i) This Agreement may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of any number of copies hereof each signed by less than all, but together signed by all of the parties. (j) Each party represents that it has full capacity and authority to grant all rights and assume all obligations granted and assumed under this Agreement. (k) Subject to the provisions regarding assignment, this Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors and assigns.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK -
SIGNATURE PAGE FOLLOWS]

The parties have executed and delivered this Agreement as of the Effective Date.

For City:	For Contractor:
TOWN OF ADDISON, TEXAS	KLEEN PIPE, LLC.
By:_____	By:_____
David Gaines City Manager	Michael Janczak President/CEO
Date: _____	Date: Oct 15, 2025
Notice Address:	Notice Address:
Town of Addison Attn: David Gaines, City Manager P.O. Box 9010 Addison, Texas 75254 E: dgaines@addisontx.gov	Kleen Pipe, LLC. Attn: Michael Janczak 11729 E FM 917 Alvarado, Texas 76009 E:mjanczak@kleenpipe.com

KLEEN PIPE
UNDERGROUND PIPE MAINTENANCE

ESTIMATE

 # EST-7644

11729 E FM 917
Alvarado, Texas 76009

817-779-4262
www.kleenpipe.com

Bill To:
City of Addison
16801 Westgrove Dr.
Addison, Texas 75001

Estimate Date : 08/01/2025
Attn : Buy Board #730-24
Job : Clean and CCTV, Pipe Patches

Description	Qty	Rate	Amount
Scope of Service - Clean, CCTV and installation of multiple 18"-39" Pipe Patches as directed. The rates are per Pipepatch Installation to include materials, equipment, line pre-cleaning, Pre/Post CCTV and labor. Buy Board #730-24	1.00 Ea	0.00	0.00
18"-21" x 48" Pipepatch "No Dig" Pipe Repair; includes all materials, equipment, line pre-cleaning, Pre/Post CCTV and labor for Eight (8) 18"-21" x 48" L Pipepatch repair installation	8.00 Ea	9,772.00	78,176.00
24" x 48" Pipepatch "No Dig" Pipe Repair; includes all materials, equipment, line pre-cleaning, Pre/Post CCTV and labor for Three (3) 24" x 48" L Pipepatch repair installation	3.00 Ea	11,305.00	33,915.00
30"-36"" x 48" Pipepatch "No Dig" Pipe Repair; includes all materials, equipment, line pre-cleaning, Pre/Post CCTV and labor for Two (2) 30"-36" x 48" L Pipepatch repair installation	2.00 Ea	14,768.00	29,536.00
39"-42" x 48" Pipepatch "No Dig" Pipe Repair; includes all materials, equipment, line pre-cleaning, Pre/Post CCTV and labor for One (1) 39"-42" x 48" L Pipepatch repair installation	1.00 Ea	18,341.00	18,341.00
Traffic Control - Allowance for third party Traffic Control to include design and drawings, all equipment and safety items, setup/takedown, and labor. TC will be determined and assigned based on each proposed Pipepatch (qty 14) location as identified by client.	14.00 Ea	3,650.00	51,100.00
		Sub Total	211,068.00
		Total	**$211,068.00**

Kleen Pipe Standard Terms & Conditions

Client to provide access to additional water source; Spoils to be dumped and washed out onsite unless otherwise noted; KP will arrange for disposal and water upon request, at an additional cost. Rates exclude any Bypass or plug requirements. Backfilling HX trench work and/or safety measures beyond stakes and caution tape excluded but available at an additional cost.

Traffic control beyond cones (if applicable) is available at an additional cost (otherwise traffic control is client responsibility).

Client will provide clear and adequate access to all working locations and pipe access points. Client will faciliate and manage any access challenges as needed with local personnel, property owners, etc. Any delays or problems with access not related to KP may be subject to standard "Stand By" rates or return charges when applicable.

Hourly rates are port to port unless otherwise noted, including disposal and decontamination of equipment; Overtime rates apply after eight (8) hours, after 5:00pm on weekdays; or on weekends.

All hourly quoted work will be invoiced on actual Time and Material basis unless noted above (4 hr onsite minimum applies); All LF quotes will be invoiced at the actual distance completed (a minimum LF charge will be applicable when noted). All lines not completed but do include a reverse attempt will be considered complete and invoiced in total.

Client agrees other charges incurred but not listed above or added during the job will be invoiced at normal KP rates.

KP will provide base level insurance coverage and associated COI to client as required and/or requested; Additional insurance coverage, bonding, or other that exceeds KP standard levels will be prorated and invoiced accordingly

Standard terms are NET 30 days from the date of the invoice. Owner/Client must provide sales tax exemption certificate prior to job start, if applicable, otherwise local and state level tax rate will apply. All Sales are Final.

I am authorized to sign on behalf of City of Addison and as such accept this estimate # EST-7644 and agree to the terms and conditions as set forth above:

Signature: _____ Date: _____

Printed Name and Title: _____

2025 City Council Regular Meeting **4. f.**

Meeting Date: 10/28/2025

Department: Public Works

Key Focus Areas: Infrastructure Development and Maintenance

AGENDA CAPTION:

Consider action on a Resolution approving an agreement between the Town of Addison and Halff Associates, Inc. for Farmers Branch Creek Drainage Basin Stormwater Infrastructure Assessment and authorizing the City Manager to execute the agreement in an amount not to exceed $271,000.

BACKGROUND:

The purpose of this item is to approve a Professional Services Agreement (PSA) with Halff Associates, Inc. for stormwater infrastructure condition assessment of the Farmers Branch Creek Drainage Basin. During the FY 2024 budget process, a recurring decision package for $350,000 was approved to perform two functions:

- The routine maintenance of the Town's stormwater infrastructure, and
- The inspection of each of the eight (8) drainage basins on an annual rotation.

This assessment will identify infrastructure that requires cleaning and / or repairs. The general scope of this PSA includes:

- Television inspection of storm drains via CCTV
- Access point inspections
- Recommendations for corrective action
- Stormwater system repair summaries
- GIS update to match actual field-verified assets

The Farmers Branch Creek Drainage Basin consists of approximately 35,000 linear feet of storm drains, 13 manholes, 165 inlets, and one headwall.

When the Stormwater Assessment Program was approved as a recurring annual decision package as a part of the FY 2024 budget process, the engineering professional was selected based on qualifications as it was an Engineering procurement item. Halff Associates was chosen for its industry expertise, excellent reputation, and proven track record with the Town. Halff completed the Stormwater Master Plan for the Town to identify capital improvement projects in 2017. The Town has chosen to continue with Halff as the engineering professional based on their knowledge, expertise, and familiarity of the work to be performed for the Annual Stormwater Assessment Program. They have also performed the previous three assessments.

FISCAL IMPACT

During the FY 2024 budget process, a recurring decision package for $350,000 was approved for the routine maintenance of the Town's stormwater infrastructure and inspection of each of the eight drainage basins on an annual rotation.

The funding for these services will come out of the FY26 Stormwater Operations and Maintenance Budget.

RECOMMENDATION

Administration recommends approval.

Attachments

Resolution - Farmers Branch Creek Basin Assessment (Halff)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING AN AGREEMENT WITH HALFF ASSOCIATES, INC. FOR STORMWATER ASSESSMENT OF FARMER'S BRANCH CREEK BASIN IN AN AMOUNT NOT TO EXCEED $271,000.00; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council desires to authorize an agreement with Halff Associates, Inc. for Stormwater Assessment of Farmer's Branch Creek Basin in conformance with the City's requirements.

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

SECTION 1. The City Council hereby approves the agreement between the Town of Addison and Halff Associates, Inc. in an amount not-to-exceed of $271,000.00, a copy of which is attached to this Resolution as **Exhibit A**. The City Manager is hereby authorized to execute the agreement.

SECTION 2. This Resolution shall take effect from and after its date of adoption.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on this the ***28th*** day of ***OCTOBER***, 2025.

TOWN OF ADDISON, TEXAS

Bruce Arfsten, Mayor

ATTEST:

Valencia Garcia, City Secretary

PROFESSIONAL SERVICES AGREEMENT
STORMWATER ASSESSMENT OF FARMER'S BRANCH CREEK BASIN

This Professional Services Agreement (Agreement") is made by and between the **Town of Addison, Texas** (City"), and **Halff Associates, Inc.** ("Professional") (each a party" and collectively the parties"), acting by and through their respective authorized representatives.

RECITALS

WHEREAS, City desires to engage Professional to perform certain work and services, hereinafter referred to only as "services", as further specified in the Scope of Services defined in Section 1 of this Agreement; and

WHEREAS, Professional has expressed a willingness to perform said services in conformance with this Agreement.

NOW, THEREFORE, for and in consideration of the covenants and promises made one to the other herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. Scope of Services

Upon written notice to proceed by City, Professional agrees to provide to City Stormwater Assessment of Farmer's Branch Creek Basin (Project"), as set forth in the Scope of Services attached hereto as **Exhibit "A"** and incorporated herein by reference (the Scope of Services"). Professional shall not be entitled to any claim for extra services, additional services or changes in the services without a written agreement with City prior to the performance of such services.

Section 2. Term of Agreement

The term of this Agreement shall begin on the last date of execution hereof (the Effective Date") and shall continue until Professional completes the services required herein and the City has accepted the same, unless sooner terminated as provided in this Agreement.

Section 3. Professional's Obligations

Performance of Services. Professional shall furnish and pay for all labor, tools, software, materials, equipment, supplies, transportation and management necessary to perform the services. To the extent reasonably necessary, Professional may engage the services of any agents, assistants, or other persons that Professional may deem proper to assist in the performance of the services under this Agreement; provided, that Professional shall be responsible for all costs related thereto, except as expressly authorized in writing in advance by City.

Site Access. City will endeavor to provide such rights of access on any project site as may be reasonably necessary for Professional to perform any necessary studies, surveys, tests or other required investigations in relation to the services; provided, that City shall have no obligation to (i) provide off-site access, (ii) provide access to private property for which City does not have an existing right to access, nor (ii) incur any costs associated with the access to be provided under this Agreement.

Standard of Care. Professional shall perform the services with the skill and care ordinarily provided by competent professionals practicing in the same or similar locality and under the same or

similar circumstances and professional licenses. Professional shall be responsible for the professional quality, technical accuracy, and the coordination of all services, including all Project Documents, designs, drawings, specifications, plans, reports, presentations and all other services furnished by Professional under this Agreement. Professional shall, without additional compensation, correct or revise any errors or deficiencies in the services. Professional shall further make, without expense to City, such revisions to the Project Documents as may be required to meet the needs of City and which are within the Professional's Scope of Services.

Additional Services. Should City require additional services not included under this Agreement, Professional shall make reasonable effort to provide such additional services in accordance with the fee schedule set forth in **Exhibit A**, and within the time schedule prescribed by City; and without decreasing the effectiveness of the performance of services required under this Agreement.

No Waiver of City's Rights. Neither City's review, approval, acceptance of, nor payment for any of the services required under this Agreement, shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and Professional shall be and remain liable to City in accordance with applicable law for all damages to City caused by Professional's negligent performance of any of the services furnished under this Agreement.

Independent Contractor. It is understood and agreed by and between the parties that Professional, while performing under this Agreement, is acting independently, and that City assumes no responsibility or liabilities to any third party in connection with Professional's actions. All services to be performed by Professional pursuant to this Agreement shall be in the capacity of an independent contractor, and not as an agent or employee of City. Professional shall supervise the performance of its services and shall be entitled to control the manner and means by which its services are to be performed, subject to the terms of this Agreement. There is no intended third-party beneficiary to this Agreement.

Inspection of Records. Professional grants City and its designees the right to audit, examine or inspect, at City's election, all of Professional's Records (defined below) relating to the performance of services under this Agreement, during the term of the Agreement and any retention period herein. City's audit, examination, or inspection of Professional's Records may be performed by a City designee, which may include its internal auditors or an outside representative engaged by City. Professional agrees to retain Professional's Records for a minimum of four (4) years following termination of the Agreement, unless there is an ongoing dispute under the contract; then, such retention period shall extend until final resolution of the dispute. "Professional's Records" shall include any and all information, materials and data of every kind and character generated in connection with the services under this Agreement. City agrees that it will exercise its right to audit, examine or inspect Professional's Records during regular business hours unless City has provided advance written notice of an alternate time. Professional agrees to allow City and its designees access to all of Professional's Records, Professional's facilities, and the current or former employees of Professional, to the extent deemed reasonably necessary by City or its designee(s), to perform such audit, inspection or examination.

Certification of No Conflicts. Professional hereby warrants to the City that Professional has made full disclosure in writing of any existing or potential conflicts of interest related to Professional's services under this Agreement. In the event that any conflicts of interest arise after the Effective Date of this Agreement, Professional hereby agrees immediately to make full disclosure to the City in writing.

Section 4. Performance Schedule

(a) Time for Performance. Professional shall perform all services as provided for under this Agreement in a proper, efficient, timely, and professional manner in accordance with City's requirements.

In the event Professional's performance of this Agreement is delayed or interfered with by acts of the City or others, Professional may request an extension of time in conformance with this Section 4 for the performance of same as hereinafter provided but shall not be entitled to any increase in fee or price, or to damages or additional compensation as a consequence of such delays.

(b) Extensions; Written Request Required. No allowance of any extension of time, for any cause whatever (including an event of Force Majeure as defined herein below), shall be claimed or made to Professional, unless Professional shall have made written request upon City for such extension within forty-eight (48) hours after the cause for such extension occurred, and unless City and Professional have agreed in writing upon the allowance of additional time to be made.

Section 5. Documents

Project Documents. All proposals, reports, studies, surveys, applications, drawings, plans, specifications, data, and other documents, whether in draft form or final form (including any electronic format) prepared by Professional and its employees, consultants, subcontractors, agents, or representatives (collectively referred to in this section as Professional) for the use and/or benefit of City in connection with this Agreement (Project Documents"). Professional shall be deemed the authors of their respective component of the Project Documents. Notwithstanding, upon payment by City as required by this Agreement, City shall own, have, keep and retain all rights, title and interest in and to all Project Documents, including all ownership, common law, statutory, and other reserved rights, including copyrights (except copyrights held by the Professional) in and to all Project Documents, whether in draft form or final form, which are produced at City's request and in furtherance of this Agreement. City shall have full authority to authorize any contractor(s), subcontractors, consultants, and material or equipment suppliers to reproduce applicable portions of the Project Documents to and for use in their execution of the services or for any other purpose. Acceptance and approval of the Project Documents by City shall not constitute nor be deemed a release of the responsibility and liability of Professional for the accuracy or competency of its designs, working drawings, specifications, or other documents; nor shall such approval be deemed to be an assumption of such responsibility by City for any defect in the designs, working drawings and specifications, or any other documents prepared by Professional.

Professional's Documents. All previously owned intellectual property of Professional, including but not limited to any computer software (object code and source code), tools, systems, equipment or other information used by Professional or its suppliers in the course of delivering the Services hereunder, and any know-how, methodologies or processes used by Professional to provide the services or protect deliverables to City, including without limitation, all copyrights, trademarks, patents, trade secrets and any other proprietary rights inherent therein and appurtenant thereto (Professional's Documents"), shall remain the sole and exclusive property of Professional. Notwithstanding, Professional agrees that City shall have the right to access to all such information and City is granted the right to make and retain copies of Professional's Documents. City acknowledges that any reuse of Professional's Documents without specific written verification or adaptation by Professional will be at City's sole risk and without liability or legal exposure to Professional.

Confidential Information. Professional agrees it will notify City in writing if it considers specific information to be confidential or proprietary trade secrets and will use its best efforts to clearly mark all such information as Confidential" and/or Proprietary Trade Secret" at the time it is delivered or made accessible to City. City acknowledges that all such designated information is considered by Professional to be confidential and the exclusive property of Professional. Notwithstanding the foregoing, Professional acknowledges that this Agreement, and all services performed hereunder, are subject to the legal requirements of the Texas Public Information Act and that City will have no obligation to protect or otherwise limit disclosure of any confidential or proprietary information if Professional has not notified

City of such designation in conformance with this section. Professional agrees and covenants to protect any and all proprietary rights of City (or other persons) in any materials provided to Professional by City. Additionally, any materials provided to Professional by City shall not be released to any third party without the consent of City and shall be returned intact to City upon termination or completion of this Agreement if instructed to do so by City. In the event City delivers to Professional any information that has been expressly marked Confidential" or has notified Professional is confidential or is the proprietary information of a third-party, Professional agrees it shall not disclose to anyone directly or indirectly during the term of this Agreement or at any time thereafter, any such information, nor shall it use any such information for any purpose other than as reasonably necessary in connection with Professional's performance of the services under this Agreement. Professional shall further, at its own expense, defend all suits or proceedings instituted against City and pay any award of damages or loss resulting from an injunction, against City, insofar as the same are based on any claim that materials or services provided under this Agreement constitute an infringement of any patent, trade secret, trademark, copyright or other intellectual property rights. Notwithstanding, the foregoing confidentiality obligations shall not extend to and nothing herein shall limit either party's right to disclose any information provided hereunder which: (i) was or becomes generally available to the public, other than as a result of a disclosure by the receiving party or its personnel; (ii) was or becomes available to the receiving party or its representatives on a non-confidential basis, provided that the source of the information is not bound by a confidentiality agreement or otherwise prohibited from transmitting such information by a contractual, legal, or fiduciary duty; (iii) was independently developed by the receiving party without the use of any confidential information of the disclosing party; or (iv) is required to be disclosed by applicable law or a court order.

Section 6. Payment

Compensation. Professional's compensation shall be as specified in the payment schedule set forth in **Exhibit A**; provided, that the total compensation under this Agreement shall not exceed TWO HUNDRED AND SEVENTY-ONE THOUSAND DOLLARS ($271,000.00).

Payment Terms. City agrees to pay Professional for all services authorized in writing and properly performed by Professional in general conformance with the fee schedule set forth in **Exhibit A**, subject to changes in the Scope of Services or additional services agreed upon in writing. Unless otherwise agreed in writing, all payments to Professional by City shall be based on detailed monthly invoices submitted by Professional for work performed and accepted by City, less any previous payments. Payment will be due within thirty (30) days of the City's receipt and acceptance of an approved invoice. Notwithstanding the foregoing, City reserves the right to delay, without penalty, any payment to Professional when, in the opinion of City, Professional has not made satisfactory progress on the Project as described in the Scope of Services.

Deductions. City, following written notice to Professional and affording Professional reasonable time and opportunity to investigate, refute or cure, may deduct from any amounts due or to become due to Professional any sum or sums owing by Professional to City. In the event of any breach by Professional of any provision or obligation of this Agreement, or in the event of the assertion by other parties of any claim or lien against City, or City's premises, arising out of Professional's performance of this Agreement, City shall have the right to retain out of any payments due or to become due to Professional an amount sufficient to completely protect City from any and all reasonably anticipated loss, damage or expense therefrom, until the breach, claim or lien has been satisfactorily remedied or adjusted by Professional.

Section 7. Default; Force Majeure

Default; Notice to Cure. A party shall be deemed in default under this Agreement if the party is in breach of a material provision of this Agreement and said breach is not cured within fifteen (15) days written notice of default by the other party. In the event the breaching party has notified the other party in

writing that it is diligently working to cure the breach and has provided reasonable written evidence in support of the same, the breaching party shall not be deemed in default until the thirtieth (30th) day following the non-breaching party's notice of default.

Default by Professional. In addition to default under Section 7(a) above, Professional shall be in default under this Agreement if Professional fails to comply or becomes disabled and unable to comply with the provisions of this Agreement related to Professional's performance of the services, including the quality or character of the services or time of performance for any material component of the services. If such default is not corrected within ten (10) days from the date of City's written notice to Professional regarding the same, City may, at its sole discretion without prejudice to any other right or remedy:

> Terminate this Agreement and be relieved of the payment of any further consideration to Professional except for all services determined by City to be satisfactorily completed prior to termination. Payment for work satisfactorily completed shall be for actual costs, including reasonable salaries and travel expenses of Professional to and from meetings called by City at which Professional is required to attend, but shall not include any loss of profit of Professional. In the event of such termination, City may proceed to complete the services in any manner deemed proper by City, either by the use of its own forces or by re-subletting to others; or
>
> City may, without terminating this Agreement or taking over the services, furnish the necessary labor, materials, equipment, supplies and/or assistance necessary to remedy the situation, at the expense of Professional.

Force Majeure. To the extent either party of this Agreement shall be wholly or partially prevented from the performance of any obligation or duty placed on such party by reason of or through stoppage of labor, acts of God, riot, fire, flood, acts of war, insurrection, court judgment, or a government restriction, quarantine or mandatory closure order enacted in response to a pandemic or other public health crises, or other specific cause reasonably beyond the party's control and not attributable to its malfeasance, neglect or nonfeasance (each an event of Force Majeure"), the time for performance of such obligation (other than a payment obligation) may be extended for a period equal to the time lost by reason such event, provided, that the party complies with the provisions of this section. Specifically, the party asserting Force Majeure (i) shall give prompt notice to the other party of the prevention of performance as soon as the asserting party is reasonably aware of such prevention, and (ii) has the burden of demonstrating: (1) how and why their performance was so prevented, (2) the period of time during which they were so prevented from performing (which under the facts may be equal to, or shorter or longer than, the duration of the Force Majeure event itself), and (3) that the party used commercially reasonable efforts to mitigate and/or eliminate such prevention and resumed performance under this Agreement as soon as reasonably practicable.

Section 8. Termination; Suspension

Termination Upon Default. Either party may terminate this Agreement upon written notice if the other party is in default of this Agreement, subject to the defaulting party's right to cure in conformance with the terms of this Agreement.

Termination by City. City shall be entitled to terminate this Agreement, with or without cause, by providing thirty (30) days prior written notice to Professional.

(a) Termination Following Request for Modification. Should City require a modification of this Agreement with Professional, and in the event City and Professional fail to agree upon a modification

to this Agreement, City shall have the option of terminating this Agreement and Professional's services hereunder at no additional cost other than the payment to Professional, in accordance with the terms of this Agreement, for the services reasonably determined by City to be properly performed by Professional prior to such termination date.

Suspension. City reserves the right to suspend this Agreement for the convenience of City by issuing a written notice of suspension which shall describe City's reason(s) for the suspension and the expected duration of the suspension. Such expected duration shall, in no way, guarantee what the total number of days of suspension shall occur. Such suspension shall take effect immediately upon Professional's receipt of said notice. Should such suspension extend past the expected duration identified by City in its latest notice of suspension, Professional shall have the right to terminate this Agreement if (i) Professional provides not less than thirty (30) days prior written notice to City requesting to recommence the services, and (ii) City does not recommence the services within the time requested.

Section 9. Insurance

Professional shall during the term hereof maintain in full force and effect all policies of insurance reasonably required by City. Professional's obligation to provide acceptable certificates of insurance is a material condition precedent to this Agreement, and services under this Agreement shall not commence until certificates of insurance have been received, reviewed, and accepted by City. The minimum coverages and limits of liability for the policies of insurance required for the specific services under this Agreement are maintained by and accessible through the City's purchasing department.

Section 10. Indemnification; Notice.

CITY SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE, OR INJURY OF ANY KIND OR CHARACTER TO ANY PERSON OR PROPERTY ARISING FROM THE SERVICES OF PROFESSIONAL PURSUANT TO THIS AGREEMENT. PROFESSIONAL HEREBY WAIVES ALL CLAIMS AGAINST CITY, ITS OFFICERS, AGENTS AND EMPLOYEES (COLLECTIVELY REFERRED TO IN THIS SECTION AS CITY INDEMNITEES") FOR DAMAGE TO ANY PROPERTY OR INJURY TO, OR DEATH OF, ANY PERSON ARISING AT ANY TIME AND FROM ANY CAUSE OTHER THAN THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE CITY INDEMNITEES. PROFESSIONAL AGREES TO INDEMNIFY AND SAVE HARMLESS THE CITY INDEMNITEES FROM AND AGAINST ANY AND ALL LIABILITIES, DAMAGES, CLAIMS, SUITS, COSTS (INCLUDING COURT COSTS, REASONABLE ATTORNEYS' FEES AND COSTS OF INVESTIGATION) AND ACTIONS OF ANY KIND BY REASON OF INJURY TO OR DEATH OF ANY PERSON OR DAMAGE TO OR LOSS OF PROPERTY TO THE EXTENT CAUSED BY THE NEGLIGENT PERFORMANCE OF SERVICES UNDER THIS AGREEMENT OR BY REASON OF ANY NEGLIGENT ACT OR OMISSION ON THE PART OF PROFESSIONAL, ITS OFFICERS, DIRECTORS, MANAGERS, EMPLOYEES, CONTRACTORS, SERVANTS, REPRESENTATIVES, CONSULTANTS, LICENSEES, SUCCESSORS OR PERMITTED ASSIGNS (EXCEPT WHEN SUCH LIABILITY, CLAIMS, SUITS, COSTS, INJURIES, DEATHS OR DAMAGES ARISE FROM OR ARE ATTRIBUTED TO THE NEGLIGENCE OR WILFUL MISCONDUCT OF A CITY INDEMNITEE, IN WHOLE OR IN PART, IN WHICH CASE PROFESSIONAL SHALL INDEMNIFY THE CITY INDEMNITEES TO THE EXTENT OR PROPORTION OF NEGLIGENCE ATTRIBUTED TO PROFESSIONAL, ITS OFFICERS, AGENTS, OR EMPLOYEES AS DETERMINED BY A COURT OR OTHER FORUM OF COMPETENT JURISDICTION).

Notices of Claim. Professional shall promptly advise City in writing of any claim or demand against the City, related to or arising out of Professional's acts or omissions under this Agreement and shall see to the investigation of such claims or demand at Professional's sole cost and expense; provided, that City, at its option and at its own expense, may participate in such investigation without relieving Professional of any of its obligations hereunder. Professional's obligations under this section shall not be limited to the limits of coverage of insurance maintained or required to be maintained under this Agreement.

THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR TERMINATION OF THIS AGREEMENT FOR A PERIOD OF FOUR (4) YEARS.

Section 11. Notice.

All notices required by this Agreement shall be in writing and addressed to the parties at the addresses set forth on the signature page(s) of this Agreement (or to such other address that may be designated by the receiving party from time to time in accordance with this section). All notices shall be delivered by (a) personal delivery, (b) certified or registered mail (in each case, return receipt requested, postage prepaid), (c) nationally recognized overnight courier (with all fees pre-paid), or (d) email of a pdf document containing the required notice. Such notice or document shall be deemed to be delivered or given, whether actually received or not, (i) when received if delivered or given in person, (ii) if sent by United States mail, three (3) business days after being deposited in the United States mail as set forth above, (iii) on the next business day after the day the notice or document is provided to a nationally recognized carrier to be delivered as set forth above, or (iv) if sent by email, the next business day. A confirmation of delivery report which reflects the time that the email was delivered to the recipient's last notified email address is prima facie evidence of its receipt by the recipient, unless the sender receives a delivery failure notification, indicating that the email has not been delivered to the recipient.

Section 12. Verifications by Professional

Professional's execution of this Agreement shall serve as its formal acknowledgement and written verification that:

if the requirements of Subchapter J, Chapter 552, Government Code, apply to this Agreement and Professional agrees that the Agreement can be terminated if Professional knowingly or intentionally fails to comply with a requirement of that subchapter;

pursuant to Texas Government Code Chapter 2270, that Professional's organization does not presently boycott Israel and will not boycott Israel during the term of this Agreement; and

pursuant to Texas Government Code Chapter 2251, that Professional's organization does not current discriminate against firearm and ammunition industries and will not for the term of the contract. Discriminating means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with the firearm or ammunition industry or with a person or entity doing business in the firearm or ammunition industry, but does not include an action made for ordinary business purposes.

Section 13. Miscellaneous

(a) Professional shall not assign or sublet this Agreement, in whole or in part, without the prior written consent of City. (b) Professional shall comply with all federal, state, county, and municipal laws, ordinances, resolutions, regulations, rules, and orders applicable to the services under this Agreement. (c) The laws of the State of Texas shall govern this Agreement; and venue for any action concerning this

Agreement shall be in the state district courts of Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said courts. (d) This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and there are no oral understandings, statements or stipulations bearing upon the meaning or effect of this Agreement which have not been incorporated herein. (e) The exhibits attached hereto, if any, are incorporated herein and made a part hereof for all purposes. (f) Unless expressly provided otherwise herein, this Agreement may only be modified, amended, supplemented or waived by a mutual written agreement of the parties. (g) In the event 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 provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it. (h) Any of the representations and obligations of the parties, as well as any rights and benefits of the parties pertaining to a period of time following the termination of this Agreement shall survive termination. (i) This Agreement may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of any number of copies hereof each signed by less than all, but together signed by all of the parties. (j) Each party represents that it has full capacity and authority to grant all rights and assume all obligations granted and assumed under this Agreement. (k) Subject to the provisions regarding assignment, this Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors and assigns.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK -
SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the Effective Date.

For City:

TOWN OF ADDISON, TEXAS

By:
David Gaines
City Manager

Date: _____

Notice Address:

Town of Addison
Attn: City Manager
P.O. Box 9010
Town of Addison, Texas 75001
E: dgaines@addisontx.gov

Addison Contract ID:
PSA_JG _October 14, 2025_v1.20220427

For Professional:

HALFF ASSOCIATES, INC.

By:
Benjamin L. McGahey
Vice President

Date: October 16, 2025

Notice Address:

Benjamin L. McGahey
Vice President
Operation Manager, Fort Worth
2601 Meacham Blvd Suite 600
Fort Worth, TX 76137
E: bmcgahey@halff.com

EXHIBIT "A"
SCOPE OF SERVICES

(attached)

FY26 Farmer's Branch Creek Drainage Basin
Stormwater Infrastructure Assessment

Background

The Town of Addison Public Works and Engineering Services prepared a stormwater system maintenance plan in 2023 to extend the life of the system assets and to provide for long-term operation and a high level of service to customers. The Town contracted with Halff in FY24 to perform field condition assessment, post-processing, and evaluation of stormwater assets in the White Rock Creek Basin, and continued in FY25 in the South Addison and Addison Circle Basins. The Town has elected to contract with Halff in FY26 for continued implementation of the stormwater maintenance plan in additional drainage basins.

The FY26 Farmer's Branch Creek Drainage Basin Stormwater Infrastructure Assessment project will perform field condition assessment, post-processing, and evaluation of stormwater assets in the Farmer's Branch Creek Drainage Basins. This basin contains approximately (accessible and public) 35K LF of storm drains, 13 manholes, 165 inlets, and 1 headwall. Halff (Consultant) will coordinate with an inspection sub-contractor and manage field data collection efforts and data delivery, QA/QC review, linear referencing services to GIS database format, detailed corrective action recommendations with opinion of probable costs (OPC) for high-priority assets, and standardized scoring and prioritization of the stormwater assets that are inspected.

Details of the budget, schedule, and scope of work for this project are provided below.

Budget, Schedule, and Scope

BUDGET

The total budget for the FY26 task order is $271,000. Budget detail by Task is provided in the Budget table (Attachment A).

SCHEDULE

This work will be completed during FY26. Schedule details by Task are provided in the Schedule table (Attachment B).

SCOPE

Task 1 – Project Management

- Coordinate and attend monthly progress update meetings with the Town of Addison staff. Document meeting minutes, action items, and attendees. Provide these items to attendees.
- Manage project budget and billing.
- Deliverables:
    - Meeting minutes delivered after meetings

- Progress report updated and delivered with monthly billing

Task 2 – Storm Drain CCTV Inspections

- Television Inspection (CCTV) of storm drains:
  - Based on overall priority for the program, Farmer's Branch Creek Drainage Basin (totaling approximately 35K LF) is the next priority area identified by the Town.
  - A maximum of 35K LF of CCTV inspection is expected with the assigned budget.
- This task will provide for management of recommended pipe inspections that are approved by the Town. CCTV contractor will be able to dedicate a crew to conduct these inspections. Halff will manage the pipe inspections, to include: field mobilization and mapping coordination, field coordination, data receipt, data QA/QC, data referencing into GIS, storm drain condition scoring ('SDCS') in GIS, preparation of GIS map service layer/database, and review and approval of CCTV contractor inspection invoices.
- Deliverables:
  - Table of QA/QC with comments
  - GIS layer/database - pipe observations
  - GIS layer/database – pipes scored per 'SDCS'
  - CCTV video and photos (delivered with GIS media)
  - CCTV inspection report (delivered with GIS media)

Task 3 – Access Point Inspections

- Topside Inspection of access points:
  - Approximately 180 access points (manholes, inlets, and headwalls) will be inspected in the Farmer's Branch Creek Drainage Basin using a 'Level 1', topside inspection approach. 'Level 2' MACP inspections with full-descent will not be performed.
  - 'Level 1' topside inspections will include an XYZ coordinate for the cover, area and downward photos, 360-degree photo within the structure, depth measurement, measurement of incoming and outgoing pipes diameters, and a pole-camera inspection with standardized scoring of the access point.
  - Additional access points (maximum of 10) as requested by the Town may be inspected throughout the contract duration with specific locations to be identified at a later date.
  - If additional unmapped access points are located during field inspections, 'Level 1' inspection will be performed, up to 10 additional access points; for a maximum of 190 topside inspections
- This task will provide for management of the access point inspections that are approved by the Town. Halff inspection crews will perform these inspections. Halff to manage the access point inspections, which will include: field mobilization and mapping coordination, field coordination, data receipt, data QA/QC, data referencing into GIS, access point condition scoring ('MHCS') in GIS, and preparation of GIS map service layer/database.
- Deliverables:
  - Table of QA/QC with comments
  - GIS layer/database – access point observations
  - GIS layer/database – access point scored per 'MHCS'
  - Access point photos (delivered with GIS media)

Task 4 – Recommendations for Corrective Action

- Perform detailed evaluation of FY26 storm drain and access point inspection data and make recommendations for corrective actions (both structural and operations & maintenance or 'O&M'). The emphasis for detailed evaluation will typically be the inspected storm drains with PACP grade of 3 or higher. All inspected point assets (manholes, inlets, headwalls) will be reviewed in detail. Populate the 'Recommendations Tracking' GIS layer for the pipes and access points that fit these criteria.
- Assumptions for planning-level opinion of probable cost (OPC) will be submitted to the Town for approval. Consultant will use the approved assumptions to prepare an OPC for each corrective action, to include both structural and O&M corrective actions.
- Consultant will present the high priority recommendations to the Town staff and seek Town approval to proceed with development of the stormwater system repair summaries (Task 5).
- Deliverables:
    - GIS layer/database – pipes evaluated and recommended for corrective action
    - GIS layer/database – access points evaluated and recommended for corrective action

Task 5 – Stormwater System Repair Summaries

- Prepare a 1-page summary sheet for each approved repair project using a standard reporting format with planning-level cost estimates for each location. Create summaries for the most severe storm drain repair sites that are identified and prioritized for construction in upcoming projects, including utility intrusions and point repairs. Up to 30 repair summaries will be prepared.
- Attach the summary as PDF to the GIS layer/database for the proposed storm drain repairs, which will contain specific corrective action recommendations in the GIS layer attribute table, as a reference for users of the dataset.
- Update the 'Recommendations Tracking' layer with the planning level cost estimate and tracking labels to indicate that the summary deliverable(s) have been prepared and attached in GIS.
- Deliverables:
    - 1-page summary sheets with budgetary cost estimate (1 per project approved by Town staff)
    - Attachment of summary sheet to Recommendations Tracking GIS layer/database

Task 6 – Precision Locates

- This task will gather accurate point coordinates (XY) for the specific sites recommended for high-priority repairs. The CCTV contractor will use "sonde" precision locator technology with the CCTV crawler. Halff or Contractor will GPS locate the topside markers and transfer into GIS.
- A maximum of 10 sonde locates will be performed with the assigned budget.
- Deliverables:
    - Site maps of recommended projects for CCTV contractor to precision locate and mark repair sites above ground

- Summary table from CCTV contractor listing each site and a description of precision locate mark
- Field photos from CCTV contractor showing each precision locate mark
- Summary table from Halff listing each site, a description of precision locate mark, and the GPS coordinates of the precision locate mark
- GIS layer/database - point for each precision locate mark

Task 7 – Data Coordination and Technical Memorandum

- This task will provide support for data requests and exchanges during the contract duration. The Consultant will provide a formal data request at the beginning of the project as well as data coordination involving updates based on field data activities and verification. The Consultant will deliver many of the previous task results and deliverables in a GIS format.
- Consultant will provide public outreach support as part of this task. The Consultant will provide a brief video summary of the project as well as a technical memorandum summary writeup that the Town may submit to seek project awards or recognition through industry organizations.
- Deliverables:
  - Formal data request
  - Data updates for asset location and attributes
  - GIS data deliverable coordination and exchange – layers/services described in the various tasks
  - Brief summary video of the project
  - Brief technical memorandum summary writeup of the project activities and accomplishments

Additional Services

The Consultant can provide the following additional services at the Town's request:

- Storm drain construction designs and bidding documents
- Subsurface utility engineering (SUE) services
- Risk-based prioritization services
- As-built plans digitizing

ATTACHMENT A – BUDGET

FY26 Budget per Phase to be set as shown below

TASK ORDER UPDATED 2025-08-12

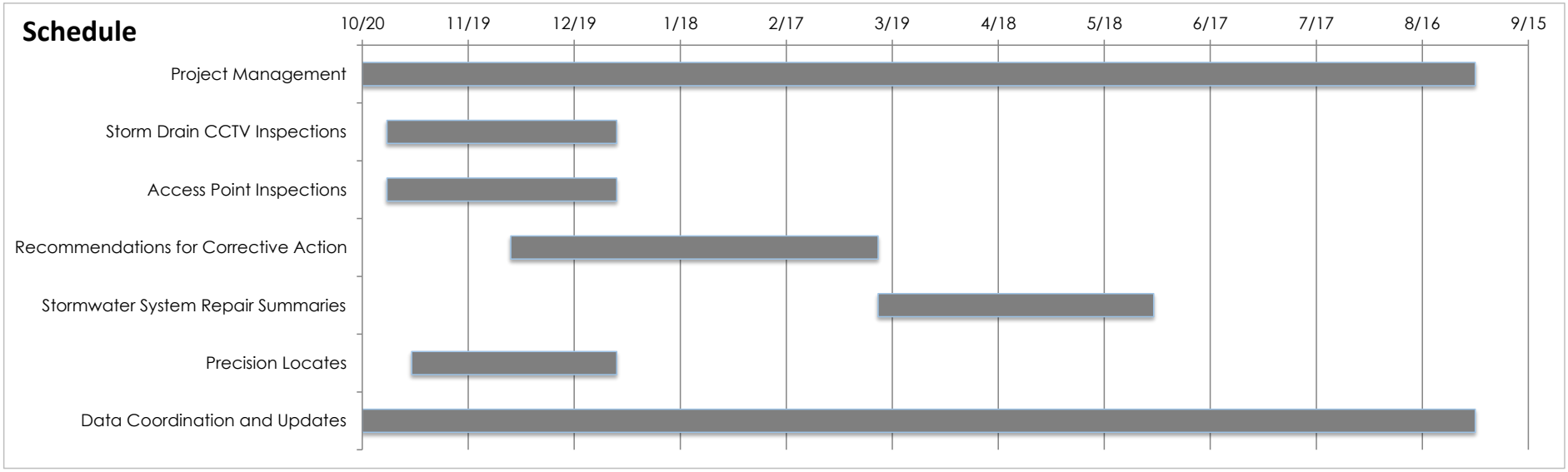
No.	Phase	Task Fee (Not To Exceed)	Percentage of Total Fee	Quantity	Comment/Assumptions
1	Project Management	$8,000	3%		
2	Storm Drain Inspections	$122,000	45%	35,000	LF of CCTV in study basins
3	Access Point Inspections	$85,000	31%	190	Inspections in study basins
4	Recommendations for Corrective Action	$20,000	7%		Corrective action recommendations
5	Stormwater Repair Summaries	$18,000	7%	30	Repair summaries planned
6	Precision Locates	$3,000	1%	10	Sonde locates planned
7	Data Coordination and Technical Memorandum	$15,000	6%		Data updates, documentation
	TOTAL*	$271,000	**100%**		

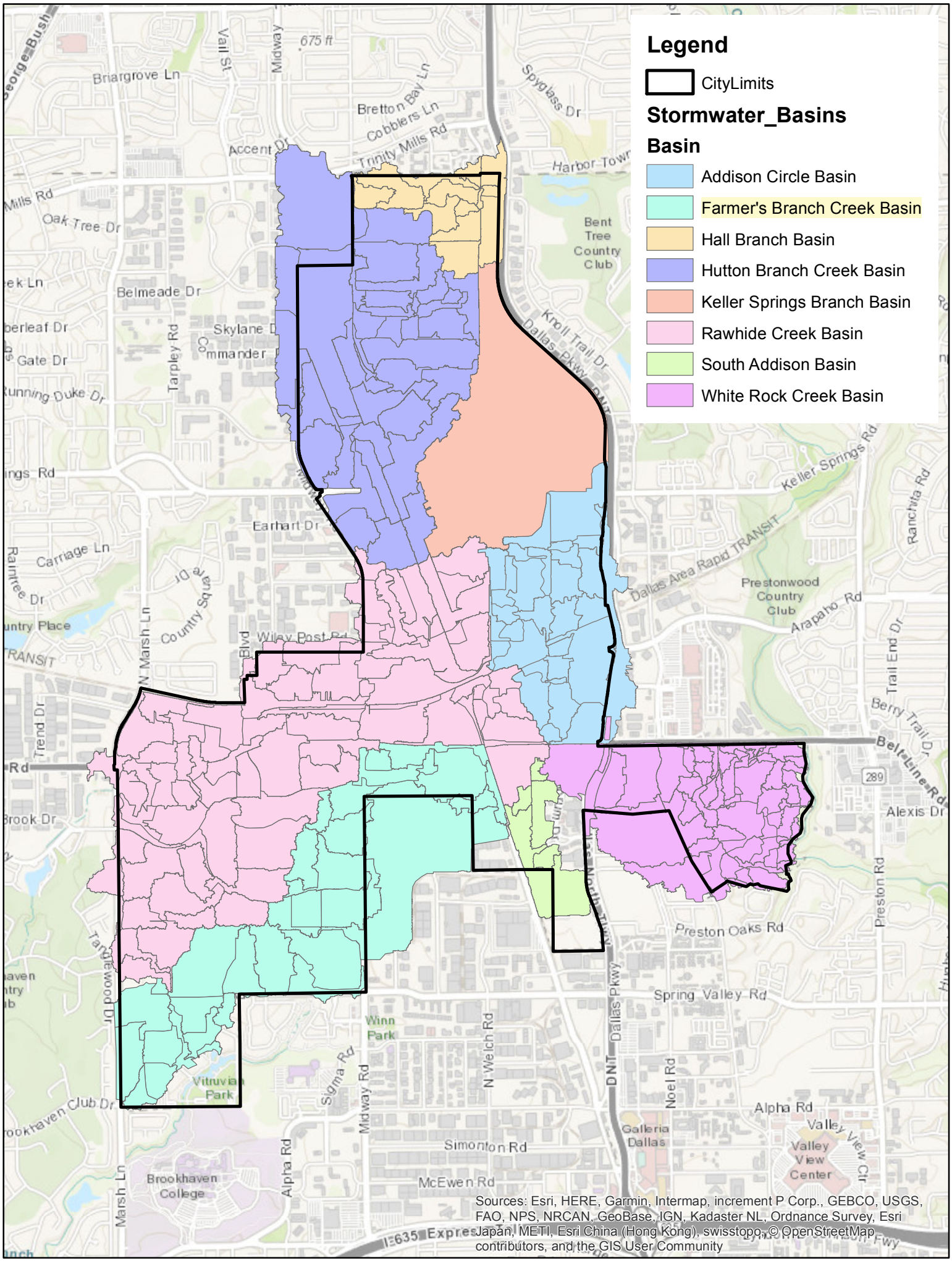
ATTACHMENT B - SCHEDULE BY TASK

PROJECT NAME	FY26 Farmer's Branch Creek Drainage Basin Stormwater Infrastructure Assessment
DATE REVISED	8/12/2025

P.O. #XXXXXXXX

TASKS	ASSIGNED TO	PLANNED START	PLANNED END	ACTUAL START	ACTUAL END	DAYS	PRIORITY	STATUS	COMPLETE
Project Management	Halff	10/20/2025	8/31/2026	-	-	315		NOT STARTED	0%
Storm Drain CCTV Inspections	Halff	10/27/2025	12/31/2025	-	-	65		NOT STARTED	0%
Access Point Inspections	Halff	10/27/2025	12/31/2025	-	-	65		NOT STARTED	0%
Recommendations for Corrective Action	Halff	12/1/2025	3/15/2026	-	-	104		NOT STARTED	0%
Stormwater System Repair Summaries	Halff	3/15/2026	6/1/2026	-	-	78		NOT STARTED	0%
Precision Locates	Halff	11/3/2025	12/31/2025	-	-	58		NOT STARTED	0%
Data Coordination and Updates	Halff	10/20/2025	8/31/2026	-	-	315		NOT STARTED	0%
TOTAL						**0**			




Legend
CityLimits
Stormwater_Basins
Basin
Addison Circle Basin
Farmer's Branch Creek Basin
Hall Branch Basin
Hutton Branch Creek Basin
Keller Springs Branch Basin
Rawhide Creek Basin
South Addison Basin
White Rock Creek Basin
Briargrove Ln
Midway
675 ft
Bretton Bay Ln
Cobblers Ln
Trinity Mills Rd
Spyglass Dr
Accent Dr
Harbor Town
Bent Tree Country Club
Oak Tree Dr
Belmeade Dr
Tarpley Rd
Skylane Dr
Commander
Knoll Trail Dr
Dallas Pkwy
Keller Springs Rd
Ranchita Rd
Earhart Dr
Carriage Ln
Country Square Dr
N Marsh Ln
Wiley Post Rd
Dallas Area Rapid TRANSIT
Prestonwood Country Club
Arapaho Rd
Trail End Dr
Berry Trail Dr
Trend Dr
Belt Line Rd
289
Alexis Dr
Preston Rd
Preston Oaks Rd
Spring Valley Rd
Dallas Pkwy
DNT
N Welch Rd
Noel Rd
Winn Park
Sigma Rd
Midway Rd
Vitruvian Park
Targa Wood Dr
Brookhaven Club Dr
Alpha Rd
Simonton Rd
McEwen Rd
Galleria Dallas
Valley View Center
Valley View Cir
Brookhaven College
Marsh Ln
I-635 Expressway
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community

2025 City Council Regular Meeting **5. a.**

Meeting Date: 10/28/2025

Department: Finance
Pillars: Gold Standard in Financial Health
Milestones: Implement the Asset Management Plan in accordance with the Asset Management Policy, utilizing information systems
Continue development and implementation of the Long-Term Financi Plan

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AGENDA CAPTION:

Present, discuss, and consider action on a Resolution establishing the Town's intent to reimburse itself for prior lawful expenditures of funds relating to the purchase of vehicles and equipment in the amount of $2,000,000.

BACKGROUND:

On July 1, 2025, staff presented a plan to Council to issue $3,500,000 in Certificates of Obligation to replace two Fire Department apparatuses. The anticipated issuance date would fall during Winter 2025 and could be combined with a potential refunding of the 2016 GO Refunding Bonds to generate both interest savings and economies of scale on bond issuance costs. Two pieces of equipment are scheduled for replacement. Quint 102, which is a Spartan Aerial Pumper with a Gladiator Chassis, will be replaced at a cost of $2,000,000. The second is a scheduled replacement of the Airport Rescue Firefighting Vehicle at a cost of $1,500,000. The replacement of the Airport Rescue Firefighting Vehicle will be serviced by the Airport Fund.

This agenda item seeks approval of a Resolution authorizing the reimbursement of up to $2,000,000 for the replacement of Quint 102. This purchase was approved by Council at its October 14th, 2025 meeting via Resolution No. R25-080. The expenditure is anticipated to occur prior to the delivery date of the bond proceeds. This Resolution must be passed within sixty days of the expenditure of the funds to be legally compliant.

Additionally, staff will present information related to the subsequent bond issuance, potential bond refunding opportunities, and the timeline for the issuance.

RECOMMENDATION:

Administration recommends approval.

Attachments

Presentation - Reimbursement of Prior Lawful Expenditures

Resolution - Reimbursement of Prior Lawful Expenditures

Reimbursement Resolution and 2026 CO & GO Refunding Bonds

October 28th, 2025

Steven Glickman, Chief Financial Officer

Reimbursement Resolution

- Allows the Town to use future bond proceeds to reimburse itself for expenses that are incurred prior to a bond issuance.
- The reimbursement is in the amount of $2 million for the planned replacement of Quint 102.
  - Included in the FY 2026 Budget.
  - Approved via Resolution No. R25-080 at the October 14, 2025 Regular City Council Meeting.

2026 Proposed Certificates of Obligation (CO)

Total CO issuance of $3,500,000.

- $2,000,000 for the scheduled replacement of Quint 102.
- $1,500,000 for the replacement of the Airport Rescue and Fire Fighting apparatus.
  - Funded by Airport Fund.

2026 Refunding Opportunities

- The Town's Financial Advisor, Hilltop Securities, has performed an analysis of our debt portfolio to determine if any refunding opportunities are available.
- Based on that analysis, the 2014 GO Bonds and 2016 GO Refunding Bonds are candidates to be refunded.
- Estimated total savings are $1.25 million or $155,000 per year from 2027 – 2034.
  - $130,000 savings per year from the Debt Service Fund.
  - $25,000 savings per year from the Utility Fund.

Timeline

- November / December 2025 – Prepare Preliminary Official Statement
- December 8, 2025 – Ratings Calls
- January 2, 2026 – Receive ratings
- January 5, 2026 – Distribute Preliminary Official Statement to potential purchasers
- January 13, 2026 – Hold competitive sale for the bonds
- January 13, 2026 - Present ordinance authorizing the sale to Council
- February 10, 2025 - Receive proceeds from bond sale

Questions

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS ESTABLISHING THE TOWN'S INTENT TO REIMBURSE ITSELF FOR PRIOR LAWFUL EXPENDITURES OF FUNDS RELATING TO THE PURCHASE OF VEHICLES AND EQUIPMENT IN THE AMOUNT OF $2,000,000.

WHEREAS, the Town of Addison, Texas (the "Town") is a political subdivision of the State of Texas authorized to finance its activities by issuing obligations; and

WHEREAS, the Issuer will make, or has made not more than 60 days prior to the date hereof, payments with respect to the design, engineering, acquisition, construction, reconstruction or renovation of the projects listed on Exhibit A attached hereto (the "Financed Project"); and

WHEREAS, the Town has concluded that it does not currently desire to issue obligations to finance the costs associated with the Financed Project; and

WHEREAS, the Town desires to reimburse itself for the costs associated with the Financed Project from the proceeds of obligations to be issued subsequent to the date hereof; and

WHEREAS, the Town reasonably expects to issue obligations to reimburse itself for the costs associated with the Financed Project;

WHEREAS, in certain circumstances, federal and/or state law requires that the Issuer express its official intent to issue obligations to reimburse itself for expenditures paid prior to the issuance of such obligations in order for such expenditures to be eligible for reimbursement from proceeds of such obligations; and

WHEREAS, Section 1.150-2(d)(2) of the Treasury Regulations sets forth limitations regarding the timing of reimbursements made from the proceeds of certain obligations.

WHEREAS, all constitutional and statutory prerequisites for the approval of this resolution have been met, including but not limited to the Open Meetings Act; and

WHEREAS, the Town Council deems the adoption of this resolution to be in the best interest of the health, safety, and welfare of the public

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

SECTION 1. The Issuer reasonably expects to reimburse itself for costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof and that are to be paid in connection with the Financed Project from the proceeds of obligations to be issued subsequent to the date hereof.

SECTION 2. The Issuer reasonably expects that the maximum principal amount of obligations issued to reimburse the Issuer for the costs associated with the Financed Project will

be $2,000,000. Such obligations may be issued in one or more series.

SECTION 3. Unless otherwise advised by bond counsel, any reimbursement allocation will be made not later than 18 months after the later of (1) the date the original expenditure is paid or (2) the date on which the Financed Project to which the expenditure relates is placed in service or abandoned, but in no event more than three years after the original expenditure is paid.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas this ***28th*** day of ***OCTOBER***, 2025.

TOWN OF ADDISON, TEXAS

Bruce Arfsten, Mayor

ATTEST:

Valencia Garcia, City Secretary

EXHIBIT A

DESCRIPTION OF FINANCED PROJECT

Project	Reimbursement Amount
Purchase of vehicles and equipment for various Town departments.	$2,000,000

2025 City Council Regular Meeting **5. b.**

Meeting Date: 10/28/2025
Department: Development Services
Key Focus Areas: Public Safety
Community Engagement

AGENDA CAPTION:

Present, discuss, and consider action on an Ordinance amending Chapter 22 "Businesses", Article X "Residential Rental Registration" to amend definitions, to provide for fees, and to include public safety and calls for service as a specific consideration in annual registration and periodic inspection of rental properties, specifically hotels and motels.

BACKGROUND:

The Addison City Council adopted an ordinance creating the Rental Lodging and Registration Program at the November 12, 2024 Regular City Council Meeting. The purpose of the program was to promote healthy and safe conditions for all rental properties, including single-family and multifamily, and hotel / motel properties throughout the Town. After having completed the initial year of this program, Town staff has identified some parts of the ordinance which need to be revised in order to avoid confusion or misinterpretation.

Additionally, Development & Neighborhood Services staff collaborated with the Addison Police staff to add a public safety component to the existing ordinance, focusing on public safety resources allocated to our hotel and motel properties. Staff collected data on each of our hotel and motel properties over the last twelve months focusing on public safety responses. The data included:

1. The number of calls for service (CFS) per location.
2. The number of CFS per room at each location.

After reviewing the data, it was evident that a few locations account for the majority of public safety calls for service. To mitigate this issue, staff proposed the addition of a public safety component to the Town's current Rental & Lodging Registration program for hotels and motels during a Work Session at the October 14, 2025 Regular City Council Meeting. This component would take into account a CFS to room ratio to place hotels and motels into tiers under the Rental & Lodging Registration program. The City Council directed the City Manager to proceed with the addition of a public safety component to the Town's Rental Registration Program via an Ordinance update to be considered at the next Regular City Council Meeting on October 28, 2025.

FISCAL IMPACT
Not applicable.

RECOMMENDATION
Staff recommends approval.

Attachments

Presentation - Rental Registration Program Ordinance Amendments
Ordinance - Rental Registration Program Amendments
Ordinance (Redline Version) - Rental Registration Program

Rental Registration Program Ordinance Revisions

October 28, 2025

Ray Mendez, Assistant Director of Neighborhood Services

Chris Freis, Chief of Police

Background

- On November 12, 2024, City Council adopted an ordinance creating the Rental Lodging and Registration program.

- The purpose of this program was to promote healthy and safe conditions for all rental properties including single-family, multi-family and hotel/motel properties throughout the Town of Addison.

Key Components

- Establish definitions and outline the Town's registration requirements.
- Establish the Town's authority to conduct inspections and issue Notices of Violation.
- Identify and establish minimum acceptable standards for these establishments.
- Set and establish registration fees.
- Define and establish a violation process and associated fees.

Original RRP Ordinance

Registration

- All property owners must register their properties with the Town of Addison.
  - Single-family properties, including townhomes, duplexes, and condominiums
  - Multi-family properties (apartments)
  - Hotels and motels

- Property owners are required to submit registration applications annually and pay the required fees.

- The Director of Development & Neighborhood Services has the authority to deny, suspend, or revoke registrations based on various conditions.

Original RRP Ordinance

Implementation

- Annual registration opens January 1st of every year.
- Registration deadline is March 1st of that same year.
- Inspections begin once a registration application has been received and the associated fees have been paid.

Penalties

- Violations of this ordinance may incur fines of up to $2,000 per day for each offense and for each day that the violation continues to exist.

Proposed Ordinance Amendments - General

The proposed amendments include revisions to existing definitions and the addition of new definitions.

- Under Division 1. Single Family and Duplex Dwellings - changing the definition of *Rental Property or rental* properties by removing the words *either fully or partially occupied by the owner*.

- Under Division 2. Multi-Family – by adding the following definition *Designated city official or DCO*, meaning the City Manager. *The term may include the City Manager's designee or delegated staff or duly authorized representative of the City Manager.*

Proposed Ordinance Amendments - General

The amendments will also include additions and modifications to existing sections of the Code:

- Sec. 22-303 Annual Registration Requirements
  - Changing subsection (b) - *"An annual registration shall expire on the first (1st) anniversary of its issuance*," to read as follows.
  - (b) "***An annual registration shall be renewed each calendar year upon the date of expiration, which is the 31st of December of every year."***
- Sec. 22-305 Inspections
  - Adding the following subsections (e) and (f) to read as follows:

    (e) "For hotel / motel guest complaints the telephone number and address for the DCO shall be posted in a prominent location in all hotel guest rooms and public reception areas."

    (f) "A representative of the property owner, operator or manager of a hotel/motel shall be present and accessible to the DCO in person, on a 24-hour basis."

Proposed Ordinance Amendments – Public Safety

Public Safety Component

- Division 2. Multi-Family – adding the following definition Calls for Service (CFS), "*which includes, but is not limited to, any and all calls to emergency services, that result in a town employee being dispatched or directed to the hotel/motel. Calls for service include any self-initiated activity or investigation based on the observation(s) of an emergency services representative that results in a written report. Multiple calls regarding the same event shall be treated as a single call for service for purposes of calculating the CFS room ratio. Calls from employees of the hotel/motel are excluded from being used to determine the calls for service room ratio. Calls for service include, but are not limited to:*
  - *Commission of crimes that are drug related or drug related arrests;*
  - *Commission of crimes that are prostitution related or prostitution related arrests;*
  - *Commission of crimes that are a breach of the peace;*
  - *All fire alarms at a hotel/motel;*
  - *Immediate public safety and health issues at a hotel/motel; or*
  - *Noncompliance with federal law, state law or city codes and ordinances"*

Proposed Ordinance Amendments – Public Safety

- Division 2. Multi-Family – adding the following definition Calls for Service Room Ratio is defined *"as the number of calls for service divided by the total number of guest rooms in a hotel/motel".*

Proposed Ordinance Amendments – Public Safety

- **Sec. 22-304 Denial, revocation, or suspension of annual registration; appeal**
  - Adding subsection (8) under section (a) *An application for annual registration may be denied, revoked or suspended by the Director if*:

  - *(8) "Tier 2 hotels / motels may also be denied if their CFS room ratio fails to meet the Tier 1 CFS room ratio within six (6) months of being notified of their Tier 2 standing."*

The amendment will also include the addition of the following section:

- **Sec. 22-308 Additional Requirements for Hotels / Motels**
  - *"Upon receipt of the application for annual registration of a hotel / motel, the Town shall determine the calls for service (CFS) room ratio of all hotels / motels located within the Town of Addison during the previous calendar year, or during actual operations if less than twelve (12) months during the previous calendar year."*

Proposed Ordinance Amendments – Public Safety

Sec. 22-308 Additional Requirements for Hotels / Motels cont.

- *"Based upon the CFS room ratio determined by the Chief of Police or DCO, all hotels / motels shall be classified during that year according to the following tier system:*
  - *Tier 1 - Less than or equal to 1.0 CFS per room per year, or*
  - *Tier 2 - Greater than 1.0 CFS per room per year."*
- *"A hotel / motel which has not previously operated in the town shall be presumed to be a Tier 1 hotel / motel until the next registration period or until the Chief of Police or DCO reclassifies it."*
- *"The annual permit fee set forth in Sec. 22-302 shall be determined by the assigned Tier for hotels / motels. Hotels / motels classified as Tier 1 shall pay an annual fee of $1,000. Hotels / motels classified as Tier 2 shall pay an annual fee of $3,000."*
- *"Upon completion of the annual inspection and review of all CFS for hotels / motels, the Chief of Police or DCO shall notify each hotel / motel owner and / or operator within the Town, in writing by personal service, certified mail or other method which provides confirmation of delivery, of the CFS room ratio which shall be used as the classification for that hotel/motel for that ensuing registration year."*

Proposed Ordinance Amendments – Public Safety

Sec. 22-308 Additional Requirements for Hotels / Motels cont.

- *"The Town may monitor the CFS room ratio for each hotel / motel on an ongoing basis. The Town may change the status of any Tier 1 hotel / motel to a Tier 2 hotel / motel during a calendar year upon notice in writing to the owner by personal service, certified mail or other method which provides confirmation of delivery that the CFS room ratio of such hotel/motel has increased proportionately such that the CFS room ratio, if annualized, would fall within the Tier 2 level. This notice shall include:*

  - *The designation assigned to the hotel / motel;*
  - *As allowed by law, data specifying the types of CFS identified as having occurred on the property during the period reviewed, including the incident numbers assigned to such CFS, and the date and time of each call to allow the owner to understand the basis of the designation;*
  - *The requirement of mandatory inspections to be conducted by the Chief of Police or DCO;*
  - *The opportunity and procedures by which the owner may challenge the data provided to the owner pursuant to this subsection upon which the designation is based; and*
  - *Suggested changes in operations to reach Tier 1 classification."*

Proposed Ordinance Amendments – Public Safety

Sec. 22-308 Additional Requirements for Hotels / Motels cont.

- *“Upon such notice of initial classification or reclassification to Tier 2, the owner or operator shall have ten (10) calendar days from the date of notice to show proof to the Chief of Police or DCO that the revised CFS room ratio is erroneous. After receipt of such information from the owner or operator, the Chief of Police or DCO shall classify the hotel as a Tier 1 or Tier 2 within ten (10) calendar days of receipt of such information. The owner, operator, or manager may appeal the Chief of Police's or DCO’s decision pursuant to section 22-309 of this chapter."*
- *"The owner or operator shall have six (6) months from the date of any notice to correct to implement the changes in operation required by the Tier 2 classification. Failure to comply with this provision may result in revocation of the hotel/motels certificate of occupancy and/or annual registration permit pursuant to Sec. 22-304."*
- *"Nothing in this Section restricts the Town’s right to immediately pursue any and all other legal remedies, including those set forth in Sec. 22-307."*

Recommendation

Staff recommends approval of this Ordinance.

- These amendments will assist staff in clarifying some ambiguity in the existing ordinance and provide a review process that analyzes public safety responses based on a call for service ratio.

Questions?

ORDINANCE NO. O25-

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS, AMENDING THE CODE OF ORDINANCES BY AMENDING CHAPTER 22 "BUSINESSES", ARTICLE X "RESIDENTIAL RENTAL REGISTRATION" TO AMEND DEFINITIONS, TO PROVIDE FOR FEES, AND TO INCLUDE PUBLIC SAFETY AND CALLS FOR SERVICE AS A CONSIDERATION IN ANNUAL REGISTRATION AND PERIODIC INSPECTION OF RENTAL PROPERTIES; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OR FINE NOT TO EXCEED TWO THOUSAND DOLLARS ($2,000.00) PER DAY FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council for the Town of Addison ("the Town") finds that the Town currently has regulations in place that require landlords or property owners to maintain all residential renter-occupied dwellings in safe or sanitary conditions, and a need exists to protect the health and safety of those citizens who occupy residential rental property in the Town and all other citizens of the Town; and

WHEREAS, the City Council has determined it is necessary to amend the residential rental program that applies to each single-family, two-family (Duplex), townhouse, multi-family (apartment), hotel/motel, and any other residential rental unit or property located in the Town (the "Program"), to include public safety concerns and calls for service; and

WHEREAS, the City Council finds the amendments to the Program will promote the health, safety, and general welfare of the Town and its residents by providing enforceable regulations tailored to ensure residential rental properties are operated and maintained in a safe and sanitary condition through annual registration and periodic inspections to include a Tier system for hotels/motels; and

WHEREAS, the City Council of the Town of Addison deems the amendments to the Program necessary for promoting the health, safety, and general welfare of the Town and its residents.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. That the recitals and findings set forth above are hereby found to be true and correct and incorporated as if fully set forth herein.

SECTION 2. That Article X "Residential Rental Registration" of Chapter 22 of the Addison Town Code of Ordinances is hereby amended to read as set forth in **Exhibit A**.

SECTION 3. That all ordinances of the Town of Addison in conflict with the provisions of this ordinance be and the same are hereby repealed and all other ordinances of the town not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 4. That an offense committed before the effective date of this ordinance is

governed by the prior law and the provisions of the Code of Ordinances and ordinances of the Town, as amended, in effect when the offense was committed, and the former law is continued in effect for this purpose.

SECTION 5. That if any section, paragraph, sentence, subdivision, clause, phrase or provision of this ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this ordinance as a whole or any part or provision hereof other than the part so decided to be unconstitutional, illegal, or invalid and shall not affect the validity of the remainder of this ordinance or any other provision of the ordinances of the Town of Addison.

SECTION 6. That any person, firm, or corporation violating any of the provisions or terms of this ordinance shall be subject to penalty shall be punished by a fine not to exceed the sum of two thousand dollars ($2000.00). Each day that a violation exists is to be considered a separate offense.

SECTION 7. That this ordinance shall take effect following the publication of the caption as the law and charter in such cases provide.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas, on this the ***28th***day of ***OCTOBER*****, 2025.**

TOWN OF ADDISON, TEXAS

_____
Bruce Arfsten, Mayor

ATTEST:

_____
Valencia Garcia, City Secretary

APPROVED AS TO FORM:

_____
Whitt Wyatt, City Attorney

EXHIBIT A

"CHAPTER 22 BUSINESSES

[…]

ARTICLE X "RESIDENTIAL RENTAL REGISTRATION"

DIVISION 1. Single-Family and Duplex Dwellings Sec.

22-280 Definitions

For the purposes of this division, the following words and phrases shall have the meanings respectively ascribed to them by this section, unless the context clearly indicates otherwise:

Director shall refer to any person designated by the City Manager as being responsible for the administration and enforcement of this article.

Dwelling unit means a structure or that part of a structure which is used as a residence.

Landlord means the owner, property manager, or any person having or exercising supervision or control over rental property that is or is intended to be occupied by another. A person having or exercising supervision or control of rental property is, for all purposes under this article, deemed a landlord, regardless of whether ownership or title to the real estate is vested in another.

Owner means any person claiming, or in whom is vested, the ownership, dominion or title of real property, including, but not limited to:

(1) the holder of fee simple title;
(2) the holder of a life estate;
(3) the holder of a leasehold estate for a term of at least five years;
(4) the holder of a leasehold estate who, in turn, subleases property to another; or
(5) the buyer in a contract for deed.

As used in this division, *Owner* also includes any agent, association, company, corporation, firm, partnership, person or organization of any kind having a legal or equitable interest in a rental property.

Rental property or rental properties means a single-family or duplex dwelling unit which is leased or rented or intended to be leased or rented to another person, for or without consideration.

Tenant means any person who occupies rental property for residential purposes with the landlord's consent, regardless of whether the occupancy is in exchange for monetary consideration.

Townhouse. One of a series of not less than three nor more than ten attached one-family dwellings under common roof with common exterior walls and separated from one another by single partition walls without openings from basement to roof.

Sec. 22-281 Applicability

This division shall apply to all single-family and duplex dwelling rental properties within the

territorial limits of the Town. Division 2 of this article shall apply to apartment buildings, apartment complexes, multi-family dwellings, and hotel/motels not covered by this division, and the individual apartments and dwelling units within those buildings. Short-term rentals are governed by Article VIII of this Chapter.

Sec. 22-282 Registration of rental properties required

(a) No person shall own, operate, lease, rent, or maintain rental property within the territorial limits of the town without first registering the rental property with the town. Rental properties shall be registered each calendar year upon expiration, which is the 31st of December of every year. Registration shall be by written application submitted to and on a form provided by the Director identifying, at a minimum, the name and address of the owner, the name and address of the landlord, and the address, age, and interior square footage of the rental property. Registration may be approved but occupancy may not occur unless and until the rental property has been inspected for compliance with the minimum standards set forth in this article.

(b) Rental property registration may be denied, suspended, or revoked by the Director if:

(1) the application contains false information;
(2) there are utility fees and/or charges over sixty (60) days past due for the rental property over which the landlord is responsible;
(3) the rental property is not in compliance with the standards set forth in this article;
(4) access to the property by the Director or designee has been impaired so as to prevent timely inspection of the premises;
(5) a change in tenancy has occurred and the landlord or owner has failed to request an inspection as required by this article; or
(6) there exists any condition in, on or near the rental property that renders the rental property unsafe or unfit for human habitation or occupancy or presents a threat to public health or safety.

(c) A denial, suspension or revocation may be appealed to the City Manager if written notice of the appeal is received within twenty (20) days of the denial, suspension, or revocation.

(1) The City Manager's determination may be appealed to the board of adjustment. See Sec. 22-288 for additional provisions relating to such appeals.

Sec. 22-283 Applications and fees

(a) The Director may, at any time, require additional information of the owner or landlord to clarify or supplement items on the application for registration.

(b) The annual fee for issuing a registration shall be as set forth in the town's master fee schedule. The fees are non-refundable and are payable to the Town of Addison when application is made to the own for the registration.

Sec. 22-284 Appointment, powers and duties of Director

(a) The Director is hereby designated as the administrator of this article.

(b) In addition to the powers and duties previously prescribed for the Director, said person

shall:

(1) administer and enforce all provisions of this article;
(2) keep and maintain records of all registrations issued;
(3) adopt rules and regulations, not inconsistent with the provisions of this article, with respect to the form and content of applications for registrations, the investigation of applicants, and other matters incidental or appropriate to their powers and duties as may be necessary for the proper administration and enforcement of the provisions of this article; and
(4) conduct, on their own initiative, periodic investigations of rental properties throughout the city concerning compliance with this article.

Sec. 22-285 Minimum standards

(a) All rental properties, inclusive of the primary dwelling structure, all accessory structures, and the premises comprising the property, shall be kept and maintained by the owner and the landlord in accordance with the following minimum standards:

(1) the property must be maintained in a safe and habitable condition;
(2) the property must be adequately served by all utilities, including but not limited to electricity, water and sanitary sewer services;
(3) there shall be no violations of the town's nuisance regulations
(4) the property shall be kept free from junked motor vehicles, high grass and weeds, dangerous vegetation, dilapidated fencing, and accumulations of stagnant water, rubbish, and unwholesome matter of any kind shall be remedied in a timely manner upon notification by the town; and
(5) the property shall be kept and maintained in accordance with the standards and requirements set forth in the International Property Maintenance Code, as adopted by the town, or the provisions of any building, residential or property code adopted by the town for the purposes of protecting the life, health or safety of occupants or residents.

Sec. 22-286 Inspections; certificate of registration

(a) Inspection. Rental property shall be inspected for compliance with the provisions of this article as follows:

(1) upon first-time registration, if unoccupied or warranted by receipt of a complaint; and
(2) each time there is a change in tenancy. The applicant or landlord shall request that the inspection be conducted by the town.

(b) No registration shall be issued if, as a result of an inspection, it is determined that the rental property does not comply with the standards of this article.

(c) Any life safety or critical deficiencies noted by the inspection shall be corrected prior to issuance of a certificate of registration and prior to occupancy. A re-inspection may not be necessary if the owner or landlord submits sufficient proof to the town from which the town can determine that all noted violations have been appropriately repaired or corrected. Sufficient proof includes, but is not limited to, an affidavit stating that the repairs have been completed, receipts for materials used in the repair or receipts for the work done to affect the repair, and/or

photographs of the repair(s).

(d) Certificate of Registration. No rental property shall be occupied unless a valid certificate of registration has been issued by the town for the premises. A certificate of registration is required for each change in tenancy. The certificate shall be issued if, after inspection, the rental property complies with this article and the Code of Ordinances.

Sec. 22-287 Violations; affirmative defenses

(a) No person may violate any provision of this article, including landlords, owners, tenants and occupants of rental property.

(b) A person commits an offense when the person acts in the capacity of a landlord without a valid registration issued under this article.

(c) A landlord or an owner commits an offense if the landlord or owner rents, leases, or allows another to occupy rental property that is not registered, has not passed a town inspection, or does not have a valid certificate of registration.

(d) A landlord or an owner commits an offense if the landlord or owner rents, leases, or allows another to occupy rental property after having been provided with notice of a cease-and-desist order issued by the Director to vacate the premises or repair or remediate a condition that is a violation of this article or causes a public nuisance.

(e) No landlord or owner may prevent or impair an inspection under this article, or knowingly conceal, cover or disguise any condition that is a violation of the standards imposed by this article.

(f) It shall be an affirmative defense to the prosecution of an offense under this article if:

(1) the rental property is a group home for elderly persons or persons with disabilities.
(2) the tenant is hired by the owner as a short-term caretaker of the dwelling or is related to the owner within one degree of affinity or consanguinity; or
(3) the rental property is not used for residential purposes.

Sec. 22-288 Appeal to board of adjustment

(a) The board of adjustment may hear and decide an appeal that alleges error in an order, requirement, decision, or determination made by the Director in the enforcement of this division only after a decision by the City Manager in accordance with Sec. 22-282(c). An appeal to the board of adjustment must be made in writing, filed with the board, within not more than fifteen (15) days of the service of City Manager's order, requirement, decision, or determination. Service of the order, requirement, decision, or determination is effective on the date that it is personally delivered to the owner, property manager, or landlord, deposited with the US Postal Service properly addressed, or posted on the property in a conspicuous location.

(b) The board shall schedule a hearing as soon as practicable upon the timely filing of an appeal. The owner, property manager or landlord may attend and present evidence at the hearing. The board shall promptly render a decision based on the merits of the appeal and the evidence

presented at the hearing.

(c) The board's decision shall be final and binding. No appeal may be taken from the decision of the board.

Sec. 22-289 Penalties; remedies

(a) A violation of this division is punishable by a fine not to exceed the sum of two thousand dollars ($2000.00). Each day a violation continues shall be deemed a separate offense.

(b) Unless otherwise expressly provided for herein, no intent need be pleaded or proven in the prosecution of an offense under this division, and a person in violation shall be strictly liable, regardless of intent.

(c) The remedies provided for in this article are cumulative of each other and of any other remedy provided for and allowed by law. In addition to any other remedy allowed by law, the town may seek injunctive relief in any court of proper jurisdiction to restrain or enjoin a violation of any provision of this division.

Secs. 22-290 – 22-300. – Reserved.

Division 2. Multi-Family Dwellings

Sec. 22-301 Definitions

For the purposes of this division alone, the following words and phrases shall have the meanings respectively ascribed to them by this section, unless the context clearly indicates otherwise:

Calls for service (CFS) includes, but is not limited to, any and all calls to emergency services, that result in a town employee being dispatched or directed to the hotel/motel. Calls for service include any self-initiated activity or investigation based on the observation(s) of an emergency services representative that results in a written report. Multiple calls regarding the same event shall be treated as a single call for service for purposes of calculating the CFS room ratio. Calls from employees of the hotel/motel are excluded from being used to determine the calls for service room ratio. Calls for service include, but are not limited to:

(1) Commission of crimes that are drug related or drug related arrests;

(2) Commission of crimes that are prostitution related or prostitution related arrests;

(3) Commission of crimes that are a breach of the peace;

(4) All fire alarms at a hotel/motel;

(5) Immediate public safety and health issues at a hotel/motel; or

(6) Noncompliance with federal law, state law or city codes and ordinances

Calls for service room ratio is defined as the number of calls for service divided by the total number of guest rooms in a hotel/motel.

Designated city official or DCO means the City Manager. The term may include the City Manager's designee or delegated staff or duly authorized representative of the City Manager.

Director shall refer to any person designated by the City Manager as being responsible for the administration and enforcement of this article.

Dangerous building refers to any building with exterior or interior conditions that pose a danger to the life, limb, health, property or safety of any person.

Dwelling unit means a structure or that part of a structure which is used as a residence.

Hotel/Motel. A building or group of buildings providing overnight lodging for guests on a daily rate to the general public, and customary hotel services such as daily linen, maid services, and upkeep of furniture are provided. These structures typically contain a lobby, fitness center, full commercial kitchen and meeting facilities, and may contain a restaurant, business center, gift shop and other various personal services as accessory uses. The term includes a hotel, motel, inn and bed and breakfast. The term does not include:

(1) A hospital, sanitarium, or nursing home; or

(2) A dormitory or other housing facility owned or leased and operated by an institution of higher education, or a private or independent institution of higher education as those terms are defined by the V.T.C.A., Education Code § 61.003, used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution.

(3) A short-term rental as defined in Article VIII of this Chapter.

Landlord means the owner, property manager, or any person having or exercising supervision or control over rental property that is or is intended to be occupied by another. A person having or exercising supervision or control of rental property is, for all purposes under this article, deemed a landlord, regardless of whether ownership or title to the real estate is vested in another.

Managing agent shall refer to a person who lives in this state and who is authorized by the owner of a multi-family residential rental building to accept legal service relevant to that building on their behalf.

Multi-family residential building refers to a building or structure containing three or more individual residential units which are leased or rented or intended to be leased or rented to another person, for or without consideration, for residential purposes. The term also includes accessory buildings and structures intended for human occupancy and use by residents of a primary multi-family residential building.

Order to correct refers to an order that requires any person acting in the capacity of an owner, managing agent, property manager or landlord of a multi-family residential building to correct any building code violation.

Owner means any person claiming, or in whom is vested, the ownership, dominion or title of real property, including, but not limited to:

(1) the holder of fee simple title;

(2) the holder of a life estate;
(3) the holder of a leasehold estate for a term of at least five years;
(4) the holder of a leasehold estate who, in turn, subleases property to another; or
(5) the buyer in a contract for deed.

As used in this division, *Owner* also includes any agent, association, company, corporation, firm, partnership, person or organization of any kind having a legal or equitable interest in a multi-family residential building.

Property shall refer to the land on which one or more multi-family residential buildings are located and is inclusive of the land and all buildings and structures thereon.

Property manager means a person who for compensation has managing control of a multi-family residential building.

Resident shall refer to any person who occupies a residential unit in a multi-family residential building.

Residential unit means any single residential dwelling unit within a multi-family residential building or portion thereof that is used or intended to be used for residential purposes. The term is inclusive of units within mixed-use buildings whereby an occupant may utilize an area for combined residential and commercial or retail purposes.

Substandard building means a building, structure or multi-family residential building which is not in compliance with the provisions of the International Property Maintenance Code, as adopted by the city, or the provisions of any building, residential or property code adopted by the city for the purposes of protecting the life, health or safety of occupants or residents.

Sec. 22-302 Application for Annual Registration

(a) No person may operate a multi-family residential building or hotel/motel, and shall not offer for rent, lease or occupancy, a residential unit in a multi-family residential or hotel/motel building without first having applied for and been granted an annual registration from the town. To obtain an annual registration, an owner shall complete and submit an application on a form prescribed by the town that shall, at a minimum, require the applicant to provide:

(1) the property's trade name, physical address, business address, the total number of residential rental buildings located on the property, the total number of residential rental units or rooms located on the property and the year in which construction of each residential rental building located on the property was completed;
(2) the name, permanent address and telephone numbers of the owner, the property manager and, if the property owner does not reside in this state, the managing agent;
(3) the names, addresses and telephone numbers of any mortgagees of the property;
(4) if the owner is a partnership, the names and telephone numbers of the managing partner and the partnership's principal business address;
(5) if the owner is a corporation, limited liability company, partnership, general partnership, limited liability partnership, trust or real estate investment trust, the name, physical business address and telephone numbers of the following;

i) for a corporation, the president and/or chief executive officer;
ii) for a limited liability company, the managing or administrative member;
iii) for a partnership, limited partnership or limited liability partnership, the general partner;
iv) for a trust, a trustee; for a real estate investment trust, the general partner; or
v) for any other legal entity not named in the foregoing subsections, the name and address of a duly authorized agent;

(6) any other information deemed material by the Director; and
(7) an annual permit fee.

Sec. 22-303 Annual registration requirements

(a) Upon submission of an application, the town may inspect the property and the multi-family residential and/or hotel/motel building for compliance with minimum standards imposed by town building, property, health and safety codes.

(b) An annual registration shall be renewed each calendar year upon the date of expiration, which is the 31st of December of every year.

(c) An annual registration shall expire on the thirtieth (30th) day following a change of ownership of the property on which the building is situated. For the purposes of this subsection, a change in ownership shall not include a transfer or conveyance of an ownership interest in a building to an affiliate entity of the owner. The town shall act on an application for an annual registration within thirty (30) days of submission of an application.

(d) An application for an annual registration shall be submitted by all owners of multi-family residential buildings and/or hotel/motels within sixty (60) days following the effective date of the ordinance adopting the regulations contained within this division. However, multi- family residential buildings that are occupied and in operation on the effective date may not be denied the opportunity to continue business operations during the period in which an application is pending.

(e) The town may grant extensions of the application deadlines provided for in this division upon terms and conditions deemed reasonable by the town in the town's sole discretion.

Sec. 22-304 Denial, revocation, or suspension of annual registration; appeal

(a) An application for annual registration may be denied, revoked or suspended by the Director if:

(1) an application contains materially false information;

(2) a multi-family residential building, hotel/motel or an accessory building intended for use or occupancy by residents of a multi-family residential building and/or hotel/motel has conditions that present a danger to life, health or safety;

(3) he owner or operator has received and been convicted for more than two citations for violations of this chapter or any other provision of the Code of Ordinances within the preceding 12-month time period;

(4) an owner, property manager or landlord has prevented any inspection by the Director or has actively concealed any condition that presents a threat to life, health or safety or that is a violation of any provision of applicable building, property, health and safety codes:

(5) a multi-family residential building, hotel/motel or an accessory building intended for use or occupancy by residents of a multi-family residential building and/or hotel/motel is not in compliance with minimum standards imposed by applicable building, property, health and safety codes;

(6) an order to correct, issued by the Director, has not been complied with, and at least seven (7) days have elapsed since the order to correct was issued;

(7) a multi-family residential building, hotel/motel or any accessory building is a dangerous building;

(8) Tier 2 hotels/motels may also be denied if their CFS room ratio fails to meet the Tier 1 CFS room ratio within six (6) months of being notified of their Tier 2 standing. ~~or~~

(b) A denial, suspension or revocation pursuant to this section may be appealed to the City Manager if written notice of the appeal is received within twenty (20) days of the denial, suspension or revocation.

(1) The City Manager's determination may be appealed to the board of adjustment. See Sec. 22-309 for additional provisions relating to such appeals.

Sec. 22-305 Inspections

(a) The town may inspect multi-family residential buildings, hotel/motel rooms, or any portions thereof annually, at intervals deemed appropriate by the Director, or upon receipt of a complaint submitted by any person regarding a violation of any provision of applicable building, property, health and safety codes. Inspections may, at the discretion of the Director, be restricted to limited portions of a multi-family residential building or hotel/motel. The town may adopt policies and procedures regarding inspection programs and the conduct of inspections under this division.

(b) The Director shall provide at least fourteen (14) days' prior notice of an intent to conduct interior inspections. It is the responsibility of the owner, property manager, or landlord to notify residents and to secure the residential unit in preparation for inspection.

(c) It is unlawful for an owner, property manager, or landlord to prevent any inspection under this division, to deny or refuse access to the property for the purposes of inspection, to falsify any document or record incident to an inspection, or to attempt to conceal any condition that may be a violation of any provision of applicable building, property, health and safety codes.

(d) Residents of individual residential units may opt out of an inspection of the residential unit occupied by that person. The election to opt out of an inspection of an individual unit must be in writing and on a form promulgated by the town for that purpose.

(e) For hotel/motel guest complaints, the telephone number and address for the DCO shall

be posted in a prominent location in all hotel guest rooms and public reception areas.

(f) A representative of the property owner, operator or manager of a hotel/motel shall be present and accessible to the DCO in person, on a 24-hour basis.

(g) Inspection and registration of hotels/motels are also subject to the additional criteria set forth in Sec. 22-308.

Sect. 22-306 Order to correct

Upon inspection, the Director may issue an order to correct any violations found by an inspection, requiring the owner, property manager, or landlord to correct any violation of any provision of applicable building, property, health and safety codes. The Director may, in their discretion, establish a reasonable time within which a specified violation must be corrected, and repairs be made. An order to correct may be revised, amended, or extended by the Director in their discretion, as may be appropriate under the circumstances. Orders to correct may also be issued pursuant to Sec. 22-308.

Sec. 22-307 Remedies

(a) Should an inspection reveal violations of this division, a violation of any provision of applicable building, property, health and safety codes, a condition that presents a danger to life, health, or safety, or that a multi-family residential building, hotel/motel, or an accessory building is a dangerous or substandard building, the Director may, if necessary or appropriate for the protection of health and safety:

(1) issue an order to correct;
(2) deny, suspend or revoke an annual registration;
(3) may pursue the revocation of the certificate of occupancy;
(4) issue an order to vacate the building; or
(5) issue citations for any criminal or code violations observed during an inspection.

(b) If a multi-family residential building or hotel/motel is declared to be a dangerous building by the Director, the Director may:

(1) cause the violations to be corrected, at the expense of the owner, and subject the property to a lien for all costs incurred by the town by filing a statement of expense with the appropriate county;
(2) institute and maintain civil proceedings seeking injunctive relief against the owner in any court of appropriate jurisdiction for an order compelling the owner to comply with the Director's order;
(3) institute proceedings under the Uniform Code for the Abatement of Dangerous Buildings or the International Property Maintenance Code, as adopted by the town, or the provisions of any applicable building, property, health or safety code adopted by the town for the purposes of protecting the life, health or safety of occupants or residents. seeking the vacation and demolition of the building; or
(4) issue appropriate orders to vacate and secure the building, and to compel repair or

demolition of the building.

Sec. 22-308 Additional Requirements for Hotels/Motels

(a) Upon receipt of the application for annual registration of a hotel/motel, the town shall determine the calls for service (CFS) room ratio of all hotels/motels located within the Town of Addison during the previous calendar year, or during actual operations if less than twelve (12) months during the previous calendar year.

(1) Based upon the CFS room ratio determined by the Chief of Police or DCO, all hotels/motels shall be classified during that year according to the following tier system:

A. Tier 1 - Less than or equal to 1.0 CFS/room/year, or

B. Tier 2 - Greater than 1.0 CFS/room/year.

(2) A hotel/motel which has not previously operated in the town shall be presumed to be a Tier 1 hotel/motel until the next registration period or until the Chief of Police or DCO reclassifies it.

(3) The annual permit fee set forth in Sec. 22-302 shall be determined by the assigned Tier for hotels/motels. Hotels/motels classified as Tier 1 shall pay an annual fee of $1,000. Hotels/motels classified as Tier 2 shall pay an annual fee of $3,000.

(b) Upon completion of the annual inspection and review of all CFS for hotels/motels, the Chief of Police or DCO shall notify each hotel/motel owner and/or operator within the town, in writing by personal service, certified mail or other method which provides confirmation of delivery, of the CFS room ratio which shall be used as the classification for that hotel/motel for that ensuing registration year.

(c) The town may monitor the CFS room ratio for each hotel/motel on an ongoing basis. The town may change the status of any Tier 1 hotel/motel to a Tier 2 hotel/motel during a calendar year upon notice in writing to the owner by personal service, certified mail or other method which provides confirmation of delivery that the CFS room ratio of such hotel/motel has increased proportionately such that the CFS room ratio, if annualized, would fall within the Tier 2 level. This notice shall include:

(1) The designation assigned to the hotel/motel;

(2) As allowed by law, data specifying the types of CFS identified as having occurred on the property during the period reviewed, including the incident numbers assigned to such CFS, and the date and time of each call to allow the owner to understand the basis of the designation;

(3) The requirement of mandatory inspections to be conducted by the Chief of Police or DCO;

(4) The opportunity and procedures by which the owner may challenge the data provided to the owner pursuant to this subsection upon which the designation is based; and

(5) Suggested changes in operations to reach Tier 1 classification.

(d) Upon such notice of initial classification or reclassification to Tier 2, the owner or operator shall have ten (10) calendar days from the date of notice to show proof to the Chief of Police or DCO that the revised CFS room ratio is erroneous. After receipt of such information from the owner or operator, the Chief of Police or DCO shall classify the hotel as a Tier 1 or Tier 2 within ten (10) calendar days of receipt of such information. The owner, operator, or manager may appeal the Chief of Police's or DCO's decision pursuant to section 22-309 of this chapter.

(e) The owner or operator shall have six (6) months from the date of any notice to correct to implement the changes in operation required by the Tier 2 classification. Failure to comply with this provision may result in revocation of the hotel/motels certificate of occupancy and/or annual registration permit pursuant to Sec. 22-304.

(f) Nothing in this Section restricts the town's right to immediately pursue any and all other legal remedies, including those set forth in Sec. 22-307.

Sec. 22-309 Appeal to board of adjustment

(a) The board of adjustment may hear and decide an appeal that alleges error in an order, requirement, decision, or determination made by the Director, Chief of Police, or DCO in the enforcement of this division only after a decision by the City Manager in accordance with Sec. 22-304(b). An appeal to the board of adjustment must be made in writing, filed with the board, within not more than fifteen (15) days of the service of City Manager's order, requirement, decision, or determination. Service of the order, requirement, decision, or determination is effective on the date that it is personally delivered to the owner, property manager, or landlord, deposited with the US Postal Service properly addressed, or posted on the property in a conspicuous location.

(b) The board shall schedule a hearing as soon as practicable upon the timely filing of an appeal. The owner, property manager or landlord may attend and present evidence at the hearing. The board shall promptly render a decision based on the merits of the appeal and the evidence presented at the hearing.

(c) The board's decision shall be final and binding. No appeal may be taken from the decision of the board except to a State District Court of the county in which the property, which is the subject of the action, is located if such appeal is filed within thirty (30) days of the Board's action. Such appeal shall be decided based on a de novo appeal to determine the existence of a public nuisance for denial or tier reclassification.

(1) An appeal of the revocation or denial by the board to the State District Court of the county in which the property is located does not stay the effect or the use of any enforcement measure unless specifically ordered by the City Manager.

Sec. 22-310 Penalties

(a) Any person in violation of any provision of this division shall be punished by a fine not to exceed the sum of two thousand dollars ($2000.00). Each day that a violation exists is a

separate offense.

(b) The penalties and remedies provided for in this division are cumulative and nonexclusive, and the town may pursue any and all remedies at law or in equity without prejudice to any other remedy.

(c) No culpable mental state shall be required to be plead or proven to establish guilt in the prosecution of any criminal case in which an offense under this division is alleged."

Secs. 22-311 – 22-320. – Reserved.

EXHIBIT A

"CHAPTER 22 BUSINESSES

[…]

ARTICLE X "RESIDENTIAL RENTAL REGISTRATION"
DIVISION 1. Single-Family and Duplex Dwellings Sec.

22-280 Definitions

For the purposes of this division, the following words and phrases shall have the meanings respectively ascribed to them by this section, unless the context clearly indicates otherwise:

Director shall refer to any person designated by the City Manager as being responsible for the administration and enforcement of this article.

Dwelling unit means a structure or that part of a structure which is used as a residence.

Landlord means the owner, property manager, or any person having or exercising supervision or control over rental property that is or is intended to be occupied by another. A person having or exercising supervision or control of rental property is, for all purposes under this article, deemed a landlord, regardless of whether ownership or title to the real estate is vested in another.

Owner means any person claiming, or in whom is vested, the ownership, dominion or title of real property, including, but not limited to:

(1) the holder of fee simple title;
(2) the holder of a life estate;
(3) the holder of a leasehold estate for a term of at least five years;
(4) the holder of a leasehold estate who, in turn, subleases property to another; or
(5) the buyer in a contract for deed.

As used in this division, *Owner* also includes any agent, association, company, corporation, firm, partnership, person or organization of any kind having a legal or equitable interest in a rental property.

Rental property or rental properties means a single-family or duplex dwelling unit~~, either fully or partially occupied by the owner, and~~ which is leased or rented or intended to be leased or rented to another person, for or without consideration~~; the term also includes any such structure in which individual rooms or spaces within such structure are leased or rented or intended to be leased or rented to one or more persons, for or without consideration.~~.

Tenant means any person who occupies rental property for residential purposes with the landlord's consent, regardless of whether the occupancy is in exchange for monetary consideration.

Townhouse. One of a series of not less than three nor more than ten attached one-family dwellings under common roof with common exterior walls and separated from one another by single partition walls without openings from basement to roof.

EXHIBIT A

Sec. 22-281 Applicability

This division shall apply to all single-family and duplex dwelling rental properties within the territorial limits of the Town. Division 2 of this article shall apply to apartment buildings, apartment complexes, multi-family dwellings, and hotel/motels not covered by this division, and the individual apartments and dwelling units within those buildings. Short-term rentals are governed by Article VIII of this Chapter.

Sec. 22-282 Registration of rental properties required

(a) No person shall own, operate, lease, rent, or maintain rental property within the territorial limits of the town without first registering the rental property with the town. Rental properties shall be registered each calendar year upon expiration, which is the 31st of December of every year. Registration shall be by written application submitted to and on a form provided by the Director identifying, at a minimum, the name and address of the owner, the name and address of the landlord, and the address, age, and interior square footage of the rental property. Registration may be approved but occupancy may not occur unless and until the rental property has been inspected for compliance with the minimum standards set forth in this article.

(b) Rental property registration may be denied, suspended, or revoked by the Director if:

(1) the application contains false information;
(2) there are utility fees and/or charges over sixty (60) days past due for the rental property over which the landlord is responsible;
(3) the rental property is not in compliance with the standards set forth in this article;
(4) access to the property by the Director or designee has been impaired so as to prevent timely inspection of the premises;
(5) a change in tenancy has occurred and the landlord or owner has failed to request an inspection as required by this article; or
(6) there exists any condition in, on or near the rental property that renders the rental property unsafe or unfit for human habitation or occupancy or presents a threat to public health or safety.

(c) A denial, suspension or revocation may be appealed to the City Manager if written notice of the appeal is received within twenty (20) days of the denial, suspension, or revocation.

(1) The City Manager's determination may be appealed to the board of adjustment. See Sec. 22-288 for additional provisions relating to such appeals.

Sec. 22-283 Applications and fees

(a) The Director may, at any time, require additional information of the owner or landlord to clarify or supplement items on the application for registration.

(b) The annual fee for issuing a registration shall be as set forth in the town's master fee schedule. The fees are non-refundable and are payable to the Town of Addison when application is made to the own for the registration.

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Sec. 22-284 Appointment, powers and duties of Director

(a) The Director is hereby designated as the administrator of this article.

(b) In addition to the powers and duties previously prescribed for the Director, said person shall:

(1) administer and enforce all provisions of this article;
(2) keep and maintain records of all registrations issued;
(3) adopt rules and regulations, not inconsistent with the provisions of this article, with respect to the form and content of applications for registrations, the investigation of applicants, and other matters incidental or appropriate to their powers and duties as may be necessary for the proper administration and enforcement of the provisions of this article; and
(4) conduct, on their own initiative, periodic investigations of rental properties throughout the city concerning compliance with this article.

Sec. 22-285 Minimum standards

(a) All rental properties, inclusive of the primary dwelling structure, all accessory structures, and the premises comprising the property, shall be kept and maintained by the owner and the landlord in accordance with the following minimum standards:

(1) the property must be maintained in a safe and habitable condition;
(2) the property must be adequately served by all utilities, including but not limited to electricity, water and sanitary sewer services;
(3) there shall be no violations of the town's nuisance regulations
(4) the property shall be kept free from junked motor vehicles, high grass and weeds, dangerous vegetation, dilapidated fencing, and accumulations of stagnant water, rubbish, and unwholesome matter of any kind shall be remedied in a timely manner upon notification by the town; and
(5) the property shall be kept and maintained in accordance with the standards and requirements set forth in the International Property Maintenance Code, as adopted by the town, or the provisions of any building, residential or property code adopted by the town for the purposes of protecting the life, health or safety of occupants or residents.

Sec. 22-286 Inspections; certificate of registration

(a) Inspection. Rental property shall be inspected for compliance with the provisions of this article as follows:

(1) upon first-time registration, if unoccupied or warranted by receipt of a complaint; and
(2) each time there is a change in tenancy. The applicant or landlord shall request that the inspection be conducted by the town.

(b) No registration shall be issued if, as a result of an inspection, it is determined that the rental property does not comply with the standards of this article.

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(c) Any life safety or critical deficiencies noted by the inspection shall be corrected prior to issuance of a certificate of registration and prior to occupancy. A re-inspection may not be necessary if the owner or landlord submits sufficient proof to the town from which the town can determine that all noted violations have been appropriately repaired or corrected. Sufficient proof includes, but is not limited to, an affidavit stating that the repairs have been completed, receipts for materials used in the repair or receipts for the work done to affect the repair, and/or photographs of the repair(s).

(d) Certificate of Registration. No rental property shall be occupied unless a valid certificate of registration has been issued by the town for the premises. A certificate of registration is required for each change in tenancy. The certificate shall be issued if, after inspection, the rental property complies with this article and the Code of Ordinances.

Sec. 22-287 Violations; affirmative defenses

(a) No person may violate any provision of this article, including landlords, owners, tenants and occupants of rental property.

(b) A person commits an offense when the person acts in the capacity of a landlord without a valid registration issued under this article.

(c) A landlord or an owner commits an offense if the landlord or owner rents, leases, or allows another to occupy rental property that is not registered, has not passed a town inspection, or does not have a valid certificate of registration.

(d) A landlord or an owner commits an offense if the landlord or owner rents, leases, or allows another to occupy rental property after having been provided with notice of a cease-and-desist order issued by the Director to vacate the premises or repair or remediate a condition that is a violation of this article or causes a public nuisance.

(e) No landlord or owner may prevent or impair an inspection under this article, or knowingly conceal, cover or disguise any condition that is a violation of the standards imposed by this article.

(f) It shall be an affirmative defense to the prosecution of an offense under this article if:

(1) the rental property is a group home for elderly persons or persons with disabilities.
(2) the tenant is hired by the owner as a short-term caretaker of the dwelling or is related to the owner within one degree of affinity or consanguinity; or
(3) the rental property is not used for residential purposes.

Sec. 22-288 Appeal to board of adjustment

(a) The board of adjustment may hear and decide an appeal that alleges error in an order, requirement, decision, or determination made by the Director in the enforcement of this division only after a decision by the City Manager in accordance with Sec. 22-282(c). An appeal to the board of adjustment must be made in writing, filed with the board, within not more than fifteen (15) days of the

service of City Manager's order, requirement, decision, or determination. Service of the order, requirement, decision, or determination is effective on the date that it is personally delivered to the owner, property manager, or landlord, deposited with the US Postal Service properly addressed, or posted on the property in a conspicuous location.

(b) The board shall schedule a hearing as soon as practicable upon the timely filing of an appeal. The owner, property manager or landlord may attend and present evidence at the hearing. The board shall promptly render a decision based on the merits of the appeal and the evidence presented at the hearing.

(c) The board's decision shall be final and binding. No appeal may be taken from the decision of the board.

Sec. 22-289 Penalties; remedies

(a) A violation of this division is punishable by a fine not to exceed the sum of two thousand dollars ($2000.00). Each day a violation continues shall be deemed a separate offense.

(b) Unless otherwise expressly provided for herein, no intent need be pleaded or proven in the prosecution of an offense under this division, and a person in violation shall be strictly liable, regardless of intent.

(c) The remedies provided for in this article are cumulative of each other and of any other remedy provided for and allowed by law. In addition to any other remedy allowed by law, the town may seek injunctive relief in any court of proper jurisdiction to restrain or enjoin a violation of any provision of this division.

Secs. 22-290 – 22-300. – Reserved.

Division 2. Multi-Family Dwellings

Sec. 22-301 Definitions

For the purposes of this division alone, the following words and phrases shall have the meanings respectively ascribed to them by this section, unless the context clearly indicates otherwise:

Calls for service (CFS) includes, but is not limited to, any and all calls to emergency services, that result in a town employee being dispatched or directed to the hotel/motel. Calls for service include any self-initiated activity or investigation based on the observation(s) of an emergency services representative that results in a written report. Multiple calls regarding the same event shall be treated as a single call for service for purposes of calculating the CFS room ratio. Calls from employees of the hotel/motel are excluded from being used to determine the calls for service room ratio. Calls for service include, but are not limited to:

(1) Commission of crimes that are drug related or drug related arrests;

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(2) Commission of crimes that are prostitution related or prostitution related arrests;

(3) Commission of crimes that are a breach of the peace;

(4) All fire alarms at a hotel/motel;

(5) Immediate public safety and health issues at a hotel/motel; or

(6) Noncompliance with federal law, state law or city codes and ordinances

Calls for service room ratio is defined as the number of calls for service divided by the total number of guest rooms in a hotel/motel.

Designated city official or DCO means the City Manager. The term may include the City Manager's designee or delegated staff or duly authorized representative of the City Manager.

Director shall refer to any person designated by the City Manager as being responsible for the administration and enforcement of this article.

Dangerous building refers to any building with exterior or interior conditions that pose a danger to the life, limb, health, property or safety of any person.

Dwelling unit means a structure or that part of a structure which is used as a residence.

Hotel/Motel. A building or group of buildings providing overnight lodging for guests on a daily rate to the general public, and customary hotel services such as daily linen, maid services, and upkeep of furniture are provided. These structures typically contain a lobby, fitness center, full commercial kitchen and meeting facilities, and may contain a restaurant, business center, gift shop and other various personal services as accessory uses. The term includes a hotel, motel, inn and bed and breakfast. The term does not include:

(1) A hospital, sanitarium, or nursing home; or

(2) A dormitory or other housing facility owned or leased and operated by an institution of higher education, or a private or independent institution of higher education as those terms are defined by the V.T.C.A., Education Code § 61.003, used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution.

(3) A short-term rental as defined in Article VIII of this Chapter.

Landlord means the owner, property manager, or any person having or exercising supervision or control over rental property that is or is intended to be occupied by another. A person having or exercising supervision or control of rental property is, for all purposes under this article, deemed a landlord, regardless of whether ownership or title to the real estate is vested in another.

Managing agent shall refer to a person who lives in this state and who is authorized by the owner of a multi-family residential rental building to accept legal service relevant to that building on their behalf.

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Multi-family residential building refers to a building or structure containing three or more individual residential units which are leased or rented or intended to be leased or rented to another person, for or without consideration, for residential purposes. The term also includes accessory buildings and structures intended for human occupancy and use by residents of a primary multi-family residential building.

Order to correct refers to an order that requires any person acting in the capacity of an owner, managing agent, property manager or landlord of a multi-family residential building to correct any building code violation.

Owner means any person claiming, or in whom is vested, the ownership, dominion or title of real property, including, but not limited to:

(1) the holder of fee simple title;
(2) the holder of a life estate;
(3) the holder of a leasehold estate for a term of at least five years;
(4) the holder of a leasehold estate who, in turn, subleases property to another; or
(5) the buyer in a contract for deed.

As used in this division, *Owner* also includes any agent, association, company, corporation, firm, partnership, person or organization of any kind having a legal or equitable interest in a multi-family residential building.

Property shall refer to the land on which one or more multi-family residential buildings are located and is inclusive of the land and all buildings and structures thereon.

Property manager means a person who for compensation has managing control of a multi-family residential building.

Resident shall refer to any person who occupies a residential unit in a multi-family residential building.

Residential unit means any single residential dwelling unit within a multi-family residential building or portion thereof that is used or intended to be used for residential purposes. The term is inclusive of units within mixed-use buildings whereby an occupant may utilize an area for combined residential and commercial or retail purposes.

Substandard building means a building, structure or multi-family residential building which is not in compliance with the provisions of the International Property Maintenance Code, as adopted by the city, or the provisions of any building, residential or property code adopted by the city for the purposes of protecting the life, health or safety of occupants or residents.

Sec. 22-302 Application for Annual Registration

(a) No person may operate a multi-family residential building or hotel/motel, and shall not offer for rent, lease or occupancy, a residential unit in a multi-family residential or hotel/motel building without first having applied for and been granted an annual registration from the town.

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To obtain an annual registration, an owner shall complete and submit an application on a form prescribed by the town that shall, at a minimum, require the applicant to provide:

(1) the property's trade name, physical address, business address, the total number of residential rental buildings located on the property, the total number of residential rental units or rooms located on the property and the year in which construction of each residential rental building located on the property was completed;
(2) the name, permanent address and telephone numbers of the owner, the property manager and, if the property owner does not reside in this state, the managing agent;
(3) the names, addresses and telephone numbers of any mortgagees of the property;
(4) if the owner is a partnership, the names and telephone numbers of the managing partner and the partnership's principal business address;
~~(1)~~(5) if the owner is a corporation, limited liability company, partnership, general partnership, limited liability partnership, trust or real estate investment trust, the name, physical business address and telephone numbers of the following;
  i) for a corporation, the president and/or chief executive officer;
  ii) for a limited liability company, the managing or administrative member;
  iii) for a partnership, limited partnership or limited liability partnership, the general partner;
  iv) for a trust, a trustee; for a real estate investment trust, the general partner; or
  v) for any other legal entity not named in the foregoing subsections, the name and address of a duly authorized agent; ~~and~~
~~(5)~~(6) any other information deemed material by the Director~~.~~; and
(7) an annual permit fee.

Sec. 22-303 Annual registration requirements

(a) Upon submission of an application, the town may inspect the property and the multi-family residential and/or hotel/motel building for compliance with minimum standards imposed by town building, property, health and safety codes.

(b) An annual registration shall ~~expire on the first (1st) anniversary of the date of its issuance~~be renewed each calendar year upon the date of expiration, which is the 31st of December of every year.

(c) An annual registration shall expire on the thirtieth (30th) day following a change of ownership of the property on which the building is situated. For the purposes of this subsection, a change in ownership shall not include a transfer or conveyance of an ownership interest in a building to an affiliate entity of the owner. The town shall act on an application for an annual registration within thirty (30) days of submission of an application.

(d) An application for an annual registration shall be submitted by all owners of multi-family residential buildings and/or hotel/motels within sixty (60) days following the effective date of the ordinance adopting the regulations contained within this division. However, multi- family residential buildings that are occupied and in operation on the effective date may not be denied

the opportunity to continue business operations during the period in which an application is pending.

(e) The town may grant extensions of the application deadlines provided for in this division upon terms and conditions deemed reasonable by the town in the town's sole discretion.

Sec. 22-304 Denial, revocation, or suspension of annual registration; appeal

(a) An application for annual registration may be denied, revoked or suspended by the Director if:

(1) an application contains materially false information;

(2) a multi-family residential building, hotel/motel or an accessory building intended for use or occupancy by residents of a multi-family residential building and/or hotel/motel has conditions that present a danger to life, health or safety;

(3) the owner or operator has received and been convicted for more than two citations for violations of this chapter or any other provision of the Code of Ordinances within the preceding 12-month time period;

~~(1)~~(4) an owner, property manager or landlord has prevented any inspection by the Director or has actively concealed any condition that presents a threat to life, health or safety or that is a violation of any provision of applicable building, property, health and safety codes:

~~(2)~~(5)a multi-family residential building, hotel/motel or an accessory building intended for use or occupancy by residents of a multi-family residential building and/or hotel/motel is not in compliance with minimum standards imposed by applicable building, property, health and safety codes;

~~(3)~~(6)an order to correct, issued by the Director, has not been complied with, and at least seven (7) days have elapsed since the order to correct was issued; ~~or~~

~~(4)~~(7)a multi-family residential building, hotel/motel or any accessory building is a dangerous building~~.~~;

(8) Tier 2 hotels/motels may also be denied if their CFS room ratio fails to meet the Tier 1 CFS room ratio within six (6) months of being notified of their Tier 2 standing. ~~or~~

(b) A denial, suspension or revocation pursuant to this section may be appealed to the City Manager if written notice of the appeal is received within twenty (20) days of the denial, suspension or revocation.

(1) The City Manager's determination may be appealed to the board of adjustment. See Sec. 22-~~308~~309 for additional provisions relating to such appeals.

Sec. 22-305 Inspections

(a) The town may inspect multi-family residential buildings, hotel/motel rooms, or any

portions thereof annually, at intervals deemed appropriate by the Director, or upon receipt of a complaint submitted by any person regarding a violation of any provision of applicable building, property, health and safety codes. Inspections may, at the discretion of the Director, be restricted to limited portions of a multi-family residential building or hotel/motel. The town may adopt policies and procedures regarding inspection programs and the conduct of inspections under this division.

(b) The Director shall provide at least fourteen (14) days' prior notice of an intent to conduct interior inspections. It is the responsibility of the owner, property manager, or landlord to notify residents and to secure the residential unit in preparation for inspection.

(c) It is unlawful for an owner, property manager, or landlord to prevent any inspection under this division, to deny or refuse access to the property for the purposes of inspection, to falsify any document or record incident to an inspection, or to attempt to conceal any condition that may be a violation of any provision of applicable building, property, health and safety codes.

(d) Residents of individual residential units may opt out of an inspection of the residential unit occupied by that person. The election to opt out of an inspection of an individual unit must be in writing and on a form promulgated by the town for that purpose.

(e) For hotel/motel guest complaints, the telephone number and address for the DCO shall be posted in a prominent location in all hotel guest rooms and public reception areas.

(f) A representative of the property owner, operator or manager of a hotel/motel shall be present and accessible to the DCO in person, on a 24-hour basis.

(g) Inspection and registration of hotels/motels are also subject to the additional criteria set forth in Sec. 22-308.

Sect. 22-306 Order to correct

Upon inspection, the Director may issue an order to correct any violations found by an inspection, requiring the owner, property manager, or landlord to correct any violation of any provision of applicable building, property, health and safety codes. The Director may, in their discretion, establish a reasonable time within which a specified violation must be corrected, and repairs be made. An order to correct may be revised, amended, or extended by the Director in their discretion, as may be appropriate under the circumstances. Orders to correct may also be issued pursuant to Sec. 22-308.

Sec. 22-307 Remedies

(a) Should an inspection reveal violations of this division, a violation of any provision of applicable building, property, health and safety codes, a condition that presents a danger to life, health, or safety, or that a multi-family residential building, hotel/motel, or an accessory building is a dangerous or substandard building, the Director may, if necessary or appropriate for the protection of health and safety:

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(1) issue an order to correct;
(2) deny, suspend or revoke an annual registration;
(3) may pursue the revocation of the certificate of occupancy;
(4) issue an order to vacate the building; or
(5) issue citations for any criminal or code violations observed during an inspection.

(b) If a multi-family residential building or hotel/motel is declared to be a dangerous building by the Director, the Director may:

(1) cause the violations to be corrected, at the expense of the owner, and subject the property to a lien for all costs incurred by the town by filing a statement of expense with the appropriate county;
(2) institute and maintain civil proceedings seeking injunctive relief against the owner in any court of appropriate jurisdiction for an order compelling the owner to comply with the Director's order;
(3) institute proceedings under the Uniform Code for the Abatement of Dangerous Buildings or the International Property Maintenance Code, as adopted by the town, or the provisions of any applicable building, property, health or safety code adopted by the town for the purposes of protecting the life, health or safety of occupants or residents. seeking the vacation and demolition of the building; or
(4) issue appropriate orders to vacate and secure the building, and to compel repair or demolition of the building.

Sec. 22-308 ~~Appeal to board of adjustment~~ **Additional Requirements for Hotels/Motels**

(a) Upon receipt of the application for annual registration of a hotel/motel, the town shall determine the calls for service (CFS) room ratio of all hotels/motels located within the Town of Addison during the previous calendar year, or during actual operations if less than twelve (12) months during the previous calendar year.

(1) Based upon the CFS room ratio determined by the Chief of Police or DCO, all hotels/motels shall be classified during that year according to the following tier system:

A. Tier 1 - Less than or equal to 1.0 CFS/room/year, or

B. Tier 2 - Greater than 1.0 CFS/room/year.

(2) A hotel/motel which has not previously operated in the town shall be presumed to be a Tier 1 hotel/motel until the next registration period or until the Chief of Police or DCO reclassifies it.

(3) The annual permit fee set forth in Sec. 22-302 shall be determined by the assigned Tier for hotels/motels. Hotels/motels classified as Tier 1 shall pay an annual fee of $1,000. Hotels/motels classified as Tier 2 shall pay an annual fee of $3,000.

(b) Upon completion of the annual inspection and review of all CFS for hotels/motels, the Chief of Police or DCO shall notify each hotel/motel owner and/or operator within the town, in

writing by personal service, certified mail or other method which provides confirmation of delivery, of the CFS room ratio which shall be used as the classification for that hotel/motel for that ensuing registration year.

(c) The town may monitor the CFS room ratio for each hotel/motel on an ongoing basis. The town may change the status of any Tier 1 hotel/motel to a Tier 2 hotel/motel during a calendar year upon notice in writing to the owner by personal service, certified mail or other method which provides confirmation of delivery that the CFS room ratio of such hotel/motel has increased proportionately such that the CFS room ratio, if annualized, would fall within the Tier 2 level. This notice shall include:

(1) The designation assigned to the hotel/motel;

(2) As allowed by law, data specifying the types of CFS identified as having occurred on the property during the period reviewed, including the incident numbers assigned to such CFS, and the date and time of each call to allow the owner to understand the basis of the designation;

(3) The requirement of mandatory inspections to be conducted by the Chief of Police or DCO;

(4) The opportunity and procedures by which the owner may challenge the data provided to the owner pursuant to this subsection upon which the designation is based; and

(5) Suggested changes in operations to reach Tier 1 classification.

(d) Upon such notice of initial classification or reclassification to Tier 2, the owner or operator shall have ten (10) calendar days from the date of notice to show proof to the Chief of Police or DCO that the revised CFS room ratio is erroneous. After receipt of such information from the owner or operator, the Chief of Police or DCO shall classify the hotel as a Tier 1 or Tier 2 within ten (10) calendar days of receipt of such information. The owner, operator, or manager may appeal the Chief of Police's or DCO's decision pursuant to section 22-309 of this chapter.

(e) The owner or operator shall have six (6) months from the date of any notice to correct to implement the changes in operation required by the Tier 2 classification. Failure to comply with this provision may result in revocation of the hotel/motels certificate of occupancy and/or annual registration permit pursuant to Sec. 22-304.

(f) Nothing in this Section restricts the town's right to immediately pursue any and all other legal remedies, including those set forth in Sec. 22-307.

Sec. 22-309 Appeal to board of adjustment

~~(d)~~(a) The board of adjustment may hear and decide an appeal that alleges error in an order, requirement, decision, or determination made by the Director, Chief of Police, or DCO in the enforcement of this division only after a decision by the City Manager in accordance with Sec. 22-

EXHIBIT A

304(b). An appeal to the board of adjustment must be made in writing, filed with the board, within not more than fifteen (15) days of the service of City Manager's order, requirement, decision, or determination. Service of the order, requirement, decision, or determination is effective on the date that it is personally delivered to the owner, property manager, or landlord, deposited with the US Postal Service properly addressed, or posted on the property in a conspicuous location.

~~(e)~~(b) The board shall schedule a hearing as soon as practicable upon the timely filing of an appeal. The owner, property manager or landlord may attend and present evidence at the hearing. The board shall promptly render a decision based on the merits of the appeal and the evidence presented at the hearing.

~~(f)~~(c) The board's decision shall be final and binding. ~~No appeal may be taken from the decision of the board~~No appeal may be taken from the decision of the board except to a State District Court of the county in which the property, which is the subject of the action, is located if such appeal is filed within thirty (30) days of the Board's action. Such appeal shall be decided based on a de novo appeal to determine the existence of a public nuisance for denial or tier reclassification.

(1) An appeal of the revocation or denial by the board to the State District Court of the county in which the property is located does not stay the effect or the use of any enforcement measure unless specifically ordered by the City Manager.

Sec. 22-301~~0~~9 Penalties

(a) Any person in violation of any provision of this division shall be punished by a fine not to exceed the sum of two thousand dollars ($2000.00). Each day that a violation exists is a separate offense.

(b) The penalties and remedies provided for in this division are cumulative and nonexclusive, and the town may pursue any and all remedies at law or in equity without prejudice to any other remedy.

(c) No culpable mental state shall be required to be plead or proven to establish guilt in the prosecution of any criminal case in which an offense under this division is alleged."

Secs. 22-311~~0~~ – 22-320. – Reserved.

2025 City Council Regular Meeting **5. c.**

Meeting Date: 10/28/2025

Department: Information Technology

Key Focus Areas: Public Safety
Infrastructure Development and Maintenance

AGENDA CAPTION:

Present, discuss, and consider action on a Resolution authorizing the City Manager to execute a bundled, multi-year agreement with Axon Enterprise, Inc. for the purchase, licensing, and support of law enforcement technology solutions in an amount not to exceed $273,098.18 due at signing and an annual recurring fee $275,175.69 for subsequent years; and providing an effective date.

BACKGROUND:

The Town of Addison's current contract for body-worn cameras and the interview room camera system is set to expire in October 2026. Additionally, the contract for electronic control devices (ECDs), commonly referred to as TASERs, expired in January 2025 and the existing devices are now considered end-of-life and out of warranty.

To address these critical equipment needs and enhance operational efficiency, staff recommend entering into a comprehensive, bundled contract with Axon Enterprises. This consolidated agreement would cover the replacement and upgrade of the Town's ECDs, body-worn cameras, and interview room camera system, while also introducing new technologies that support officer safety, training, and situational awareness.

The proposed contract includes the following components:

- **Electronic Control Devices (ECDs):** Upgrade from TASER 7 to TASER 10, which offers increased deployment capacity (nine attempts) and extended range (45 feet). The contract also includes virtual reality training equipment for cartridge-free practice, confined-space training, and de-escalation scenarios, as well as train-the-trainer instruction for internal knowledge transfer.
- **Body-Worn Cameras:** Continued use of Axon Body 4 cameras, which support live-streaming capabilities for real-time supervisory oversight.
- **Interview Room Camera**: Continued licensing for the existing system used to record interviews with suspects and victims.
- **Axon Assistant (*New Feature*):** An AI-powered tool that provides real-time

language translation (supporting over 50 languages), general knowledge Q&A, and policy chat functionality, enabling officers to access departmental policies and operational guidance in the field.

- **Fusus (*New Feature*):** A Real-Time Crime Center (RTCC) platform that integrates live and recorded video, license plate recognition (LPR), and other intelligence sources into a unified operating picture. The system is also future-ready for integration with a drone program, should one be adopted in the future by the Town or North Texas Emergency Communication Center (NTECC).

This bundled approach is expected to generate cost savings, reduce administrative complexity, and ensure that Addison Police Department personnel are equipped with the most current and effective tools available.

FISCAL IMPACT

The total cost of $1,373,800.94 will be funded through the Town's Information Technology Equipment Replacement Fund (ITERF). Established in 1998, the Information Technology Equipment Replacement Fund supports the scheduled replacement of critical IT infrastructure such as servers, network hardware, enterprise software, and other systems to ensure the Town’s network remains secure, scalable, and responsive to evolving operational demands.

The cost is distributed over the contract term and aligns with the Town’s capital planning and replacement schedule.

RECOMMENDATION

Staff recommends approval.

Attachments

Presentation - LETS Purchase Agreement (Axon)

Resolution - LETS Purchase Agreement (Axon)

Axon Agreement for Law Enforcement Technologies

October 28, 2025

Hamid Khaleghipour,
Executive Director of Internal Services

Background

Current Contract Status:

- The Town's body-worn camera & interview room camera contracts will expire in October 2026.
- The Electronic Control Device (ECD), a.k.a TASER, contract expired in January 2025.
  - These devices are end-of-life and out of warranty.

Axon Agreement

Proposed Axon Agreement:

- Bundled multi-year contract to:
  - Replace Taser Model 7 with Taser 10.
  - Replace Body Camera Model 3 with Model 4.
  - Replace the interview room camera system.
- Introduces new technology to enhance:
  - Situational awareness
  - Virtual training equipment for:
    - Cartridge-free practice
    - Confined space
    - De-escalation scenarios
    - Train-the-trainer

Axon Agreement

Key Advantages of Taser 10 over Taser 7:

- Longer range - 45 ft vs. 25 ft
- Higher cartridge capacity - 10 vs. 2
- Individually targeted probes for precision
- Improved weather resistance
- Enhanced de-escalation tools:
  - Strobing light and audible alert

Axon Agreement

Key Advantages of AXON Body Cams 4 over Body Cams 3:

- Higher video resolution - 1440p vs. 1080p
- Wider field of view - 160° vs. 146°
- Faster charging and longer battery life
- Doubled storage capacity - 128GB vs. 64GB
- Stronger encryption - 256-bit vs. 128-bit
- Optional camera module for alternate angles
- Bi-directional communication during livestreaming
- Improved battery durability and magnetic charging

Axon Agreement

AXON Core Operating Platform Features:

- AXON Assistant AI tool offers:
  - Real-time translation of 50+ languages
  - General Knowledge Q&A
  - Policy access in the field
  - Integration of video, LPR, and intelligence sources
  - Future-ready drone integration

Fiscal Impact

- Total five-year not-to-exceed amount of $1,373,800.94 broken down in five annual installments:
  - Year 1 (2026): $273,098.18
  - Year 2 (2027): $275,175.69
  - Year 3 (2028): $275,175.69
  - Year 4 (2029): $275,175.69
  - Year 5 (2030): $275,175.69

- Budgeted from Town's Information Technology Equipment Replacement Fund (ITERF).
  - Cost aligns with capital planning and replacement schedule.

Questions

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING AN AGREEMENT WITH AXON ENTERPRISE, INC. FOR LAW ENFORCEMENT DEVICES AND SERVICES IN AN AMOUNT NOT TO EXCEED $1,373,800.94; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council for the Town of Addison, Texas ("Town") has identified Axon Enterprise, Inc. as the preferred provider of a law enforcement equipment and services related to body worn cameras, data storage, and tasers, and has obtained a quote for such equipment and services (Quote #Q-663087-45931JS), a copy of which is attached as **Exhibit A**; and

WHEREAS, the City Council desires to authorize the City Manager to accept the quote and execute an agreement with Axon Enterprise, Inc. for the foregoing equipment and services.

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

SECTION 1. The City Council hereby approves the agreement between the Town of Addison and Axon Enterprise, Inc. for law enforcement equipment and services in an amount not-to-exceed of $1,373,800.94, a copy of which is attached to this Resolution as **Exhibit A**. The City Manager is further authorized to approve all related purchase orders, contract documents, or amendments related thereto on behalf of the Town, subject to available funding.

SECTION 2. This Resolution shall take effect from and after its date of adoption.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on this the ***28th*** day of ***OCTOBER***, 2025.

TOWN OF ADDISON, TEXAS

_____
Bruce Arfsten, Mayor

ATTEST:

_____
Valencia Garcia, City Secretary

EXHIBIT A

Docusign Envelope ID: 2AA2CE7F-F5DE-415D-A915-50DD132F2CA5

This Master Services and Purchasing Agreement ("**Agreement**") is between Axon Enterprise, Inc. ("**Axon**"), and the Customer listed below or, if no Customer is listed below, the customer on the Quote (as defined below) ("**Customer**"). This Agreement is effective as of the later of the (a) last signature date on this Agreement or (b) date of acceptance of the Quote ("**Effective Date**"). Axon and Customer are each a "**Party**" and collectively "**Parties**". This Agreement governs Customer's purchase and use of the Axon Devices and Services detailed in the Quote. It is the intent of the Parties that this Agreement will govern all subsequent purchases by Customer for the same Axon Devices and Services in the Quote, and all such subsequent quotes accepted by Customer shall be also incorporated into this Agreement by reference as a Quote. The Parties agree as follows:

1. **Definitions.**

   1.1. "**Axon Cloud Services**" means Axon's web services, including, but not limited to, Axon Evidence, Axon Records, Axon Dispatch, FUSUS services, and interactions between Axon Evidence and Axon Devices or Axon client software. Axon Cloud Service excludes third-party applications, hardware warranties, and my.evidence.com.

   1.2. "**Axon Device**" means all hardware provided by Axon under this Agreement. Axon-manufactured Devices are a subset of Axon Devices.

   1.3. "**Quote**" means an offer to sell and is only valid for devices and services on the offer at the specified prices. Any inconsistent or supplemental terms within Customer's purchase order in response to a Quote will be void. Orders are subject to prior credit approval. Changes in the deployment estimated ship date may change charges in the Quote. Shipping dates are estimates only. Axon is not responsible for typographical errors in any Quote by Axon, and Axon reserves the right to cancel any orders resulting from such errors.

   1.4. "**Services**" means all services provided by Axon under this Agreement, including software, Axon Cloud Services, and professional services.

2. **Term.** This Agreement begins on the Effective Date and continues until all subscriptions hereunder have expired or have been terminated ("**Term**").

   2.1. All subscriptions including Axon Evidence, Axon Fleet, Officer Safety Plans, Technology Assurance Plans, and TASER 7 or TASER 10 plans begin on the date stated in the Quote. Each subscription term ends upon completion of the subscription stated in the Quote ("**Subscription Term**").

   2.2. Upon completion of the Subscription Term, the Subscription Term will automatically renew for an additional 5 year term ("**Renewal Term**"). For purchase of TASER 7 or TASER 10 as a standalone, Axon may increase pricing to its then-current list pricing for any Renewal Term. New devices and services may require additional terms. Axon will not authorize new services until Axon receives a signed Quote or accepts a purchase order, whichever is first.

3. **Payment.** Axon invoices for Axon Devices upon shipment, or on the date specified within the invoicing plan in the Quote. Payment is due net 30 days from the invoice date. Axon invoices for Axon Cloud Services on an upfront annual basis prior to the beginning of the Subscription Term and upon the anniversary of the Subscription Term. Payment obligations are non-cancelable. Unless otherwise prohibited by law, Customer will pay interest on all past-due sums at the lower of one-and-a-half percent (1.5%) per month or the highest rate allowed by law. Customer will pay invoices without setoff, deduction, or withholding. If Axon sends a past due account to collections, Customer is responsible for collection and attorneys' fees.

4. **Taxes.** Customer is responsible for sales and other taxes associated with the order unless Customer provides Axon a valid tax exemption certificate.

5. **Shipping.** Axon may make partial shipments and ship Axon Devices from multiple locations. All shipments are EXW (Incoterms 2020) via common carrier. Title and risk of loss pass to Customer upon Axon's delivery to the common carrier. Customer is responsible for any shipping charges in the Quote.

6. **Returns.** All sales are final. Axon does not allow refunds or exchanges, except warranty returns or as provided by state or federal law.

7. **Warranty.**

   7.1. **Limited Warranty.** Axon warrants that Axon-manufactured Devices, except for TASER devices covered under the TASER Appendix, are free from defects in workmanship and materials for one (1) year from the date of Customer's receipt, except Signal Sidearm which Axon warrants for thirty (30) months from Customer's receipt and Axon-manufactured accessories, which Axon warrants for ninety (90) days from Customer's receipt, respectively, from the date of Customer's receipt. Extended warranties run from the expiration of the one- (1-) year hardware warranty through the extended warranty term purchased.

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7.2. **Disclaimer. All software and Axon Cloud Services are provided "AS IS," without any warranty of any kind, either express or implied, including without limitation the implied warranties of merchantability, fitness for a particular purpose and non-infringement. Axon Devices and Services that are not manufactured, published or performed by Axon ("Third-Party Products") are not covered by Axon's warranty and are only subject to the warranties of the third-party provider or manufacturer. If Customer purchases Axon Loki, Customer acknowledges the Loki device is designed for operation in enclosed, controlled environments and must be used in compliance with all applicable laws and safety guidelines. Operation in open or unapproved areas may result in signal interference, loss of control, or damage, and Axon assumes no liability for improper use, including any resulting harm or regulatory violations.**

7.3. **Claims.** If Axon receives a valid warranty claim for an Axon-manufactured Device during the warranty term, Axon's sole responsibility is to repair or replace the Axon-manufactured Device with the same or like Axon-manufactured Device, at Axon's option. A replacement Axon-manufactured Device will be new or like new. Axon will warrant the replacement Axon-manufactured Device for the longer of (a) the remaining warranty of the original Axon-manufactured Device or (b) ninety (90) days from the date of repair or replacement.

7.3.1. If Customer exchanges an Axon Device or part, the replacement item becomes Customer's property, and the replaced item becomes Axon's property. Before delivering an Axon-manufactured Device for service, Customer must upload Axon-manufactured Device data to Axon Evidence or download it and retain a copy. Axon is not responsible for any loss of software, data, or other information contained in storage media or any part of the Axon-manufactured Device sent to Axon for service.

7.4. **Spare Axon Devices.** At Axon's reasonable discretion, Axon may provide Customer a predetermined number of spare Axon Devices as detailed in the Quote ("**Spare Axon Devices**"). Spare Axon Devices are intended to replace broken or non-functioning units while Customer submits the broken or non-functioning units, through Axon's warranty return process. Axon will repair or replace the unit with a replacement Axon Device. Title and risk of loss for all Spare Axon Devices shall pass to Customer in accordance with shipping terms of this Agreement. Axon assumes no liability or obligation in the event Customer does not utilize Spare Axon Devices for the intended purpose.

7.5. **Limitations.** Axon's warranty excludes damage related to: (a) failure to follow Axon Device use instructions; (b) Axon Devices used with equipment not manufactured or recommended by Axon; (c) abuse, misuse, or intentional damage to Axon Device; (d) force majeure; (e) Axon Devices repaired or modified by persons other than Axon without Axon's written permission; or (f) Axon Devices with a defaced or removed serial number. Axon's warranty will be void if Customer resells Axon Devices.

7.5.1. **To the extent permitted by law, the above warranties and remedies are exclusive. Axon disclaims all other warranties, remedies, and conditions, whether oral, written, statutory, or implied. If statutory or implied warranties cannot be lawfully disclaimed, then such warranties are limited to the duration of the warranty described above and by the provisions in this Agreement. Customer confirms and agrees that, in deciding whether to sign this Agreement, Customer has not relied on any statement or representation by Axon or anyone acting on behalf of Axon related to the subject matter of this Agreement that is not in this Agreement.**

7.5.2. **Axon's cumulative liability to any party for any loss or damage resulting from any claim, demand, or action arising out of or relating to this Agreement will not exceed the purchase price paid to Axon for the Axon Device, or if for Services, the amount paid for such Services over the twelve (12) months preceding the claim. Neither Party will be liable for special, indirect, incidental, punitive or consequential damages, however caused, whether for breach of warranty or contract, negligence, strict liability, tort or any other legal theory.**

7.6. **Online Support Platforms.** Use of Axon's online support platforms (e.g., Axon Academy and MyAxon) is governed by the Axon Online Support Platforms Terms of Use Appendix available at www.axon.com/sales-terms-and-conditions.

7.7. **Third-Party Hardware, Software and Services.** Use of hardware, software, or services other than those provided by Axon is governed by the terms, if any, entered into between Customer and the respective third-party provider, including, without limitation, the terms applicable to such software or services located at www.axon.com/sales-terms-and-conditions, if any.

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7.8. **Axon Aid.** Upon mutual agreement between Axon and Customer, Axon may provide certain products and services to Customer, as a charitable donation under the Axon Aid program. In such event, Customer expressly waives and releases any and all claims, now known or hereafter known, against Axon and its officers, directors, employees, agents, contractors, affiliates, successors, and assigns (collectively, "**Releasees**"), including but not limited to, on account of injury, death, property damage, or loss of data, arising out of or attributable to the Axon Aid program whether arising out of the negligence of any Releasees or otherwise. Customer agrees not to make or bring any such claim against any Release, and forever release and discharge all Releasees from liability under such claims. Customer expressly allows Axon to publicly announce its participation in Axon Aid and use its name in marketing materials. Axon may terminate the Axon Aid program without cause immediately upon notice to the Customer.

8. **Free Trial.**

8.1. **Trial Period and License.** At any time during the Term, Customer and Axon may elect to enter a free trial of Axon Devices and Services new to the Customer for a designated period ("**Trial Period**") as described in a quote issued ("**Trial Quote**"). During the Trial Period, Axon grants Customer a nonexclusive, terminable, non-transferable, license to use new Axon Devices and Services provided for trial to the Customer ("**Trial Products**"). Trial Products may include Axon beta software or firmware which additional terms may be required and included within the Trial Quote. Axon may limit the number of Trial Products Customer receives within the Trial Quote. Axon may supply refurbished Trial Products. ALL FREE TRIAL PRODUCTS INCLUDING, WITHOUT LIMITATION, AXON CLOUD SERVICES, ARE PROVIDED "AS IS" AND TO THE EXTENT NOT PROHIBITED BY LAW, AXON DISCLAIMS ALL LIABILITY REGARDLESS OF THE CLAIM.

8.2. **Trial Quote Termination.** Upon at least 10 business days' prior written notice to Axon at any time prior to the end of the Trial Period, Customer may as its sole option, terminate the free Trial Period and underlying Trial Quote associated with the Trial Products for convenience. Customer's rights to the Trial Products will immediately terminate at the end of the Trial Period, and Customer will return any Trial Products hardware to Axon within 10 days after the effective date of such termination or at the end of the Trial Period, excluding used CEW cartridges. If any individual component of the Trial Products is not returned, Axon will invoice Customer the MSRP of the unreturned items. Customer agrees to pay the invoice along with any applicable taxes and shipping. Customer will return the Trial Products to Axon in good working condition, minus normal wear and tear. Axon may charge Customer if there is damage beyond normal wear and tear. Any Customer Content shall be stored and returned pursuant to the Axon Cloud Services Terms of Use Appendix

9. **Statement of Work.** Certain Axon Devices and Services, including, but not limited to, Axon Interview Room, Axon Channel Services, Axon Justice Implementation, FUSUS, and Axon Fleet, may require a Statement of Work that details Axon's Service deliverables ("**SOW**"). In the event Axon provides an SOW to Customer, Axon is only responsible for the performance of Services described in the SOW. Additional services outside of the SOW, Quote, or this Agreement are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in fees or schedule. Any applicable SOW is incorporated into this Agreement by reference.

10. **Axon Device Warnings.** See www.axon.com/legal for the most current Axon Device warnings.

11. **Design Changes.** Axon may make design or feature changes to any Axon Device or Service without notifying Customer or making the same change to Axon Devices and Services previously purchased by Customer.

12. **Combined Offerings.** Some offerings in a Quote combine existing and pre-released Axon Devices or Services. Some offerings may not be available at the time of Customer's purchase. Axon will not provide a refund, credit, or additional discount beyond what is in the Quote due to delay of availability or Customer's choice not to utilize any portion of a combined offering.

13. **Insurance.** Axon will maintain General Liability, Workers' Compensation, and Automobile Liability insurance. Upon request, Axon will supply certificates of insurance.

14. **IP Rights.** Axon owns and reserves all right, title, and interest in Axon-manufactured Devices and Services and suggestions to Axon, including all related intellectual property rights. Customer will not cause any Axon proprietary rights to be violated.

15. **IP Indemnification.** Axon will indemnify Customer against all claims, losses, and reasonable expenses from any third-party claim alleging that the use of Axon-manufactured Devices, Axon Cloud Services or Axon software ("**Axon Products**") infringes or misappropriates the third-party's intellectual property rights. Customer must promptly provide Axon with written notice of such claim, tender to Axon the defense or settlement of such claim at Axon's expense and cooperate fully with Axon in the defense or settlement of such claim. Axon's IP indemnification obligations do not apply to claims based on (a) modification of Axon Products by Customer or a third-party not approved by Axon; (b) use of Axon Products in combination with hardware or services not approved by Axon; (c) use of Axon Products other

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than as permitted in this Agreement; or (d) use of Axon Products that is not the most current software release provided by Axon.

16. **Customer Responsibilities.** Customer is responsible for (a) Customer's use of Axon Devices; (b) Customer or a Customer-authorized user's breach of this Agreement or violation of applicable law; (c) disputes between Customer and a third-party over Customer's use of Axon Devices; (d) secure and sustainable destruction and disposal of Axon Devices at Customer's cost; and (e) any regulatory violations or fines, as a result of improper destruction or disposal of Axon Devices.

17. **Termination.**

    17.1. **For Breach.** A Party may terminate this Agreement for cause if it provides thirty (30) days written notice of the breach to the other Party, and the breach remains uncured thirty (30) days after written notice. If Customer terminates this Agreement due to Axon's uncured breach, Axon will refund prepaid amounts on a prorated basis based on the effective date of termination.

    17.2. **By Customer**. If sufficient funds are not appropriated or otherwise legally available to pay the fees, Customer may terminate this Agreement. Customer will deliver notice of termination under this section as soon as reasonably practicable.

    17.3. **Effect of Termination**. Upon termination of this Agreement, Customer rights immediately terminate. Customer remains responsible for all fees incurred before the effective date of termination. If Customer purchases Axon Devices for less than the manufacturer's suggested retail price ("**MSRP**") and this Agreement terminates before the end of the Term, Axon will invoice Customer the difference between the MSRP for Axon Devices procured, including any Spare Axon Devices, and amounts paid towards those Axon Devices. Only if terminating for non-appropriation, Customer may return Axon Devices to Axon within thirty (30) days of termination. MSRP is the standalone price of the individual Axon Device at the time of sale. For multiple Axon Devices that may be combined as a single offering on a Quote, MSRP is the standalone price of all individual components.

18. **Confidentiality.** "**Confidential Information**" means nonpublic information designated as confidential or, given the nature of the information or circumstances surrounding disclosure, should reasonably be understood to be confidential. Each Party will take reasonable measures to avoid disclosure, dissemination, or unauthorized use of the other Party's Confidential Information. Unless required by law, neither Party will disclose the other Party's Confidential Information during the Term and for five (5) years thereafter. To the extent permissible by law, Axon pricing is Confidential Information and competition sensitive. If Customer receives a public records request to disclose Axon Confidential Information, to the extent allowed by law, Customer will provide notice to Axon before disclosure. Axon may publicly announce information related to this Agreement.

19. **General.**

    19.1. **Force Majeure**. Neither Party will be liable for any delay or failure to perform due to a cause beyond a Party's reasonable control.

    19.2. **Independent Contractors.** The Parties are independent contractors. Neither Party has the authority to bind the other. This Agreement does not create a partnership, franchise, joint venture, Customer, fiduciary, or employment relationship between the Parties.

    19.3. **Third-Party Beneficiaries.** There are no third-party beneficiaries under this Agreement.

    19.4. **Non-Discrimination.** Neither Party nor its employees will discriminate against any person based on race; religion; creed; color; sex; gender identity and expression; pregnancy; childbirth; breastfeeding; medical conditions related to pregnancy, childbirth, or breastfeeding; sexual orientation; marital status; age; national origin; ancestry; genetic information; disability; veteran status; or any class protected by local, state, or federal law.

    19.5. **Compliance with Laws.** Each Party will comply with all applicable federal, state, and local laws, including without limitation, import and export control laws and regulations as well as firearm regulations and the Gun Control Act of 1968. Customer acknowledges that Axon Devices and Services are subject to U.S. and international export control laws, including the U.S. Export Administration Regulations (EAR) and International Traffic in Arms Regulations (ITAR). Customer represents and warrants that neither it nor any End User is a "Restricted Person," meaning any individual or entity that (1) is subject to U.S. sanctions or trade restrictions, (2) appears on any U.S. government restricted party list, (3) engages in prohibited weapons proliferation activities, or (4) is owned or controlled by, or acting on behalf of, such persons or entities. Customer must promptly notify Axon of any change in status, and Axon may terminate this Agreement if Customer or any End User becomes a Restricted Person or violates export laws.

    19.6. **Assignment.** Neither Party may assign this Agreement without the other Party's prior written consent. Axon may assign this Agreement, its rights, or obligations without consent: (a) to an affiliate or subsidiary; or (b) for

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purposes of financing, merger, acquisition, corporate reorganization, or sale of all or substantially all its assets. This Agreement is binding upon the Parties respective successors and assigns.

19.7. **Waiver.** No waiver or delay by either Party in exercising any right under this Agreement constitutes a waiver of that right.

19.8. **Severability.** If a court of competent jurisdiction holds any portion of this Agreement invalid or unenforceable, the remaining portions of this Agreement will remain in effect.

19.9. **Survival.** The following sections will survive termination: Payment, Warranty, Axon Device Warnings, Indemnification, IP Rights, Customer Responsibilities and any other Sections detailed in the survival sections of the Appendices.

19.10. **Governing Law**. The laws of the country, state, province, or municipality where Customer is physically located, without reference to conflict of law rules, govern this Agreement and any dispute arising from it. The United Nations Convention for the International Sale of Goods does not apply to this Agreement.

19.11. **Notices.** All notices must be in English. Notices posted on Customer's Axon Evidence site are effective upon posting. Notices by email are effective on the sent date of the email. Notices by personal delivery are effective immediately. Notices to Customer shall be provided to the address on file with Axon. Notices to Axon shall be provided to Axon Enterprise, Inc. Attn: Legal, 17800 North 85th Street, Scottsdale, Arizona 85255 with a copy to legal@axon.com.

19.12. **Entire Agreement.** This Agreement, the Appendices, including any applicable Appendices not attached herein for the products and services purchased, which are incorporated by reference and located in the Master Purchasing and Services Agreement located at https://www.axon.com/sales-terms-and-conditions,Quote and any SOW(s), represents the entire agreement between the Parties. This Agreement supersedes all prior agreements or understandings, whether written or verbal, regarding the subject matter of this Agreement. This Agreement may only be modified or amended in a writing signed by the Parties.

Each Party, by and through its respective representative authorized to execute this Agreement, has duly executed and delivered this Agreement as of the date of signature.

AXON:

Axon Enterprise, Inc.

Signature: Signed by: Robert E. Driscoll, Jr. 55DAEBB131A4424...

Name: Robert E. Driscoll, Jr.

Title: Deputy General Counsel

Date: 10/9/2025 | 12:34 PM MST

CUSTOMER:

Signature: _____

Name: _____

Title: _____

Date: _____

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Axon Cloud Services Terms of Use Appendix

1. **Definitions.**

   1.1. "**Data Controller**" means the natural or legal person, public authority, or any other body which alone or jointly with others determines the purposes and means of the processing of Personal Data.

   1.2. "**Data Processor**" means a natural or legal person, public authority or any other body which processes Personal Data on behalf of the Data Controller.

   1.3. "**Customer Content**" is data uploaded into, ingested by, or created in Axon Cloud Services within Customer's tenant, including media or multimedia uploaded into Axon Cloud Services by Customer. Customer Content includes Evidence but excludes Non-Content Data.

   1.4. "**Evidence**" is media or multimedia uploaded into Axon Evidence as 'evidence' by Customer. Evidence is a subset of Customer Content.

   1.5. "**End User**" means the natural person subject to Customer's authorized license grant who ultimately uses the Cloud Services as provided under this Agreement. End Users must adhere to the terms of use and are subject to any usage restrictions or limitations specified in this Agreement.

   1.6. "**Non-Content Data**" is data, configuration, and usage information about Customer's Axon Cloud Services tenant, Axon Devices and client software, and users that is transmitted or generated when using Axon Devices. Non-Content Data includes data about users captured during account management and customer support activities. Non-Content Data does not include Customer Content.

   1.7. "**Personal Data**" means any information relating to an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

   1.8. "**Provided Data**" means de-identified, de-personalized, data derived from Customer's TASER energy weapon deployment reports, related TASER energy weapon logs, body-worn camera footage, and incident reports.

   1.9. "**Subprocessor**" means any third party engaged by the Data Processor to assist in data processing activities that the Data Processor is carrying out on behalf of the Data Controller.

   1.10. "**Transformed Data**" means the Provided Data used for the purpose of quantitative evaluation of the performance and effectiveness of TASER energy weapons in the field across a variety of circumstances.

2. **Access.** Upon Axon granting Customer a subscription to Axon Cloud Services, Customer may access and use Axon Cloud Services to store and manage Customer Content. Customer may not exceed the total number of End Users specified in the Quote. Axon Air requires an Axon Evidence subscription for each drone operator. For Axon Evidence access granted solely for TASER, Customer may access and use Axon Evidence only to store and manage TASER CEW data ("TASER Data") and Customer may not upload non-TASER Data to Axon Evidence.

3. **Customer Owns Customer Content.** Customer controls and owns all rights, title, and interest in Customer Content. Except as outlined herein, Axon obtains no interest in Customer Content, and Customer Content is not Axon's business records. Customer is solely responsible for uploading, sharing, managing, and deleting Customer Content. Axon will only have access to Customer Content for the limited purposes set forth herein. Customer agrees to allow Axon access to Customer Content to (a) perform troubleshooting, maintenance, or diagnostic screenings; and (b) enforce this Agreement or policies governing use of the Axon products.

4. **Security.** Axon will implement commercially reasonable and appropriate measures to secure Customer Content against accidental or unlawful loss, access or disclosure. Axon will maintain a comprehensive information security program to protect Axon Cloud Services and Customer Content including logical, physical access, vulnerability, risk, and configuration management; incident monitoring and response; encryption of uploaded digital evidence; security education; and data protection. Axon agrees to the Federal Bureau of Investigation Criminal Justice Information Services Security Addendum for its digital evidence or records management systems.

5. **Customer Responsibilities.** Customer is responsible for (a) ensuring Customer owns Customer Content or has the necessary rights to use Customer Content (b) ensuring no Customer Content or Customer End User's use of Customer Content or Axon Cloud Services violates this Agreement or applicable laws; (c) maintaining necessary

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computer equipment and Internet connections for use of Axon Cloud Services and (d) verify the accuracy of any auto generated or AI-generated reports. If Customer becomes aware of any violation of this Agreement by an End User, Customer will immediately terminate that End User's access to Axon Cloud Services.

5.1 Customer will also maintain the security of End User usernames and passwords and security and access by end users to Customer Content. Customer is responsible for ensuring the configuration and utilization of Axon Cloud Services meet applicable Customer regulation and standards. Customer may not sell, transfer, or sublicense access to any other entity or person. If Customer provides access to unauthorized third-parties, Axon may assess additional fees along with suspending Customer's access. Customer shall contact Axon immediately if an unauthorized party may be using Customer's account or Customer Content, or if account information is lost or stolen.

5.2 To the extent Customer uses the Axon Cloud Services to interact with YouTube®, such use may be governed by the YouTube Terms of Service, available at https://www.youtube.com/static?template=terms.

6. **Privacy.** Customer's use of Axon Cloud Services is subject to the Axon Cloud Services Privacy Policy, a current version of which is available at https://www.axon.com/legal/cloud-services-privacy-policy. Customer agrees to allow Axon access to Non-Content Data from Customer to (a) perform troubleshooting, maintenance, or diagnostic screenings; (b) provide, develop, improve, and support current and future Axon products and related services; and (c) enforce this Agreement or policies governing the use of Axon products.

7. **Axon Body Wi-Fi Positioning.** Axon Body cameras may offer a feature to enhance location services where GPS/GNSS signals may not be available, for instance, within buildings or underground. Customer administrators can manage their choice to use this service within the administrative features of Axon Cloud Services. If Customer chooses to use this service, Axon must also enable the usage of the feature for Customer's Axon Cloud Services tenant. Customer will not see this option with Axon Cloud Services unless Axon has enabled Wi-Fi Positioning for Customer's Axon Cloud Services tenant.

8. **Storage.** For Axon Unlimited Device Storage subscriptions, Customer may store unlimited data in Customer's Axon Evidence account only if the Axon Device data is shared to Customer through Axon Evidence from a partner agency using Axon Evidence, or the data originates from Axon Capture or an Axon Device. Axon may charge Customer additional fees for exceeding purchased storage amounts. Axon may place Customer Content that Customer has not viewed or accessed for six (6) months into archival storage. Customer Content in archival storage will not have immediate availability and may take up to twenty-four (24) hours to access.

8.1. **Third-Party Unlimited Storage.** For Third-Party Unlimited Storage the following restrictions apply: (i) it may only be used in conjunction with a valid Axon Evidence user license; (ii) is limited to data of the law enforcement Customer that purchased the Third-Party Unlimited Storage and the Axon Evidence End User; (iii) Customer is prohibited from storing data for other customers or law enforcement agencies; and (iv) Customer may only upload and store data that is directly related to (1) the investigation of, or the prosecution or defense of a crime, (2) common law enforcement activities, or (3) any Customer Content created by Axon Devices or Axon Evidence.

8.2. **Location of Storage.** Axon may transfer Customer Content to third-party subcontractors for storage. Axon will determine the locations of data centers for storage of Customer Content If Customer is located in the United States, Canada, or Australia, Axon will ensure all Customer Content stored in Axon Cloud Services remains in the country where Customer is located Ownership of Customer Content remains with Customer.

9. **Suspension.** Axon may temporarily suspend Customer's or any End User's right to access or use any portion or all of Axon Cloud Services immediately upon notice, if Customer or End User's use of or registration for Axon Cloud Services may (a) pose a security risk to Axon Cloud Services or any third-party; (b) adversely impact Axon Cloud Services, the systems, or content of any other customer; (c) subject Axon, Axon's affiliates, or any third-party to liability; or (d) be fraudulent. Customer remains responsible for all fees incurred through suspension. Axon will not delete Customer Content because of suspension, except as specified in this Agreement.

10. **Axon Cloud Services Warranty.** Axon disclaims any warranties or responsibility for data corruption or errors before Customer uploads data to Axon Cloud Services Service Offerings will be subject to the Axon Cloud Services Service Level Agreement, a current version of which is available at https://www.axon.com/products/axon-evidence/sla.

11. **Roles of the Parties.** To the extent that Customer is the Data Controller of Personal Data, Axon is its Data Processor. To the extent that Customer is a Data Processor of Personal Data, Axon is its Subprocessor. Notwithstanding the foregoing, to the extent any usage data (including query logs and metadata) and/or operations data (including billing

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and support data) in connection with Customer's use of the Services (collectively "Usage and Operations Data") is considered Personal Data, Axon is an independent Data Controller and shall Process such data in accordance with the Agreement and applicable data protection laws to develop, improve, support, and operate its products and services. For the avoidance of doubt, Axon will not disclose any Usage and Operations Data that includes confidential information with a third party except (a) in accordance with the relevant confidentiality provisions in the Agreement, or (b) to the extent the Usage and Operations Data is, in accordance with applicable data protection laws, anonymized, de-identified, and/or aggregated such that it can no longer directly or indirectly identify Customer or any particular individual.

12. **TASER Data Science Program.** Axon will provide a quantitative evaluation on the performance and effectiveness of TASER energy weapons in the field across a variety of circumstances.

    12.1. If Customer purchases the TASER Data Science Program, Customer grants Axon, its affiliates, and assignees an irrevocable, perpetual, fully paid, royalty-free, and worldwide right and license to use Provided Data solely for the purposes of this Agreement and to create Transformed Data. Customer shall own all rights and title to Provided Data. Axon shall own all rights and title to Transformed Data and any derivatives of Transformed Data.

    12.2. Axon grants to Customer an irrevocable, perpetual, fully paid, royalty-free, license to use to TASER Data Science report provided to Customer for its own internal purposes. The Data Science report is provided "as is" and without any warranty of any kind.

    12.3. In the event Customer seeks Axon's deletion of Provided Data, it may submit a request to privacy@axon.com. Where reasonably capable of doing so, Axon will implement the request but at a minimum will not continue to collect Provided Data from Customer.

13. **Axon Records.** The following terms apply to Axon Records. Customers may purchase Axon Records either as part of an OSP 7 or OSP 10 plan or individually through a Quote.

    13.1. Axon Record subscription begins on the later of the (1) start date of the Quote, or (2) the date Axon provisions Axon Records to Customer. The Axon Records Subscription Term will end upon the completion of the Axon Records Subscription as documented in the Quote, or if purchased as part of an OSP 7 or OSP 10 plan, upon completion of the OSP 7 or OSP 10 Term ("Axon Records Subscription Term").

    13.2. An "Update" is a generally available release of Axon Records that Axon makes available from time to time. An "Upgrade" includes (i) new versions of Axon Records that enhance features and functionality, as solely determined by Axon; and/or (ii) new versions of Axon Records that provide additional features or perform additional functions. Upgrades exclude new products that Axon introduces and markets as distinct products or applications. During the Customer's Axon Records Subscription Term Axon will provide Update and Upgrade releases to the Customer on an if-and-when available basis.

    13.3. New or additional Axon products and applications, as well as any Axon professional services needed to configure Axon Records, are not included as part of the Axon Records Subscription.

    13.4. End Users of Axon Records may upload files to entities (incidents, reports, cases, etc.) in Axon Records with no limit to the number of files and amount of storage. Notwithstanding the foregoing, Axon may limit usage should the Customer exceed an average rate of one-hundred (100) GB per user per year of uploaded files. Axon will not bill for overages.

14. **FUSUS.** If Customer purchases a subscription to FUSUS, the following terms apply:

    14.1. **License and Storage.** The specific license number(s) and associated data storage terms for FUSUS subscription and Axon Devices shall be set forth in the applicable Quote provided by Axon.

    14.2. **Third party Components.** Customer is responsible for use of any internet access devices and/or all third-party hardware, software, services, telecommunication services (including Internet connectivity), or other items used by Customer to access the service ("Third-Party Components") are the sole and exclusive responsibility of Customer, and Axon has no responsibility for such Third-party Components, FUSUS cloud services, or Customer relationships with such third parties. Customer agrees to at all times comply with the lawful terms and conditions of agreements with such third parties. Axon does not represent or warrant that the FUSUS cloud services and the Customer Content are compatible with any specific third-party hardware or software or any other Third-Party Components. Customer is responsible for providing and maintaining an operating environment as reasonably necessary to accommodate and access the FUSUS cloud services.

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14.3. **Data Privacy.** Axon may collect, use, transfer, disclose and otherwise process Customer Content in the context of facilitating communication of data with Customer through their use of FUSUS cloud services FUSUS app (iOS or Android interface), complying with legal requirements, monitoring the Customer's use of FUSUS systems, and undertaking data analytics.

15. **Axon Community Request Storage.** If Community Request is included as part of Customer's Quote or combined offering, Customer may store an unlimited amount of data submitted through the public portal ("Portal Content"), within Customer's Axon Evidence instance. The post-termination provisions outlined in the Axon Cloud Services Terms of Use Appendix also apply to Portal Content.

16. **Performance Auto-Tagging Data.** If Axon Performance is included in Customer's Quote or a combined offering, Axon will store call for service data from Customer's CAD or RMS in order to provide services and features of Axon Performance to Customer.

17. **Axon Cloud Services Restrictions.** Customer and Customer End Users (including employees, contractors, agents, officers, volunteers, and directors), may not, or may not attempt to:

    17.1. copy, modify, tamper with, repair, or create derivative works of any part of Axon Cloud Services;

    17.2. reverse engineer, disassemble, or decompile Axon Cloud Services or apply any process to derive any source code included in Axon Cloud Services, or allow others to do the same;

    17.3. access or use Axon Cloud Services with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas;

    17.4. use trade secret information contained in Axon Cloud Services, except as expressly permitted in this Agreement;

    17.5. access Axon Cloud Services to build a competitive device or service or copy any features, functions, or graphics of Axon Cloud Services;

    17.6. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon's or Axon's licensors on or within Axon Cloud Services; or

    17.7. use Axon Cloud Services to store or transmit infringing, libelous, or other unlawful or tortious material; material in violation of third-party privacy rights; or malicious code.

18. **After Termination.** Axon will not delete Customer Content for ninety (90) days following termination. Axon Cloud Services will not be functional during these ninety (90) days other than the ability to retrieve Customer Content. Customer will not incur additional fees if Customer downloads Customer Content from Axon Cloud Services during this time. Axon has no obligation to maintain or provide Customer Content after these ninety (90) days and will thereafter, unless legally prohibited, delete all Customer Content. Upon request, Axon will provide written proof that Axon successfully deleted and fully removed all Customer Content from Axon Cloud Services.

19. **Post-Termination Assistance.** Axon will provide Customer with the same post-termination data retrieval assistance that Axon generally makes available to all customers. Requests for Axon to provide additional assistance in downloading or transferring Customer Content, including requests for Axon's data egress service, will result in additional fees and Axon will not warrant or guarantee data integrity or readability in the external system.

20. **U.S. Government Rights.** If Customer is a U.S. Federal department or using Axon Cloud Services on behalf of a U.S. Federal department, Axon Cloud Services is provided as a "commercial item," "commercial computer software," "commercial computer software documentation," and "technical data", as defined in the Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement. If Customer is using Axon Cloud Services on behalf of the U.S. Government and these terms fail to meet the U.S. Government's needs or are inconsistent in any respect with federal law, Customer will immediately discontinue use of Axon Cloud Services.

21. **Survival.** Upon any termination of this Agreement, the following sections in this Appendix will survive: Customer Owns Customer Content, Privacy, Storage, Axon Cloud Services Warranty, Customer Responsibilities and Axon Cloud Services Restrictions.

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AI Technology Appendix

This AI Technology Appendix shall only apply to Customers who license Axon Cloud Services in a Quote that specifically utilizes AI Technology. Unless explicitly defined otherwise, capitalized terms used in this Appendix have the same meaning as those in the Agreement.

1. **Definitions.**

   1.1. **AI Technology.** Refers to artificial intelligence functionalities embedded in Axon's Cloud Services, which may include: (a) Enhanced Evidence Management; (b) AI-powered redaction tools; (c) Large Language Model-based tools (e.g., "Draft One" "Policy Chat"); (d) Predictive Analytics for operational insights; or (e) Natural Language Processing (NLP) for text and speech analysis.

   1.2. **Model Drift.** The degradation of AI model performance due to changes in input data or external conditions, requiring retraining or updates.

   1.3. **Bias Mitigation.** Strategies and techniques used to identify, measure, and minimize bias in AI Technology.

2. **Scope and Usage.**

   2.1. **Integration.** Axon AI Technology is intended to improve public safety, streamline operations, and ensure data accuracy. The AI functionalities will only be used as described in the Agreement or applicable documentation.

   2.2. **Data Use.** Axon acts as a Data Processor for AI Technology. All inquiries submitted are processed solely to provide accurate responses based on Customer Content submitted. Customer remains the Data Controller of all Customer Content. Axon and Axon's subprocessors do not train their models on Customer Content. Customers who elect to participate in Axon's ACEIP program can enter into custom agreements to assist in product development efforts like AI model training. Even in those cases, Axon operates carefully on redacted data and not on Customer Content.

   2.3. **Automatic Data Collection.** AI Technology may automatically collect Non-Content Data about user interactions with the service and their devices to enhance the functionality and security of the system. The details collected include, but are not limited to, the following:

      2.3.1. **User Engagement and Activity Metrics.** AI Technology may track key engagement statistics, including Daily Active Users (DAUs), Weekly Active Users (WAUs), and Monthly Active Users (MAUs). Additional metrics include new user activations, repeat usage rates, total queries submitted, follow-up query volume, session lengths, retention rates, and user satisfaction ratings (e.g., thumbs up/down feedback).

      2.3.2. **Sales and Adoption Tracking.** Axon monitors the number of licenses and agencies purchasing the service, including those in trial phases, fully deploying the service, and conversion rates from trials to paid subscriptions.

      2.3.3. **End User inputs.** Axon may process de-identified end-user inputs to the AI Technology, excluding Customer Content or any data that directly or indirectly identifies individuals.

3. **Axon Responsibilities.**

   3.1. **Ethical AI Development.** Axon shall: (a) Follow its responsible innovation framework; (b) Engage with the Ethics and Equity Advisory Council (EEAC) for feedback; (c) Conduct testing to minimize bias and ensure reliability; and (d) Implement Bias Mitigation techniques in model development and deployment.

   3.2. **Security Program.** Axon will maintain a comprehensive information security program, including logical and physical access, vulnerability, risk, and configuration management; incident monitoring and response; encryption of digital evidence; and security education.

   3.3. **Transparency.** Axon will provide documentation describing AI functionalities and their intended use and disclose any material limitations, risks, or Model Drift incidents.

   3.4. **Incident Response.** Axon will promptly address and rectify anomalies in AI functionalities, as outlined in its incident management procedures.

   3.5. **Compliance.** Axon will ensure compliance with applicable laws, regulations, and standards, including but not limited to the EU AI Act, NIST AI standards, and ISO/IEC 27001.

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4. **Customer Responsibilities.**

   4.1. **Ownership of Customer Content.** Customer controls and owns all rights, title, and interest in Customer Content. Axon obtains no interest in Customer Content and will only access Customer Content for limited purposes as outlined in the Agreement.

   4.2. **Use of AI Technologies.** Customer must: (a) review AI-generated outputs to ensure accuracy and appropriateness; (b) maintain control over Customer Content shared with AI Technologies (c) comply with applicable laws when using Axon AI Technology and Axon Services; (d) monitor for potential issues with AI outputs, including false positives or negatives; (e) actively opt-in for programs involving data sharing through Axon's ACEIP program; and (f) provide timely feedback on Axon AI Technology performance.

   4.3. **Restrictions.** AI Technology is not designed for emergencies, and in such cases, users should contact appropriate emergency services directly. Axon disclaims liability for queries containing prohibited content, such as hate, sexual material, or violence, and reserves the right to restrict such usage.

5. **Policy Chat.** This section outlines the specific terms and conditions related to the use of Policy Chat by the Customer. By utilizing Policy Chat, the Customer agrees to comply with the following provisions**:**

   5.1. **License and Content Restrictions.** Any uploads beyond 5,000 pages may be limited by Axon. It is the Customer's responsibility to manage uploads to ensure system efficiency and compliance with these terms.

   5.2. **Data Processing.** Inquiries submitted to Policy Chat are processed solely to provide accurate responses based on existing policy documents provided by the Customer. The Customer remains the Data Controller of all policy content, and Axon's role is strictly limited to facilitating access to this information through Policy Chat.

   5.3. **Policy Chat Restrictions.** The information provided by Policy Chat is for informational purposes only and is based on the policy documents uploaded by the Customer. **Axon does not guarantee the accuracy, completeness, or timeliness of the information, and disclaims all liability for any reliance placed on such information**. Policy Chat is not a substitute for official policy documents, legal advice, or comprehensive training. Users should consult their supervisors, legal advisors, or official sources for the most accurate and up-to-date policy guidance. Changes to policies may not be reflected immediately, and it is the Customer's responsibility to ensure data integrity by uploading the most current documents and removing outdated versions.

6. **Draft One.** Specifically for Customers who utilize Draft One, Axon may impose usage restrictions if a single user generates more than three hundred (300) reports per month for two or more consecutive months.

7. **Brief One.** Brief One includes automatic summarization of all products that can be transcribed. If Customer subscribes to Brief One, Customer may utilize Brief One with no limit on the number of pieces of evidence or cases. Notwithstanding the foregoing, Axon may limit evidence and case summaries for cases with over one thousand (1000) pieces of evidence or after three hundred (300) cases per End User per month for two (2) consecutive months in a row.

8. **Auto-Transcribe.** This section outlines licensing terms for Customer's subscription of Auto-Transcribe:

   8.1. **A-La-Carte Minutes.** Upon Axon granting Customer a set number of minutes, Customer may utilize Axon Auto-Transcribe, subject to the number of minutes allowed on the Quote. Customers cannot roll over unused minutes to future Auto-Transcribe terms. Axon may charge Customer additional fees for exceeding the number of purchased minutes. Axon Auto-Transcribe minutes expire one year after being provisioned to Customer by Axon.

   8.2. **Axon Unlimited Transcribe.** Upon Axon granting Customer an Unlimited Transcribe subscription to Axon Auto-Transcribe, Customer may utilize Axon Auto-Transcribe with no limit on the number of minutes. Unlimited Transcribe includes automatic transcription of all Axon BWC and Axon Capture footage. With regard to Axon Interview Room, Axon Fleet, Axon Community Request, or third-party transcription, transcription must be requested on demand. Notwithstanding the foregoing, Axon may limit usage after 5,000 minutes per user per month for multiple months in a row. Axon will not bill for overages.

9. **Amendments.** Axon reserves the right to amend this Appendix to reflect changes in applicable laws or improvements in AI Technologies. Axon will provide at least 30 days' notice for any substantive changes. Continued use of Axon Devices and Services after the effective date constitutes acceptance of the updated terms.

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Axon Customer Experience Improvement Program Appendix

1. **Axon Customer Experience Improvement Program (ACEIP).** The ACEIP is designed to accelerate Axon's development of technology, such as building and supporting automated features, to ultimately increase safety within communities and drive efficiency in public safety. To this end, subject to the limitations on Axon as described below, Axon, where allowed by law, may make limited use of Customer Content from all of its customers to provide, develop, improve, and support current and future Axon products (collectively, "ACEIP Purposes"). However, at all times, Axon will comply with its obligations pursuant to the Axon Cloud Services Terms of Use Appendix to maintain a comprehensive data security program (including compliance with the CJIS Security Policy for Criminal Justice Information), privacy program, and data governance policy, including high industry standards of de-identifying Personal Data, to enforce its security and privacy obligations for the ACEIP. ACEIP has 2 tiers of participation, Tier 1 and Tier 2. By default, Customer will be a participant in ACEIP Tier 1. If Customer does not want to participate in ACEIP Tier 1, Customer can revoke its consent at any time. If Customer wants to participate in Tier 2, as detailed below, Customer can check the ACEIP Tier 2 box below. If Customer does not want to participate in ACEIP Tier 2, Customer should leave box unchecked. At any time, Customer may revoke its consent to ACEIP Tier 1, Tier 2, or both Tiers.

2. **ACEIP Tier 1.**

   2.1. When Axon uses Customer Content for the ACEIP Purposes, Axon will extract from Customer Content and may store separately copies of certain segments or elements of the Customer Content (collectively, "**ACEIP Content**"). When extracting ACEIP Content, Axon will use commercially reasonable efforts to aggregate, transform or de-identify Customer Content so that the extracted ACEIP Content is no longer reasonably capable of being associated with, or could reasonably be linked directly or indirectly to a particular individual ("**Privacy Preserving Technique(s)**"). For illustrative purposes, some examples are described in footnote 1[1]. For clarity, ACEIP Content will still be linked indirectly, with an attribution, to the Customer from which it was extracted. This attribution will be stored separately from the data itself, but is necessary for and will be solely used to enable Axon to identify and delete all ACEIP Content upon Customer request. Once de-identified, ACEIP Content may then be further modified, analyzed, and used to create derivative works. At any time, Customer may revoke the consent granted herein to Axon to access and use Customer Content for ACEIP Purposes. Within 30 days of receiving the Customer's request, Axon will no longer access or use Customer Content for ACEIP Purposes and will delete any and all ACEIP Content. Axon will also delete any derivative works which may reasonably be capable of being associated with, or could reasonably be linked directly or indirectly to Customer. In addition, if Axon uses Customer Content for the ACEIP Purposes, upon request, Axon will make available to Customer a list of the specific type of Customer Content being used to generate ACEIP Content, the purpose of such use, and the retention, privacy preserving extraction technique, and relevant data protection practices applicable to the Customer Content or ACEIP Content ("**Use Case**"). From time to time, Axon may develop and deploy new Use Cases. At least 30 days prior to authorizing the deployment of any new Use Case, Axon will provide Customer notice (by updating the list of Use Case at https://www.axon.com/aceip and providing Customer with a mechanism to obtain notice of that update or another commercially reasonable method to Customer designated contact) ("**New Use Case**").

   2.2. **Expiration of ACEIP Tier 1.** Customer consent granted herein will expire upon termination of the Agreement. In accordance with section 1.1.1, within 30 days of receiving the Customer's request, Axon will no longer access or use Customer Content for ACEIP Purposes and will delete ACEIP Content. Axon will also delete any derivative works which may reasonably be capable of being associated with, or could reasonably be linked directly or indirectly to, Customer.

3. **ACEIP Tier 2.** In addition to ACEIP Tier 1, if Customer wants to help further improve Axon's services, Customer may choose to participate in Tier 2 of the ACEIP. ACEIP Tier 2 grants Axon certain additional rights to use Customer

[1] For example; (a) when extracting specific text to improve automated transcription capabilities, text that could be used to directly identify a particular individual would not be extracted, and extracted text would be disassociated from identifying metadata of any speakers, and the extracted text would be split into individual words and aggregated with other data sources (including publicly available data) to remove any reasonable ability to link any specific text directly or indirectly back to a particular individual; (b) when extracting license plate data to improve Automated License Plate Recognition (ALPR) capabilities, individual license plate characters would be extracted and disassociated from each other so a complete plate could not be reconstituted, and all association to other elements of the source video, such as the vehicle, location, time, and the surrounding environment would also be removed; (c) when extracting audio of potential acoustic events (such as glass breaking or gun shots), very short segments (<1 second) of audio that only contains the likely acoustic events would be extracted and all human utterances would be removed.

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Content, in addition to those set forth in Tier 1 above, without the guaranteed deployment of a Privacy Preserving Technique to enable product development, improvement, and support that cannot be accomplished with aggregated, transformed, or de-identified data.

☐ Check this box if Customer wants to help further improve Axon's services by participating in ACEIP Tier 2 in addition to Tier 1. Axon will not enroll Customer into ACEIP Tier 2 until Axon and Customer agree to terms in writing providing for such participation in ACEIP Tier 2.

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Professional Services Appendix

If any of the Professional Services specified below are included on the Quote, this Appendix applies.

1. **Utilization of Services.** Customer must use professional services as outlined in the Quote and this Appendix within six (6) months of the Effective Date.

2. **Axon Full Service (Axon Full Service).** Axon Full Service includes advance remote project planning and configuration support and up to four (4) consecutive days of on-site service and a professional services manager to work with Customer to assess Customer's deployment and determine which on-site services are appropriate. If Customer requires more than four (4) consecutive on-site days, Customer must purchase additional days. Axon Full-Service options include:

System set up and configuration • Instructor-led setup of Axon View on smartphones (if applicable) • Configure categories and custom roles based on Customer need • Register cameras to Customer domain • Troubleshoot IT issues with Axon Evidence and Axon Dock ("**Dock**") access • One on-site session included
Dock configuration • Work with Customer to decide the ideal location of Docks and set configurations on Dock • Authenticate Dock with Axon Evidence using admin credentials from Customer • On-site assistance, not to include physical mounting of docks
Best practice implementation planning session • Provide considerations for the establishment of video policy and system operations best practices based on Axon's observations with other customers • Discuss the importance of entering metadata in the field for organization purposes and other best practices for digital data management • Provide referrals of other customers using the Axon camera devices and Axon Evidence • Recommend rollout plan based on review of shift schedules
System Admin and troubleshooting training sessions Step-by-step explanation and assistance for Customer's configuration of security, roles & permissions, categories & retention, and other specific settings for Axon Evidence
Axon instructor training (Train the Trainer) Training for Customer's in-house instructors who can support Customer's Axon camera and Axon Evidence training needs after Axon has fulfilled its contractual on-site obligations
Evidence sharing training Tailored workflow instruction for Investigative Units on sharing cases and evidence with local prosecuting agencies
Users go-live training and support sessions • Assistance with device set up and configuration • Training on device use, Axon Evidence, and Evidence Sync
Implementation document packet Axon Evidence administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide
Post go-live review

3. **Body-Worn Camera Starter Service (Axon Starter).** Axon Starter includes advance remote project planning and configuration support and one (1) day of on-site Services and a professional services manager to work closely with Customer to assess Customer's deployment and determine which Services are appropriate. If Customer requires more than one (1) day of on-site Services, Customer must purchase additional on-site Services. The Axon Starter options include:

System set up and configuration (Remote Support) • Instructor-led setup of Axon View on smartphones (if applicable) • Configure categories & custom roles based on Customer need

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• Troubleshoot IT issues with Axon Evidence and Dock access
Dock configuration • Work with Customer to decide the ideal location of Dock setup and set configurations on Dock • Authenticate Dock with Axon Evidence using "Administrator" credentials from Customer • Does not include physical mounting of docks
Axon instructor training (Train the Trainer) Training for Customer's in-house instructors who can support Customer's Axon camera and Axon Evidence training needs after Axon's has fulfilled its contracted on-site obligations
User go-live training and support sessions • Assistance with device set up and configuration • Training on device use, Axon Evidence, and Evidence Sync
Implementation document packet Axon Evidence administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide

4. **Body-Worn Camera Virtual 1-Day Service (Axon Virtual).** Axon Virtual includes all items in the BWC Starter Service Package, except one (1) day of on-site services.

5. **CEW Services Packages.** CEW Services Packages are detailed below:

System set up and configuration • Configure Axon Evidence categories & custom roles based on Customer need. • Troubleshoot IT issues with Axon Evidence. • Register users and assign roles in Axon Evidence. • **For the CEW Full-Service Package**: On-site assistance included • **For the CEW Starter Package**: Virtual assistance included
Dedicated Project Manager Assignment of specific Axon representative for all aspects of planning the rollout (Project Manager). Ideally, Project Manager will be assigned to Customer 4–6 weeks before rollout
Best practice implementation planning session to include: • Provide considerations for the establishment of CEW policy and system operations best practices based on Axon's observations with other customers • Discuss the importance of entering metadata and best practices for digital data management • Provide referrals to other customers using TASER CEWs and Axon Evidence • **For the CEW Full-Service Package:** On-site assistance included • **For the CEW Starter Package:** Virtual assistance included
System Admin and troubleshooting training sessions On-site sessions providing a step-by-step explanation and assistance for Customer's configuration of security, roles & permissions, categories & retention, and other specific settings for Axon Evidence
Axon Evidence Instructor training • Provide training on the Axon Evidence to educate instructors who can support Customer's subsequent Axon Evidence training needs. • **For the CEW Full-Service Package:** Training for up to 3 individuals at Customer • **For the CEW Starter Package:** Training for up to 1 individual at Customer
TASER CEW inspection and device assignment Axon's on-site professional services team will perform functions check on all new TASER CEW Smart weapons and assign them to a user on Axon Evidence.
Post go-live review **For the CEW Full-Service Package**: On-site assistance included. **For the CEW Starter Package**: Virtual assistance included.

6. **Smart Weapon Transition Service.** The Smart Weapon Transition Service includes:

Archival of CEW Firing Logs Axon's on-site professional services team will upload CEW firing logs to Axon Evidence from all TASER CEW Smart Weapons that Customer is replacing with newer Smart Weapon models.

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Return of Old Weapons
Axon's on-site professional service team will ship all old weapons back to Axon's headquarters. Axon will provide Customer with a Certificate of Destruction

*Note: CEW Full-Service packages for TASER 7 or TASER 10 include Smart Weapon Transition Service instead of 1-Day Device Specific Instructor Course.

7. **VR Services Package.** VR Service includes advance remote project planning and configuration support and one (1) day of on-site service and a professional services manager to work with Customer to assess Customer's deployment and determine which Services are appropriate. The VR Service training options include:

System set up and configuration (Remote Support) • Instructor-led setup of Axon VR headset content • Configure Customer settings based on Customer need • Troubleshoot IT issues with Axon VR headset
Axon instructor training (Train the Trainer) Training for up to five (5) Customer's in-house instructors who can support Customer's Axon VR CET and SIM training needs after Axon has fulfilled its contracted on-site obligations
Classroom and practical training sessions Step-by-step explanation and assistance for Customer's configuration of Axon VR CET and SIM functionality, basic operation, and best practices

8. **Axon Air, On-Site Training.** Axon Air, On-Site training includes advance remote project planning and configuration support and one (1) day of on-site Services and a professional services manager to work closely with Customer to assess Customer's deployment and determine which Services are appropriate. If Customer requires more than one (1) day of on-site Services, Customer must purchase additional on-site Services. The Axon Air, On-Site training options include:

System set up and configuration (Remote Support) • Instructor-led setup of Axon Air App (ASDS) • Configure Customer settings based on Customer need • Configure drone controller • Troubleshoot IT issues with Axon Evidence
Axon instructor training (Train the Trainer) Training for Customer's in-house instructors who can support Customer's Axon Air and Axon Evidence training needs after Axon's has fulfilled its contracted on-site obligations
Classroom and practical training sessions Step-by-step explanation and assistance for Customer's configuration of Axon Respond+ livestreaming functionality, basic operation, and best practices

9. **Axon Air, Virtual Training.** Axon Air, Virtual training includes all items in the Axon Air, On-Site Training Package, except the practical training session, with the Axon Instructor training for up to four hours virtually.

10. **Signal Sidearm Installation Service.**

    a. **Purchases of 50 SSA units or more:** Axon will provide one (1) day of on-site service and one professional services manager and will provide train the trainer instruction, with direct assistance on the first of each unique holster/mounting type. Customer is responsible for providing a suitable work/training area.

    b. **Purchases of less than 50 SSA units:** Axon will provide a 1-hour virtual instruction session on the basics of installation and device calibration.

11. **Axon Justice Implementation.** Axon Justice Implementation includes advanced remote project planning, configuration support, and training. Axon Justice Implementation includes:

System set up and configuration • Axon performs discovery to understand and document the Agency's needs. • Axon collaborates with the Client to configure workflows, permissions, and privileges within Axon Evidence based on the Client's needs. • Axon will facilitate a workflow discussion with the core admin team.

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Disclosures • Axon enables the Client to share digital evidence to the defense through the following methods as determined by Client and Axon: 1. Public Defender Case Sharing 2. Disclosure Portal 3. Download Links
Training • Agency Trainers. Axon works with the Agency to identify the Agency trainers receiving instruction on the product. Axon provides a training guide that outlines the covered topics, intended audience, facility needs, and duration of the training. Axon will schedule a cadence of remote training sessions as needed, which are not to exceed three (3) 2-hour training sessions for Agency staff. Each session can accommodate up to 20 users and will train them in full system functionality. Training sessions provided by Axon are conducted on consecutive weekdays (Tuesday-Thursday) during normal business hours (9am-6pm with an hour break in between sessions). After the initial training, is responsible for any future training. Axon provides all training materials for successful training. • Partner Agencies: Axon will provide Train the Trainer training to the Agency so that it is equipped to train and support their partner agencies. Ensuring the partner agencies are trained to follow the ingestion method is the Agency's responsibility.
Go-Live Plan • Axon works in partnership with the Agency to build, coordinate, and execute a Go-Live plan to ensure successful system acceptance. Axon coordinates the Go-Live event.
Implementation document packet • Axon Evidence administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide
Post go-live review

12. **Out of Scope Services.** Axon is only responsible to perform the professional services described in the Quote, this Appendix, and any applicable SOW. Any additional professional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in the charges or schedule.

13. **Delivery of Services.** Axon personnel will work Monday through Friday, 8:30 a.m. to 5:30 p.m., except holidays. Axon will perform all on-site tasks over a consecutive timeframe. Axon will not charge Customer travel time by Axon personnel to Customer premises as work hours.

14. **Access Computer Systems to Perform Services.** Customer authorizes Axon to access relevant Customer computers and networks, solely for performing the Services. Axon will work to identify as soon as reasonably practicable resources and information Axon expects to use and will provide an initial itemized list to Customer. Customer is responsible for and assumes the risk of any problems, delays, losses, claims, or expenses resulting from the content, accuracy, completeness, and consistency of all data, materials, and information supplied by Customer.

15. **Site Preparation.** Axon will provide a hardcopy or digital copy of current user documentation for the Axon Devices ("**User Documentation**"). User Documentation will include all required environmental specifications for the professional services and Axon Devices to operate per the Axon Device User Documentation. Before installation of Axon Devices (whether performed by Customer or Axon), Customer must prepare the location(s) where Axon Devices are to be installed ("**Installation Site**") per the environmental specifications in the Axon Device User Documentation. Following installation, Customer must maintain the Installation Site per the environmental specifications. If Axon modifies Axon Device User Documentation for any Axon Devices under this Agreement, Axon will provide the update to Customer when Axon generally releases it.

16. **Acceptance.** When Axon completes professional services, Axon will present an acceptance form ("**Acceptance Form**") to Customer. Customer will sign the Acceptance Form acknowledging completion. If Customer reasonably believes Axon did not complete the professional services in substantial conformance with this Agreement, Customer must notify Axon in writing of the specific reasons for rejection within seven (7) calendar days from delivery of the Acceptance Form. Axon will address the issues and re-present the Acceptance Form for signature. If Axon does not receive the signed Acceptance Form or written notification of reasons for rejection within seven (7) calendar days of

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delivery of the Acceptance Form, the professional services will be deemed accepted by Customer.

17. **Customer Network.** For work performed by Axon transiting or making use of Customer's network, Customer is solely responsible for maintenance and functionality of the network. In no event will Axon be liable for loss, damage, or corruption of Customer's network from any cause.

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Technology Assurance Plan Appendix

If Technology Assurance Plan ("**TAP**") or a combined offering including TAP is on the Quote, this appendix applies.

1. **TAP Warranty.** The TAP specific warranty is an extended warranty that starts at the end of the one- (1-) year hardware limited warranty.
2. **Officer Safety Plan.** If Customer purchases an Officer Safety Plan ("**OSP**"), Customer will receive the deliverables detailed in the Quote. Customer must accept delivery of the TASER CEW and accessories as soon as available from Axon.
3. **OSP 7 or OSP 10 Term.** OSP 7 or OSP 10 begins on the date specified in the Quote ("**OSP Term**").
4. **TAP Refresh.** If Customer has no outstanding payment obligations and purchased TAP, Axon will provide Customer a new Axon Device ("**Device Refresh**") as scheduled in the Quote. If Customer purchased TAP, Axon will provide a Device Refresh that is the same or like Axon Device, at Axon's option. Axon makes no guarantee the Device Refresh will utilize the same accessories or Axon Dock.
5. **TAP Dock Refresh.** If Customer has no outstanding payment obligations and purchased TAP, Axon will provide Customer a new Axon Dock as scheduled in the Quote ("**Dock Refresh**"). Accessories associated with any Dock Refreshes are subject to change at Axon discretion. Dock Refreshes will only include a new Axon Dock Bay configuration unless a new Axon Dock core is required for Axon Device compatibility. If Customer originally purchased a single-bay Axon Dock, the Dock Refresh will be a single-bay Axon Dock model that is the same or like Axon Device, at Axon's option. If Customer originally purchased a multi-bay Axon Dock, the Dock Refresh will be a multi-bay Axon Dock that is the same or like Axon Device, at Axon's option.
6. **Refresh Delay.** Axon may ship the Axon Device and Dock Refreshes as scheduled in the Quote without prior confirmation from Customer unless the Parties agree in writing otherwise at least ninety (90) days in advance. Axon may ship the final Axon Device and Dock Refreshes as scheduled in the Quote sixty (60) days before the end of the Subscription Term without prior confirmation from Customer.
7. **Upgrade Change.** If Customer wants to upgrade Axon Device models from the current Axon Device to an upgraded Axon Device, Customer must pay the price difference between the MSRP for the current Axon Device and the MSRP for the upgraded Axon Device. If the model Customer desires has an MSRP less than the MSRP of the offered Axon Device Refreshes or Dock Refresh, Axon will not provide a refund. The MSRP is the MSRP in effect at the time of the upgrade.
8. **Return of Original Axon Device.** Within thirty (30) days of receiving a BWC or Dock Refresh, Customer must return the original Axon Devices to Axon or destroy the Axon Devices and provide a certificate of destruction to Axon including serial numbers for the destroyed Axon Devices. If Customer does not return or destroy the Axon Devices, Axon will deactivate the serial numbers for the Axon Devices received by Customer.
9. **Termination.** If TAP or OSP terminates or expires:
   - 9.1. TAP and OSP coverage terminate as of the date of termination and no refunds will be given.
   - 9.2. Axon will not and has no obligation to provide the Upgrade Models.
   - 9.3 Customer must make any missed payments due to the termination before Customer may purchase any future TAP or OSP.

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TASER Device Appendix

This TASER Device Appendix applies to Customer's TASER 7, TASER 10, OSP 7, OSP 10, OSP Plus, OSP 7 Plus Premium and OSP 10 Plus Premium purchase from Axon, if applicable.

1. **Duty Cartridge Replenishment Plan.** If the Quote includes "**Duty Cartridge Replenishment Plan**", Customer must purchase the plan for each CEW user. A CEW user includes officers that use a CEW in the line of duty and those that only use a CEW for training. Customer may not resell cartridges received. Axon will only replace cartridges used in the line of duty.

2. **Training.** If the Quote includes a TASER On Demand Certification subscription, Customer will have on-demand access to TASER Instructor and TASER Master Instructor courses only for the duration of the TASER Subscription Term. Axon will issue a maximum of ten (10) TASER Instructor vouchers and ten (10) TASER Master Instructor vouchers for every thousand TASER Subscriptions purchased. Customer shall utilize vouchers to register for TASER courses at their discretion; however, Customer may incur a fee for cancellations less than 10 business days prior to a course date or failure to appear to a registered course. The voucher has no cash value. Customer cannot exchange voucher for any other Device or Service. Any unused vouchers at the end of the Term will be forfeited. A voucher does not include any travel or other expenses that might be incurred related to attending a course.

3. **Limited Warranty.**

   3.1. **"Deployment**" means use of the TASER weapon resulting in the discharge of the conducted energy weapon ("**CEW**") cartridge probe. For TASER 10 each probe discharged is consider one Deployment and for TASER 7 the dual probe discharged is considered one Deployment.

   3.2. **Single User Warranty.** If the TASER Device is assigned and used by a single user, Axon warrants that Axon-manufactured TASER Device is free from defects in workmanship and materials for the earlier of: (i) one (1) year from the date of Customer's receipt or (ii) 100 Deployments per year or a total of 500 Deployments over 5 years.

   3.3. **Pooled User Warranty.** If the TASER Device is assigned and used by multiple users, Axon warrants that Axon-manufactured TASER Device is free from defects in workmanship and materials for the earlier of: (i) one (1) year from the date of Customer's receipt or (ii) 100 Deployments per year or a total of 500 Deployments over 5 years.

   3.4. **Training User Devices.** If the TASER Device is used for training, Axon warrants that Axon-manufactured TASER Device is free from defects in workmanship and materials for the earlier of: (i) one (1) year from the date of Customer's receipt or (ii) 100 Deployments per year or a total of 500 Deployments over 5 years.

   3.5. **CEW Cartridges.** Used CEW cartridges are deemed to have operated properly.

   3.6. **Remaining Terms.** The remaining Warranty terms of the Agreement including Disclaimer, Claims, Spare Axon Devices and Limitations shall apply to this TASER Device Appendix

   3.7. **Registration.** Prior to use of the TASER Device, Customer must register each TASER Device in TASER Device Axon Evidence tenancy as a single user, pooled or training device. Failure to properly register the TASER Device prior to its use may void the warranty at Axon's sole discretion.

4. **Extended Warranty.** If the Quote includes an extended warranty, the extended warranty coverage period begins upon the expiration of the Limited Warranty. Each additional year of the warranty purchased will be in accordance with the applicable Limited Warranty category above. The maximum warranty period for an individual TASER Device will be five (5) years including the initial Limited Warranty.

5. **Upgrade Change.** If Customer wants to upgrade TASER Device from the current TASER Device to an upgraded Axon TASER Device that was not available at the time the parties entered into the original Quote, Customer must pay the price difference between the MSRP for the current TASER Device and the MSRP for the upgraded TASER Device. If the model Customer desires has an MSRP less than the MSRP of the offered new TASER Device, Axon will not provide a refund. The MSRP is the MSRP in effect at the time of the upgrade.

6. **Trade-in.** If the Quote contains a discount on CEW-related line items and that discount is contingent upon the trade-in of hardware, Customer must return used hardware and accessories associated with the discount ("**Trade-In Units**") to Axon within the below prescribed timeline. Customer must ship batteries via ground shipping. Axon will provide Customer with a pre-paid shipping label for the return of the Trade-In Units. If Axon does not receive Trade-In Units within the timeframe below, Axon will invoice Customer the value of the trade-in credit. Customer may not destroy Trade-In Units and receive a trade-in credit.

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Customer Size	Days to Return from Start Date of TASER 10 Subscription
Less than 100 officers	60 days
100 to 499 officers	90 days
500+ officers	180 days

7. **Customer Warranty.** If Customer is located in the US, Customer warrants and acknowledges that TASER 10 is classified as a firearm and is being acquired for official Customer use pursuant to a law enforcement agency transfer under the Gun Control Act of 1968.
8. **Purchase Order.** To comply with applicable laws and regulations, Customer must provide a purchase order to Axon prior to shipment of TASER 10.
9. **Apollo Grant (US only).** If Customer has received an Apollo Grant from Axon, Customer must pay all fees in the Quote prior to upgrading to any new TASER Device offered by Axon.
10. **Termination**. If payment for TASER Device is more than thirty (30) days past due, Axon may terminate Customer's TASER Device plan by notifying Customer. Upon termination for any reason, then as of the date of termination:

    10.1. TASER Device extended warranties and access to Training Content will terminate. No refunds will be given.

    10.2. Customer will be responsible for payment of any missed payments due to the termination before being allowed to purchase any future TASER Device plan.

    10.3. Axon will invoice Customer the remaining MSRP for TASER Devices received before termination. If terminating for non-appropriation, Axon will not invoice Customer if Customer returns the TASER Device, rechargeable battery, holster, dock, core, training suits, and unused cartridges to Axon within thirty (30) days of the date of termination.

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Axon Auto-Tagging Appendix

If Auto-Tagging is included on the Quote, this Appendix applies.

1. **Scope.** Axon Auto-Tagging consists of the development of a module to allow Axon Evidence to interact with Customer's Computer-Aided Dispatch ("**CAD**") or Records Management Systems ("**RMS**"). This allows End Users to auto-populate Axon video meta-data with a case ID, category, and location-based on data maintained in Customer's CAD or RMS.

2. **Support.** For thirty (30) days after completing Auto-Tagging Services, Axon will provide up to five (5) hours of remote support at no additional charge. Axon will provide free support due to a change in Axon Evidence, if Customer maintains an Axon Evidence and Auto-Tagging subscription. Axon will not provide support if a change is required because Customer changes its CAD or RMS.

3. **Changes.** Axon is only responsible to perform the Services in this Appendix for Auto-Tagging and any applicable SOW. Any additional Services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in fees or schedule.

4. **Customer Responsibilities.** Axon's performance of Auto-Tagging Services requires Customer to:

   4.1. Make available relevant systems, including Customer's current CAD or RMS, for assessment by Axon (including remote access if possible);

   4.2. Make required modifications, upgrades or alterations to Customer's hardware, facilities, systems and networks related to Axon's performance of Auto-Tagging Services;

   4.3. Provide access to the premises where Axon is performing Auto-Tagging Services, subject to Customer safety and security restrictions, and allow Axon to enter and exit the premises with laptops and materials needed to perform Auto-Tagging Services;

   4.4. Provide all infrastructure and software information (TCP/IP addresses, node names, network configuration) necessary for Axon to provide Auto-Tagging Services;

   4.5. Promptly install and implement any software updates provided by Axon;

   4.6. Ensure that all appropriate data backups are performed;

   4.7. Provide assistance, participation, and approvals in testing Auto-Tagging Services;

   4.8. Provide Axon with remote access to Customer's Axon Evidence account when required;

   4.9. Notify Axon of any network or machine maintenance that may impact the performance of the module at Customer; and

   4.10. Ensure reasonable availability of knowledgeable staff and personnel to provide timely, accurate, complete, and up-to-date documentation and information to Axon.

5. **Access to Systems.** Customer authorizes Axon to access Customer's relevant computers, network systems, and CAD or RMS solely for performing Auto-Tagging Services. Axon will work diligently to identify the resources and information Axon expects to use and will provide an initial list to Customer. Customer is responsible for and assumes the risk of any problems, delays, losses, claims, or expenses resulting from the content, accuracy, completeness, and consistency of all data, materials, and information supplied by Customer.

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Axon ALPR Appendix

If Axon Fleet 2, Axon Fleet 3, or any future generation of Axon Fleet (collectively, "**Axon Fleet**") or Axon Outpost or Axon Lightpost (collectively all "ALPR Products") is included on the Quote, this Appendix applies.

1. **Customer Responsibilities.**

   1.1. Customer must ensure its infrastructure and vehicles adhere to the minimum requirements to operate Axon ALPR Products as established by Axon during the qualifier call and on-site assessment at Customer and in any technical qualifying questions. If Customer's representations are inaccurate, the Quote is subject to change.

   1.2. Customer is responsible for providing a suitable work area for Axon or Axon third-party providers to install Axon ALPR Products into Customer vehicles and/or at designated installation location(s).s Customer is responsible for making available all vehicles for which installation services were purchased and preparing all installation sites, during the agreed upon onsite installation dates, Failure to make vehicles available or prepare installation sites may require an equitable adjustment in fees or schedule

2. **Third-party Installer.** Axon will not be liable for the failure of Axon Fleet, Axon Outpost, or Axon Lightpost hardware to operate per specifications if such failure results from installation not performed by, or as directed by Axon.

3. **Upgrade.** If Customer has no outstanding payment obligations and has purchased the "Fleet Technology Assurance Plan" (Fleet TAP) or "Outpost Technology Assurance Plan" (Outpost TAP) or any lightpost extended warranty or refresh, Axon will provide Customer with the same or like model of applicable Axon Devices included in the applicable TAP ("Axon Upgrade") as scheduled on the Quote.

   3.1. If Customer would like to change models for the Axon Upgrade, Customer must pay the difference between the MSRP for the offered Axon Upgrade and the MSRP for the model desired. The MSRP is the MSRP in effect at the time of the upgrade. Customer is responsible for the removal of previously installed hardware and installation of the Axon Upgrade.

   3.2. Within thirty (30) days of receiving the Axon Upgrade, Customer must return the original Axon Devices to Axon or destroy the Axon Devices and provide a certificate of destruction to Axon, including serial numbers of the destroyed Axon Devices. If Customer does not destroy or return the Axon Devices to Axon, Axon will deactivate the serial numbers for the Axon Devices received by Customer.

4. **Axon Fleet Specific Terms.**

   4.1. **Cradlepoint.** If Customer purchases Cradlepoint hardware, software, or services, Customer will comply with Cradlepoint's end user license agreement. The term of the Cradlepoint license may differ from the Axon Evidence Subscription. If Customer requires Cradlepoint support, Customer will contact Cradlepoint directly. By accepting a Quote including Cradlepoint products, Customer designates and authorizes Axon as its partner of record for purposes of Cradlepoint product renewals, support coordination, and other relevant functions. This designation applies to all Cradlepoint products acquired by Customer during the Subscription Term of the applicable Quote whether directly from Cradlepoint, through Axon, or through any third-party vendor or distributor. Axon shall have no liability to Customer or any third party arising out of or relating to Axon's acts or omissions as the Partner of Record. Customer has the right to opt out of this authorization at any time by providing prior written notification to both Axon and Cradlepoint. Upon such notification, the designation will be removed. This authorization remains effective until formally removed in accordance with this section or as otherwise agreed between the parties in the Agreement.

   4.2. **Axon Vehicle Software License.** Axon grants Customer a non-exclusive, royalty-free, worldwide, perpetual license to use ViewXL or Dashboard (collectively, "Axon Vehicle Software".) "Use" means storing, loading, installing, or executing Axon Vehicle Software solely for data communication with Axon Devices. The Axon Vehicle Software term begins upon the start of the Axon Evidence Subscription

   4.3. **Restrictions.** Customer may not: (a) modify, alter, tamper with, repair, or create derivative works of Axon Vehicle Software; (b) reverse engineer, disassemble, or decompile Axon Vehicle Software, apply any process to derive the source code of Axon Vehicle Software, or allow others to do so; (c) access or use Axon Vehicle Software to avoid incurring fees or exceeding usage limits; (d) copy Axon Vehicle Software in whole or part; (e) use trade secret information contained in Axon Vehicle Software; (f) resell, rent, loan or sublicense Axon Vehicle Software; (g) access Axon Vehicle Software to build a competitive device or service or copy any features, functions or graphics of Axon Vehicle Software; or (h) remove, alter or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within

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Axon Vehicle Software.

5. **Axon Outpost Specific Terms.**

   5.1. **Outpost License and Permits**. Customers will obtain, maintain all legally required permits, authorizations, and/or licensing in order to place, maintain, and/or remove the Axon Outpost device at the installation location including licenses or permits for fixed installation of poles. If mutually agreed by the parties, Axon or an Axon authorized subcontractor may assist with obtaining the necessary local, state, or Federal approvals before installing Axon Outpost.

   5.2. **Installation.** Customer will adhere to the installation requirements as agreed in the Outpost SOW.

6. **Axon Lightpost Specific Terms.**

   6.1. **Ubicquia.** If Customer purchases Lightpost hardware and installation services, any warranties for the hardware are provided exclusively by the third-party manufacturer Ubicquia. All hardware-related support or warranty claims must be directed to the respective third-party provider. Axon is not responsible for servicing or replacing hardware. Axon will provide and support software components in accordance with the applicable Quote.

   6.2. **Installation.** Installation of Axon Lightpost equipment will be performed by a third-party service provider authorized by Axon. Axon does not directly perform installation services.

   6.3. **Power.** Customer agrees to supply a power source, in compliance with Lightpost requirements, at each site where a Lightpost device is installed. The power must be available on a 24-hour, 7 days per week (24/7) basis.

7. **Wireless Offload Server**

   7.1 **License Grant.** Axon grants Customer a non-exclusive, royalty-free, worldwide, perpetual license to use Wireless Offload Server ("**WOS**"). "Use" means storing, loading, installing, or executing WOS solely for data communication with Axon Devices for the number of licenses purchased. The WOS term begins upon the start of the Axon Evidence Subscription.

   7.2 **Restrictions.** Customer may not: (a) modify, alter, tamper with, repair, or create derivative works of WOS; (b) reverse engineer, disassemble, or decompile WOS, apply any process to derive the source code of WOS, or allow others to do so; (c) access or use WOS to avoid incurring fees or exceeding usage limits; (d) copy WOS in whole or part; (e) use trade secret information contained in WOS; (f) resell, rent, loan or sublicense WOS; (g) access WOS to build a competitive device or service or copy any features, functions or graphics of WOS; or (h) remove, alter or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within WOS.

   7.3 **Updates.** If Customer purchases WOS maintenance, Axon will make updates and error corrections to WOS ("**WOS Updates**") available electronically via the Internet or media as determined by Axon. Customer is responsible for establishing and maintaining adequate Internet access to receive WOS Updates and maintaining computer equipment necessary for use of WOS. The Quote will detail the maintenance term.

   7.4 **WOS Support.** Upon request by Axon, Customer will provide Axon with access to Customer's store and forward servers solely for troubleshooting and maintenance.

8. **Acceptance Checklist.** If Axon provides Services to Customer pursuant to any statement of work in connection with Axon ALPR Products, within seven (7) days of the date on which Customer retrieves Customer's vehicle(s) from the Axon installer or Axon Outpost or Axon Lightpost installation is complete, said ALPR Products having been installed and configured with tested and fully and properly operational hardware and software identified above, Customer will receive a Professional Services Acceptance Checklist to submit to Axon indicating acceptance or denial of said deliverables. In the event Customer does not respond to the Professional Services Acceptance Checklist within seven (7) business days, the installation of the ALPR Products and services shall be deemed accepted.

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Axon Respond Appendix

This Axon Respond Appendix applies to Axon Respond, Axon Respond Device Plus, and Device Connectivity if any are included on the Quote.

1. **Axon Respond Subscription Term.** If Customer purchases Axon Respond as part of a combined offering on a Quote, the Axon Respond subscription begins on the later of the (1) start date of that offering within the Quote, or (2) date Axon provisions Axon Respond to Customer. If Customer purchases Axon Respond as a standalone, the Axon Respond subscription begins the later of the (1) date Axon provisions Axon Respond to Customer, or (2) first day of the month following the Effective Date. The Axon Respond subscription term will end upon the completion of the Axon Evidence Subscription associated with Axon Respond.

2. **Scope of Axon Respond.** The scope of Axon Respond is to assist Customer with real-time situational awareness during critical incidents to improve officer safety, effectiveness, and awareness. In the event Customer uses Axon Respond outside this scope, Axon may initiate good-faith discussions with Customer on upgrading Customer's Axon Respond to better meet Customer's needs.

3. **Axon Body LTE Requirements.** Axon Respond is only available and usable with an LTE enabled body-worn camera. Axon is not liable if Customer utilizes the LTE device outside of the coverage area or if the LTE carrier is unavailable. LTE coverage is available in the United States including U.S. territories, Additional verification will be required for use in select international regions. Axon may utilize a carrier of Axon's choice to provide LTE service. Axon may change LTE carriers during the Term without Customer's consent.

4. **Axon Fleet LTE Requirements.** Axon Respond is only available and usable with a Fleet 3 system configured with LTE modem and service. Customer is responsible for providing LTE service for the modem. Coverage and availability of LTE service is subject to Customer's LTE carrier.

5. **Axon Respond Service Limitations.** Customer acknowledges that LTE service is made available only within the operating range of the networks. Service may be temporarily refused, interrupted, or limited because of: (a) facilities limitations; (b) transmission limitations caused by atmospheric, terrain, other natural or artificial conditions adversely affecting transmission, weak batteries, system overcapacity, movement outside a service area or gaps in coverage in a service area, and other causes reasonably outside of the carrier's control such as intentional or negligent acts of third parties that damage or impair the network or disrupt service; or (c) equipment modifications, upgrades, relocations, repairs, and other similar activities necessary for the proper or improved operation of service.

   5.1. With regard to Axon Body, Partner networks are made available as-is and the carrier makes no warranties or representations as to the availability or quality of roaming service provided by carrier partners, and the carrier will not be liable in any capacity for any errors, outages, or failures of carrier partner networks. Customer expressly understands and agrees that it has no contractual relationship whatsoever with the underlying wireless service provider or its affiliates or contractors and Customer is not a third-party beneficiary of any agreement between Axon and the underlying carrier.

6. **Termination.** Upon termination of this Agreement, or if Customer stops paying for Axon Respond or combined offerings that include Axon Respond, Axon will end Axon Respond services, including any Axon-provided LTE service.

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Axon Virtual Reality Content Terms of Use Appendix

If Virtual Reality is included on the Quote, this Appendix applies.

1. **Term.** The Quote will detail the products and license duration, as applicable, of the goods, services, and software, and contents thereof, provided by Axon to Customer related to virtual reality (collectively, "**Virtual Reality Media**").

2. **Headsets.** Customer may purchase additional virtual reality headsets from Axon. In the event Customer decides to purchase additional virtual reality headsets for use with Virtual Reality Media, Customer must purchase those headsets from Axon.

3. **License Restrictions.** All licenses will immediately terminate if Customer does not comply with any term of this Agreement. If Customer utilizes more users than stated in this Agreement, Customer must purchase additional Virtual Reality Media licenses from Axon. Customer may not use Virtual Reality Media for any purpose other than as expressly permitted by this Agreement. Customer may not:

   3.1. modify, tamper with, repair, or otherwise create derivative works of Virtual Reality Media;

   3.2. reverse engineer, disassemble, or decompile Virtual Reality Media or apply any process to derive the source code of Virtual Reality Media, or allow others to do the same;

   3.3. copy Virtual Reality Media in whole or part, except as expressly permitted in this Agreement;

   3.4. use trade secret information contained in Virtual Reality Media;

   3.5. resell, rent, loan or sublicense Virtual Reality Media;

   3.6. access Virtual Reality Media to build a competitive device or service or copy any features, functions, or graphics of Virtual Reality Media; or

   3.7. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within Virtual Reality Media or any copies of Virtual Reality Media.

4. **Privacy.** Customer's use of the Virtual Reality Media is subject to the Axon Virtual Reality Privacy Policy, a current version of which is available at https://www.axon.com/axonvrprivacypolicy.

5. **Termination.** Axon may terminate Customer's license immediately for Customer's failure to comply with any of the terms in this Agreement.

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Axon Evidence Local Software Appendix

This Appendix applies if Axon Evidence Local is included in the Quote.

1. **License.** Axon owns all executable instructions, images, icons, sound, and text in Axon Evidence Local. All rights are reserved to Axon. Axon grants a non-exclusive, royalty-free, worldwide right and license to use Axon Evidence Local. "Use" means storing, loading, installing, or executing Axon Evidence Local exclusively for data communication with an Axon Device. Customer may use Axon Evidence Local in a networked environment on computers other than the computer it installs Axon Evidence Local on, so long as each execution of Axon Evidence Local is for data communication with an Axon Device. Customer may make copies of Axon Evidence Local for archival purposes only. Customer shall retain all copyright, trademark, and proprietary notices in Axon Evidence Local on all copies or adaptations.
2. **Term.** The Quote will detail the duration of the Axon Evidence Local license, as well as any maintenance. The term will begin upon installation of Axon Evidence Local.
3. **License Restrictions.** All licenses will immediately terminate if Customer does not comply with any term of this Agreement. Customer may not use Axon Evidence Local for any purpose other than as expressly permitted by this Agreement. Customer may not:
   - 3.1. modify, tamper with, repair, or otherwise create derivative works of Axon Evidence Local;
   - 3.2. reverse engineer, disassemble, or decompile Axon Evidence Local or apply any process to derive the source code of Axon Evidence Local, or allow others to do the same;
   - 3.3. access or use Axon Evidence Local to avoid incurring fees or exceeding usage limits or quotas;
   - 3.4. copy Axon Evidence Local in whole or part, except as expressly permitted in this Agreement;
   - 3.5. use trade secret information contained in Axon Evidence Local;
   - 3.6. resell, rent, loan or sublicense Axon Evidence Local;
   - 3.7. access Axon Evidence Local to build a competitive device or service or copy any features, functions, or graphics of Axon Evidence Local; or
   - 3.8. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within Axon Evidence Local or any copies of Axon Evidence Local.
4. **Support.** Axon may make available updates and error corrections ("**Updates**") to Axon Evidence Local. Axon will provide Updates electronically via the Internet or media as determined by Axon. Customer is responsible for establishing and maintaining adequate access to the Internet to receive Updates. Customer is responsible for maintaining the computer equipment necessary to use Axon Evidence Local. Axon may provide technical support of a prior release/version of Axon Evidence Local for six (6) months from when Axon made the subsequent release/version available.
5. **Termination.** Axon may terminate Customer's license immediately for Customer's failure to comply with any of the terms in this Agreement. Upon termination, Axon may disable Customer's right to login to Axon Evidence Local.

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Axon Application Programming Interface Appendix

This Appendix applies if Axon's API Services or a subscription to Axon Cloud Services are included on the Quote.

1. **Definitions.**

   1.1. "**API Client**" means the software that acts as the interface between Customer's computer and the server, which is already developed or to be developed by Customer.

   1.2. "**API Interface**" means software implemented by Customer to configure Customer's independent API Client Software to operate in conjunction with the API Service for Customer's authorized Use.

   1.3. "**Axon Evidence Partner API, API or Axon API**" (collectively "**API Service**") means Axon's API which provides a programmatic means to access data in Customer's Axon Evidence account or integrate Customer's Axon Evidence account with other systems.

   1.4. "**Use**" means any operation on Customer's data enabled by the supported API functionality.

2. **Purpose and License.**

   2.1. Customer may use API Service and data made available through API Service, in connection with an API Client developed by Customer. Axon may monitor Customer's use of API Service to ensure quality, improve Axon devices and services, and verify compliance with this Agreement. Customer agrees to not interfere with such monitoring or obscure from Axon Customer's use of API Service. Customer will not use API Service for commercial use.

   2.2. Axon grants Customer a non-exclusive, non-transferable, non-sublicensable, worldwide, revocable right and license during the Term to use API Service, solely for Customer's Use in connection with Customer's API Client.

   2.3. Axon reserves the right to set limitations on Customer's use of the API Service, such as a quota on operations, to ensure stability and availability of Axon's API. Axon will use reasonable efforts to accommodate use beyond the designated limits.

3. **Configuration.** Customer will work independently to configure Customer's API Client with API Service for Customer's applicable Use. Customer will be required to provide certain information (such as identification or contact details) as part of the registration. Registration information provided to Axon must be accurate. Customer will inform Axon promptly of any updates. Upon Customer's registration, Axon will provide documentation outlining API Service information.

4. **Customer Responsibilities.** When using API Service, Customer and its End Users shall not:

   4.1. use API Service in any way other than as expressly permitted under this Agreement;

   4.2. use in any way that results in, or could result in, any security breach to Axon;

   4.3. perform an action with the intent of introducing any virus, worm, defect, Trojan horse, malware, or any item of a destructive nature to Axon Devices and Services;

   4.4. interfere with, modify, disrupt or disable features or functionality of API Service or the servers or networks providing API Service;

   4.5. reverse engineer, decompile, disassemble, or translate or attempt to extract the source code from API Service or any related software;

   4.6. create an API Interface that functions substantially the same as API Service and offer it for use by third parties;

   4.7. provide use of API Service on a service bureau, rental or managed services basis or permit other individuals or entities to create links to API Service;

   4.8. frame or mirror API Service on any other server, or wireless or Internet-based device;

   4.9. make available to a third-party, any token, key, password or other login credentials to API Service;

   4.10. take any action or inaction resulting in illegal, unauthorized or improper purposes; or

   4.11. disclose Axon's API manual.

5. **API Content.** All content related to API Service, other than Customer Content or Customer's API Client content, is considered Axon's API Content, including:

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5.1. the design, structure and naming of API Service fields in all responses and requests;

5.2. the resources available within API Service for which Customer takes actions on, such as evidence, cases, users, or reports;

5.3. the structure of and relationship of API Service resources; and

5.4. the design of API Service, in any part or as a whole.

6. **Prohibitions on API Content.** Neither Customer nor its End Users will use API content returned from the API Interface to:

6.1. scrape, build databases, or otherwise create permanent copies of such content, or keep cached copies longer than permitted by the cache header;

6.2. copy, translate, modify, create a derivative work of, sell, lease, lend, convey, distribute, publicly display, or sublicense to any third-party;

6.3. misrepresent the source or ownership; or

6.4. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices).

7. **API Updates.** Axon may update or modify the API Service from time to time ("**API Update**"). Customer is required to implement and use the most current version of API Service and to make any applicable changes to Customer's API Client required as a result of such API Update. API Updates may adversely affect how Customer's API Client access or communicate with API Service or the API Interface. Each API Client must contain means for Customer to update API Client to the most current version of API Service. Axon will provide support for one (1) year following the release of an API Update for all depreciated API Service versions.

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Axon Channel Services Appendix

This Appendix applies if Customer purchases Axon Channel Service, as set forth on the Quote.

1. **Definitions**.

   1.1. "**Axon Digital Evidence Management System**" means Axon Evidence or Axon Evidence Local, as specified in the attached Channel Services Statement of Work.

   1.2. "**Active Channel**" means a third-party system that is continuously communicating with an Axon Digital Evidence Management System.

   1.3. "**Inactive Channel**" means a third-party system that will have a one-time communication to an Axon Digital Evidence Management System.

2. **Scope.** Customer currently has a third-party system or data repository from which Customer desires to share data with Axon Digital Evidence Management. Axon will facilitate the transfer of Customer's third-party data into an Axon Digital Evidence Management System or the transfer of Customer data out of an Axon Digital Evidence Management System as defined in the Channel Services Statement of Work ("**Channel Services SOW**"). Channel Services will not delete any Customer Content. Customer is responsible for verifying all necessary data is migrated correctly and retained per Customer policy.

3. **Changes.** Axon is only responsible to perform the Services described in this Appendix and Channel Services SOW. Any additional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in the charges or schedule.

4. **Purpose and Use.** Customer is responsible for verifying Customer has the right to share data from and provide access to third-party system as it relates to the Services described in this Appendix and the Channel Services SOW. For Active Channels, Customer is responsible for any changes to a third-party system that may affect the functionality of the channel service. Any additional work required for the continuation of the Service may require additional fees. An Axon Field Engineer may require access to Customer's network and systems to perform the Services described in the Channel Services SOW. Customer is responsible for facilitating this access per all laws and policies applicable to Customer.

5. **Project Management.** Axon will assign a Project Manager to work closely with Customer's project manager and project team members and will be responsible for completing the tasks required to meet all contract deliverables on time and budget.

6. **Warranty.** Axon warrants that it will perform the Channel Services in a workmanlike manner.

7. **Monitoring.** Axon may monitor Customer's use of Channel Services to ensure quality, improve Axon devices and services, prepare invoices based on the total amount of data migrated, and verify compliance with this Agreement. Customer agrees not to interfere with such monitoring or obscure from Axon Customer's use of channel services.

8. **Customer's Responsibilities.** Axon's successful performance of the Channel Services requires Customer:

   8.1. Make available its relevant systems for assessment by Axon (including making these systems available to Axon via remote access);

   8.2. Provide access to the building facilities and where Axon is to perform the Channel Services, subject to safety and security restrictions imposed by the Customer (including providing security passes or other necessary documentation to Axon representatives performing the Channel Services permitting them to enter and exit Customer premises with laptop personal computers and any other materials needed to perform the Channel Services);

   8.3. Provide all necessary infrastructure and software information (TCP/IP addresses, node names, and network configuration) for Axon to provide the Channel Services;

   8.4. Ensure all appropriate data backups are performed;

   8.5. Provide Axon with remote access to the Customer's network and third-party systems when required for Axon to perform the Channel Services;

   8.6. Notify Axon of any network or machine maintenance that may impact the performance of the Channel Services; and

   8.7. Ensure the reasonable availability by phone or email of knowledgeable staff, personnel, system administrators, and operators to provide timely, accurate, complete, and up-to-date documentation and information to Axon (these contacts are to provide background information and clarification of information required to perform the Channel Services).

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Axon Technical Account Manager Appendix

This Appendix applies if Axon Support Engineer services are included in the Quote.

1. **Axon Technical Account Manager Payment.** Axon will invoice for Axon Technical Account Manager ("**TAM**") services, as outlined in the Quote, when the TAM commences work on-site at Customer.

2. **Full-Time TAM Scope of Services.**

   2.1. A Full-Time TAM will work on-site four (4) days per week, unless an alternate schedule or reporting location is mutually agreed upon by Axon and Customer.

   2.2. Customer's Axon sales representative and Axon's Customer Success team will work with Customer to define its support needs and ensure the Full-Time TAM has skills to align with those needs. There may be up to a six- (6-) month waiting period before the Full-Time TAM can work on-site, depending upon Customer's needs and availability of a Full-Time TAM.

   2.3. The purchase of Full-Time TAM Services includes two (2) complimentary Axon Accelerate tickets per year of the Agreement, so long as the TAM has started work at Customer, and Customer is current on all payments for the Full-Time TAM Service.

   2.4. The Full-Time TAM **Service options are listed below:**

Ongoing System Set-up and Configuration Assisting with assigning cameras and registering docks Maintaining **Customer's Axon Evidence account** Connecting Customer to "Early Access" programs for new devices
Account Maintenance Conducting on-site training on new features and **devices for Customer leadership team(s)** Thoroughly documenting issues and workflows and suggesting new workflows to improve **the effectiveness of the Axon program** Conducting weekly meetings to cover current issues and program status
Data Analysis Providing on-demand Axon usage data to identify trends and insights for improving daily workflows Comparing **Customer's Axon usage and trends to peers to establish best practices** Proactively monitoring the health of Axon equipment and coordinating returns when needed
Direct Support Providing on-site, Tier 1 and Tier 2 (as defined in Axon's Service Level Agreement) technical support for Axon Devices Proactively monitoring the health of **Axon equipment** Creating and monitoring RMAs **on-site** Providing Axon app support Monitoring and testing new firmware and workflows before they are released to Customer's production environment
Customer Advocacy Coordinating bi-**annual voice of customer meetings with Axon's Device Management team** Recording and tracking Customer feature requests and major bugs

3. **Regional TAM Scope of Services.**

   3.1. A Regional TAM will work on-site for three (3) consecutive days per quarter. Customer must schedule the on-site days at least two (2) weeks in advance. The Regional TAM will also be available by phone and email during regular business hours up to eight (8) hours per week.

   3.2. There may be up to a six- (6-) month waiting period before Axon assigns a Regional TAM to Customer, depending upon the availability of a Regional TAM.

   3.3. The purchase of Regional TAM Services includes two (2) complimentary Axon Accelerate tickets per year of the Agreement, so long as the TAM has started work at Customer and Customer is current on all payments for the Regional TAM Service.

   3.4. The Regional TAM service options are listed below:

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Account Maintenance Conducting remote training on new features and **devices for Customer's leadership** Thoroughly documenting issues and workflows and suggesting new **workflows to improve the effectiveness of the Axon program** Conducting weekly conference calls to cover **current issues and program status** Visiting Customer quarterly (up to 3 consecutive days) to perform a quarterly business review, discuss Customer's goals for your Axon program, and continue to ensure a successful deployment of Axon Devices
Direct Support **Providing remote, Tier 1 and Tier 2 (As defined Axon's Service Level Agreement) technical support for Axon Devices** Creating and monitoring RMAs remotely
Data Analysis Providing quarterly Axon **usage data to identify trends and program efficiency opportunities** Comparing **Customer's Axon usage and trends to peers to establish best practices** Proactively monitoring the health of Axon equipment and coordinating returns when needed
Customer Advocacy Coordinating bi-yearly Voice of **Customer meetings with Device Management team** Recording and tracking Customer feature requests and major bugs

4. **Out of Scope Services.** The TAM is responsible to perform only the Services described in this Appendix. Any additional Services discussed or implied that are not defined explicitly in this Appendix will be considered out of the scope.
5. **TAM Leave Time.** The TAM will be allowed up to seven (7) days of sick leave and up to fifteen (15) days of vacation time per each calendar year. The TAM will work with Customer to coordinate any time off and will provide Customer with at least two (2) weeks' notice before utilizing any vacation days.

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Axon Investigate Appendix

If the Quote includes Axon's On Prem Video Suite known as Axon Investigate or Third-Party Video Support License, the following appendix shall apply.

1. **License Grant.** Subject to the terms and conditions specified below and upon payment of the applicable fees set forth in the Quote, Axon grants to Customer a nonexclusive, nontransferable license to install, use, and display the Axon Investigate software ("**Software**") solely for its own internal use only and for no other purpose, for the duration of subscription term set forth in the Quote. This Agreement does not grant Customer any right to enhancements or updates, but if such are made available to Customer and obtained by Customer, they shall become part of the Software and governed by the terms of this Agreement.
2. **Third-Party Licenses.** Axon licenses several third-party codecs and applications that are integrated into the Software. Users with an active support contract with Axon are granted access to these additional features. By accepting this agreement, Customer agrees to and understands that an active support contract is required for all of the following features: DNxHD output formats, decoding files via the "fast indexing" method, proprietary file metadata, telephone and email support, and all future updates to the software. If Customer terminates the annual support contract with Axon, the features listed above will be disabled within the Software. It is recommended that users remain on an active support contract to maintain the full functionality of the Software.
3. **Restrictions on Use.** Customer may not permit any other person to use the Software unless such use is in accordance with the terms of this Agreement. Customer may not modify, translate, reverse engineer, reverse compile, decompile, disassemble or create derivative works with respect to the Software, except to the extent applicable laws specifically prohibit such restrictions. Customer may not rent, lease, sublicense, grant a security interest in or otherwise transfer Customer's rights to or to use the Software. Any rights not granted are reserved to Axon.
4. **Title.** Axon and its licensors shall have sole and exclusive ownership of all right, title, and interest in and to the Software and all changes, modifications, and enhancements thereof (including ownership of all trade secrets and copyrights pertaining thereto), regardless of the form or media in which the original or copies may exist, subject only to the rights and privileges expressly granted by Axon. This Agreement does not provide Customer with title or ownership of the Software, but only a right of limited use.
5. **Copies.** The Software is copyrighted under the laws of the United States and international treaty provisions. Customer may not copy the Software except for backup or archival purposes, and all such copies shall contain all Axon's notices regarding proprietary rights as contained in the Software as originally provided to Customer. If Customer receives one copy electronically and another copy on media, the copy on media may be used only for archival purposes and this license does not authorize Customer to use the copy of media on an additional server.
6. **Actions Required Upon Termination.** Upon termination of the license associated with this Agreement, Customer agrees to destroy all copies of the Software and other text and/or graphical documentation, whether in electronic or printed format, that describe the features, functions and operation of the Software that are provided by Axon to Customer ("**Software Documentation**") or return such copies to Axon. Regarding any copies of media containing regular backups of Customer's computer or computer system, Customer agrees not to access such media for the purpose of recovering the Software or online Software Documentation.
7. **Export Controls.** None of the Software, Software Documentation or underlying information may be downloaded or otherwise exported, directly or indirectly, without the prior written consent, if required, of the office of Export Administration of the United States, Department of Commerce, nor to any country to which the U.S. has embargoed goods, to any person on the U.S. Treasury Department's list of Specially Designated Nations, or the U.S. Department of Commerce's Table of Denials.
8. **U.S. Government Restricted Rights.** The Software and Software Documentation are Commercial Computer Software provided with Restricted Rights under Federal Acquisition Regulations and Customer supplements to them. Use, duplication or disclosure by the U.S. Government is subject to restrictions as set forth in subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFAR 255.227-7013 et. Seq. or 252.211-7015, or subparagraphs (a) through (d) of the Commercial Computer Software Restricted Rights at FAR 52.227-19, as applicable, or similar clauses in the NASA FAR Supplement. Contractor/manufacturer is Axon Enterprise, Inc., 17800 North 85th Street, Scottsdale, Arizona 85255.

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My90 Terms of Use Appendix

1. Definitions.

1.1. "**My90**" means Axon's proprietary platform and methodology to obtain and analyze feedback, and other related offerings, including, without limitation, interactions between My90 and Axon products.

1.2. "**Recipient Contact Information**" means contact information, as applicable, including phone number or email address (if available) of the individual whom Customer would like to obtain feedback.

1.3. "**Customer Data**" means

1.3.1. "My90 Customer Content" which means data, including Recipient Contact Information, provided to My90 directly by Customer or at their direction, or by permitting My90 to access or connect to an information system or similar technology. My90 Customer Content does not include My90 Non-Content Data.

1.3.2. "My90 Non-Content Data" which means data, configuration, and usage information about Customer's My90 tenant, and client software, users, and survey recipients that is Processed (as defined in Section 1.6 of this Appendix) when using My90 or responding to a My90 Survey. My90 Non-Content Data includes data about users and survey recipients captured during account management and customer support activities. My90 Non-Content Data does not include My90 Customer Content.

1.3.3. "Survey Response" which means survey recipients' response to My90 Survey.

1.4. "**My90 Data**" means

1.4.1. "My90 Survey" which means surveys, material(s) or content(s) made available by Axon to Customer and survey recipients within My90.

1.4.2. "Aggregated Survey Response" which means Survey Response that has been de-identified and aggregated or transformed so that it is no longer reasonably capable of being associated with, or could reasonably be linked directly or indirectly to, a particular individual.

1.5. "**Personal Data**" means any information relating to an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural, or social identity of that natural person.

1.6. "**Processing**" means any operation or set of operations which is performed on data or on sets of data, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure, or destruction.

1.7. "**Sensitive Personal Data**" means Personal Data that reveals an individual's health, racial or ethnic origin, sexual orientation, disability, religious or philosophical beliefs, or trade union membership.

2. **Access.** Upon Axon granting Customer a subscription to My90, Customer may access and use My90 to store and manage My90 Customer Content, and applicable My90 Surveys and Aggregated Survey Responses. This Appendix is subject to the Terms and Conditions of Axon's Master Service and Purchasing Agreement or in the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern.

3. **IP address.** Axon will not store survey respondents' IP address.

4. **Customer Owns My90 Customer Content.** Customer controls or owns all rights, titles, and interests in My90 Customer Content. Except as outlined herein, Axon obtains no interest in My90 Customer Content, and My90 Customer Content is not Axon's business records. Except as set forth in this Agreement, Customer is responsible for uploading, sharing, managing, and deleting My90 Customer Content. Axon will only have access to My90 Customer Content for the limited purposes set forth herein. Customer agrees to allow Axon access to My90 Customer Content to (a) perform troubleshooting, maintenance, or diagnostic screenings; and (b) enforce this Agreement or policies governing use of My90 and other Axon products.

5. **Details of the Processing.** The nature and purpose of the Processing under this Appendix are further specified

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in Schedule 1 Details of the Processing, to this Appendix.

6. **Security.** Axon will implement commercially reasonable and appropriate measures to secure Customer Data against accidental or unlawful loss, access, or disclosure. Axon will maintain a comprehensive information security program to protect Customer Data including logical, physical access, vulnerability, risk, and configuration management; incident monitoring and response; security education; and data protection. Axon will not treat Customer Data in accordance with FBI CJIS Security Policy requirements and does not agree to the CJIS Security Addendum for this engagement or any other security or privacy related commitments that have been established between Axon and Customer, such as ISO 27001 certification or SOC 2 Reporting.

7. **Privacy.** Customer use of My90 is subject to the My90 Privacy Policy, a current version of which is available at https://www.axon.com/legal/my90privacypolicy. Customer agrees to allow Axon access to My90 Non-Content Data from Customer to (a) perform troubleshooting, maintenance, or diagnostic screenings; (b) provide, develop, improve, and support current and future Axon products including My90 and related services; and (c) enforce this Agreement or policies governing the use of My90 or other Axon products.

8. **Location of Storage.** Axon may transfer Customer Data to third-party subcontractors for Processing. Axon will determine the locations for Processing of Customer Data. For all Customer, Axon will Process and store Customer Data within the country in which Customer is located. Ownership of My90 Customer Content remains with Customer.

9. **Required Disclosures.** Axon will not disclose Customer Data that Customer shares with Axon except as compelled by a court or administrative body or required by any law or regulation. Axon will notify Customer if any disclosure request is received for Customer Data so Customer may file an objection with the court or administrative body, unless prohibited by law.

10. **Data Sharing.** Axon may share data only with entities that control or are controlled by or under common control of Axon, and as described below:

    10.1. Axon may share Customer Data with third parties it employs to perform tasks on Axon's behalf to provide products or services to Customer.

    10.2. Axon may share Aggregated Survey Response with third parties, such as other Axon customers, local city agencies, private companies, or members of the public that are seeking a way to collect analysis on general policing and community trends. Aggregated Survey Response will not be reasonably capable of being associated with or reasonably linked directly or indirectly to a particular individual.

11. **License and Intellectual Property.** Customer grants Axon, its affiliates, and assignees the irrevocable, perpetual, fully paid, royalty-free, and worldwide right and license to use Customer Data for internal use including but not limited to analysis and creation of derivatives. Axon may not release Customer Data to any third party under this right that is not aggregated and de-identified. Customer acknowledges that Customer will have no intellectual property right in any media, good or service developed or improved by Axon. Customer acknowledges that Axon may make any lawful use of My90 Data and any derivative of Customer Data including, without limitation, the right to monetize, redistribute, make modification of, and make derivatives of the surveys, survey responses and associated data, and Customer will have no intellectual property right in any good, service, media, or other product that uses My90 Data.

12. **Customer Use of Aggregated Survey Response.** Axon will make available to Customer Aggregated Survey Response and rights to use for any Customer purpose.

13. **Data Subject Rights.** Taking into account the nature of the Processing, Axon shall assist Customer by appropriate technical and organizational measures, insofar as this is reasonable, for the fulfilment of Customer's obligation to respond to a Data Subject Request regarding any Personal Data contained within My90 Customer Content. If in regard to My90 Customer Content, Axon receives a Data Subject Request from Customer's data subject to exercise one or more of its rights under applicable Data Protection Law, Axon will redirect the data subject within seventy-two (72) hours, to make its request directly to Customer. Customer will be responsible for responding to any such request.

14. **Assistance with Requests Related to My90 Customer Content.** With regard to the processing of My90 Customer Content, Axon shall, if not prohibited by applicable law, notify Customer without delay after receipt, if Axon: (a) receives a request for information from the Supervisory Authority or any other competent authority regarding My90 Customer Content; (b) receives a complaint or request from a third party regarding the obligations of Customer or Axon under applicable Data Protection Law; or (c) receives any other communication which directly or indirectly pertains to My90 Customer Content or the Processing or protection of My90 Customer Content. Axon

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shall not respond to such requests, complaints, or communications, unless Customer has given Axon written instructions to that effect or if such is required under a statutory provision. In the latter case, prior to responding to the request, Axon shall notify Customer of the relevant statutory provision and Axon shall limit its response to what is necessary to comply with the request.

15. **Axon Evidence Partner Sharing.** If Axon Evidence partner sharing is used to share My90 Customer Content, Customer will manage the data sharing partnership with Axon and access to allow only for authorized data sharing with Axon. Customer acknowledges that any applicable audit trail on the original source data will not include activities and processing performed against the instances, copies or clips that has been shared with Axon. Customer also acknowledges that the retention policy from the original source data is not applied to any data shared with Axon. Except as provided herein, data shared with Axon may be retained indefinitely by Axon.
16. **Data Retention.** Phone numbers provided to Axon directly by Customer or at their direction, or by permitting My90 to access or connect to an information system or similar technology will be retained for twenty-four (24) hours. Axon will not delete Aggregated Survey Response for four (4) years following termination of this Agreement. There will be no functionality of My90 during these four (4) years other than the ability to submit a request to retrieve Aggregated Survey Response. Axon has no obligation to maintain or provide Aggregated Survey Response after these four years and may thereafter, unless legally prohibited, delete all Aggregated Survey Response.
17. **Termination.** Termination of an My90 Agreement will not result in the removal or modification of previously shared My90 Customer Content or the potential monetization of Survey Response and Aggregated Survey Response.
18. **Managing Data Shared.** Customer is responsible for:
    18.1. Ensuring My90 Customer Content is appropriate for use in My90. This includes, prior to sharing: (a) applying any and all required redactions, clipping, removal of metadata, logs, etc. and (b) coordination with applicable public disclosure officers and related legal teams;
    18.2. Ensuring that only My90 Customer Content that is authorized to be shared for the purposes outlined is shared with Axon. Customer will periodically monitor or audit this shared data;
    18.3. Using an appropriately secure data transfer mechanism to provide My90 Customer Content to Axon;
    18.4. Immediately notify Axon if My90 Customer Content that is not authorized for sharing has been shared. Axon may not be able to immediately retrieve or locate all instances, copies or clips of My90 Customer Content in the event Customer requests to un-share previously shared My90 Customer Content;
19. **Prior to enrollment in My90.** Prior to enrolling in My90, Customer will:
    19.1. determine how to use My90 in accordance with applicable laws and regulations including but not limited to consents, use of info or other legal considerations;
    19.2. develop a set of default qualification criteria of what My90 Customer Content may be shared with Axon; and
    19.3. assign responsibilities for managing what My90 Customer Content is shared with Axon and educate users on what data may or not be shared with Axon.
20. **Customer Responsibilities.** Customer is responsible for:
    20.1. ensuring no My90 Customer Content or Customer End User's use of My90 Customer Content or My90 violates this Agreement or applicable laws;
    20.2. providing, and will continue to provide, all notices and has obtained, and will continue to obtain, all consents and rights necessary under applicable laws for Axon to process Customer Data in accordance with this Agreement; and
    20.3. maintaining necessary computer equipment and Internet connections for use of My90. If Customer becomes aware of any violation of this Agreement by an End User, Customer will immediately terminate that End User's access to My90. Customer will also maintain the security of End User's usernames and passwords and security and access by End Users to My90 Customer Content. Customer is responsible for ensuring the configuration and utilization of My90 meets applicable Customer regulations and standards. Customer may not sell, transfer, or sublicense access to any other entity or person. Customer shall contact Axon immediately if an unauthorized party may be using Customer's account or My90 Customer Content or if account information is lost or stolen.

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21. **Suspension.** Axon may temporarily suspend Customer's or any End User's right to access or use any portion or all of My90 immediately upon notice, if Customer or End User's use of or registration for My90 may (a) pose a security risk to Axon products including My90, or any third-party; (b) adversely impact My90, the systems, or content of any other customer; (c) subject Axon, Axon's affiliates, or any third-party to liability; or (d) be fraudulent. Customer remains responsible for all fees, if applicable, incurred through suspension. Axon will not delete My90 Customer Content or Aggregated Survey Response because of suspension, except as specified in this Agreement.

22. **My90 Restrictions.** Customer and Customer End Users, may not, or may not attempt to:

    22.1. copy, modify, tamper with, repair, or create derivative works of any part of My90;

    22.2. reverse engineer, disassemble, or decompile My90 or apply any process to derive any source code included in My90, or allow others to do the same;

    22.3. access or use My90 with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas;

    22.4. use trade secret information contained in My90, except as expressly permitted in this Agreement;

    22.5. access My90 to build a competitive product or service or copy any features, functions, or graphics of My90;

    22.6. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon's or Axon's licensors on or within My90; or

    22.7. use My90 to store or transmit infringing, libelous, or other unlawful or tortious material; to store or transmit material in violation of third-party privacy rights; or to store or transmit malicious code.

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Schedule 1- Details of the Processing

1. **Nature and Purpose of the Processing.** To help Customer obtain feedback from individuals, such as members of their community, staff, or officers. Features of My90 may include:

   1.1. Survey Tool where Customer may create, distribute, and analyze feedback from individuals it designates. Customer may designate members of the community, staff or officers from whom they would like to obtain feedback;

   1.2. Creation of custom forms for surveys. Customer may select questions from a list of pre-drafted questions or create their own;

   1.3. Distribution of survey via multiple distribution channels such as text message;

   1.4. Ability to access and analyze Survey Response. Axon may also provide Customer Aggregated Survey Responses which contain analysis and insights from the Survey Response;

   1.5. Direct integration into information systems including Computer Aided Dispatch ("**CAD**"). This will enable Customer to share contact information easily and quickly with Axon of any individuals from whom it wishes to obtain feedback, enabling Axon to communicate directly with these individuals;

   1.6. Data Dashboard Beta Test ("**Data Dashboard**") where Survey Response and Aggregated Survey Response will be displayed for Customer use. Customer will be able to analyze, interpret, and share results of the Survey Response. My90 may provide beta versions of the Data Dashboard that are specifically designed for Customer to test before they are publicly available;

   1.7. Survey Responses will be aggregated and de-identified and may be subsequently distributed and disclosed through various mediums to: (1) Customer; (2) other Axon Customer; (3) private companies; and (4) members of the public. The purpose of disclosure is to provide ongoing insights and comparisons on general policing and community trends. Prior to disclosing this information, Axon will ensure that the Survey Response has been de-identified and aggregated or transformed so that it is no longer reasonably capable of being associated with, or could reasonably be linked directly or indirectly to a particular individual; and

   1.8. Provide services and materials to engage Customer stakeholders, market the partnership to the public, and facilitate training.

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Axon Event Offer Appendix

If the Agreement includes the provision of, or Axon otherwise offers, ticket(s), travel and/or accommodation for select events hosted by Axon ("Axon Event"), the following shall apply:

1. **General.** Subject to the terms and conditions specified below and those in the Agreement, Axon may provide Customer with one or more offers to fund Axon Event ticket(s), travel and/or accommodation for Customer-selected employee(s) to attend one or more Axon Events. By entering into the Agreement, Customer warrants that it is appropriate and permissible for Customer to receive the referenced Axon Event offer(s) based on Customer's understanding of the terms and conditions outlined in this Axon Event Offer Appendix.
2. **Attendee/Employee Selection.** Customer shall have sole and absolute discretion to select the Customer employee(s) eligible to receive the ticket(s), travel and/or accommodation that is the subject of any Axon Event offer(s).
3. **Compliance.** It is the intent of Axon that any and all Axon Event offers comply with all applicable laws, regulations and ethics rules regarding contributions, including gifts and donations. Axon's provision of ticket(s), travel and/or accommodation for the applicable Axon Event to Customer is intended for the use and benefit of Customer in furtherance of its goals, and not the personal use or benefit of any official or employee of Customer. Axon makes this offer without seeking promises or favoritism for Axon in any bidding arrangements. Further, no exclusivity will be expected by either party in consideration for the offer. Axon makes the offer with the understanding that it will not, as a result of such offer, be prohibited from any procurement opportunities or be subject to any reporting requirements. If Customer's local jurisdiction requires Customer to report or disclose the fair market value of the benefits provided by Axon, Customer shall promptly contact Axon to obtain such information, and Axon shall provide the information necessary to facilitate Customer's compliance with such reporting requirements.
4. **Assignability.** Customer may not sell, transfer, or assign Axon Event ticket(s), travel and/or accommodation provided under the Agreement.
5. **Availability.** The provision of all offers of Axon Event ticket(s), travel and/or accommodation is subject to availability of funds and resources. Axon has no obligation to provide Axon Event ticket(s), travel and/or accommodation.
6. **Revocation of Offer.** Axon reserves the right at any time to rescind the offer of Axon Event ticket(s), travel and/or accommodation to Customer if Customer or its selected employees fail to meet the prescribed conditions or if changes in circumstances render the provision of such benefits impractical, inadvisable, or in violation of any applicable laws, regulations, and ethics rules regarding contributions, including gifts and donations.

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Axon Training Pod Appendix

1. **Customer Responsibilities.** Customer is responsible for: (i) all permits to use the Axon Training Pod; (ii) complying with all applicable laws pertaining to the use of the Axon Training Pod; (iii) any maintenance required for the Axon Training Pod; and (iv) disposal of the Axon Training Pod.

2. **Warranties. TO THE EXTENT NOT PROHIBITED BY LAW, AXON TRAINING POD IS SOLD "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.**

3. **Placement.** Axon will make its best efforts to work with Customer on the initial placement of the Axon Training Pod. After the initial placement, it is the Customer's responsibility to make any adjustments to the Axon Training Pod's placement.

4. **Deemed Acceptance.** The Axon Training Pod will be deemed accepted by Customer upon delivery. Customer waives any right to reject the Axon Training Pod except in the event of damage during shipment, which must be reported to Axon in writing within five (5) business days of delivery.

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Dedrone Product Appendix

If the Quote includes Dedrone Hardware, Dedrone Software, and/or Airspace Security as a Service (collectively, "Dedrone Products"), this Dedrone Product Appendix shall apply.

1. **Definitions.**

1.1 **"Dedrone Data"** means data that Axon maintains regarding a wide variety of drone models and manufacturers in the marketplace ("DedroneDNA", formerly "DroneDNA"), as well as usability information that Axon collects regarding the performance of the Dedrone Software and Dedrone Hardware, aggregate or de-identified Collected Data compiled or used by Axon in accordance with Section 4.2, and any other information that Axon makes available to Customer by means of the Dedrone Software

1.2 **"Dedrone Hardware**" means the Axon drone detection hardware sensor or mitigation products set forth on a Quote and does not include any Third-Party Hardware.

1.3 **"Sensor"** means a radio frequency, video, radar or other hardware sensor for drone detection purchased by Customer from Axon or obtained from any third-party vendor.

1.4 **"Dedrone Software**" means (i) Axon's proprietary drone-tracking software, known as DedroneTracker (formerly DroneTracker), whether deployed on-premise or hosted by Axon as a cloud-based solution, (ii) Axon's video analytics software (currently known as Analytics Server), and/or (iii) software and/or firmware deployed or installed on the Dedrone Hardware or available for download and installation onto Customer's Third-Party Hardware.

1.5 **"Third-Party Hardware"** means hardware products owned by Customer or purchased by Customer from third parties that are used by Customer in conjunction with the Software.

2. **Customer License.**

2.1 **Software License.** Subject to the terms of this Agreement, Axon grants Customer a royalty-free, nonexclusive, nontransferable, worldwide right during each Quote Term to use the Dedrone Software, including the Dedrone Data and Collected Data, subject to the terms of the Agreement and this Appendix (the "License"). Customer must purchase a License to the Software for each unit of Dedrone Hardware and/or Third-Party Hardware using Dedrone Software. Accordingly, Customer may only use the Software quantity and type of Hardware and/or Third-Party Hardware units specified on the applicable Quote. If Customer purchases additional Licenses during a current Term, the Term of the new License(s) will be pro-rated to terminate at the end of the then-current License Term. Use of the Dedrone Software is subject to the terms of the Agreement between the parties

2.2 **Restrictions.** Customer will not: (i) use (or allow a third party to use) the Dedrone Products in order to monitor the availability, security, performance, or functionality of the Dedrone Products, or for any other benchmarking or competitive purposes; (ii) market, sublicense, resell, lease, loan, transfer, or otherwise commercially exploit the Dedrone Products; (iii) modify, create derivative works, decompile, reverse engineer, attempt to gain access to the source code, or copy the Dedrone Products or any of their components; (iv) use the Dedrone Products to conduct any fraudulent, malicious, or illegal activities; or (v) use the Dedrone Products in contravention of any applicable laws or regulations (each of (i) through (v), a ("Prohibited Use").

3. **Customer Obligations.**

3.1 **Compliance.** Customer will use the Dedrone Products only in accordance with applicable specifications (the "Specifications") and in compliance with all applicable laws, including all applicable export laws and regulations of the United States or any other country. Customer acknowledges that due to the nascent nature of drone detection and mitigation technologies applicable laws and regulations may be changing or emerging over time, and agrees that it is Customer's responsibility to keep itself aware and remain compliant with the current laws and regulations that may apply, including but not limited to those that may apply to advanced features available at Customer's option in the Dedrone Software. Customer will ensure that none of the Dedrone Products are directly or indirectly exported, re-exported, or used to provide services in violation of such export laws and regulations. Axon reserves the right to suspend use of any Dedrone Products operating in violation of such laws, following written notice to Customer. If Customer uses a radio jammer, or any other controlled device, in connection with the Dedrone Software, Customer represents to Axon that it is authorized to do so by the relevant authorities, that it will do so only in accordance with such authorization, and it will provide supporting

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documentation regarding such authorization upon request. Customer may be required to obtain legal authorization before any purchase or use of hardware sold by third parties. Axon shall not be liable if any government export authorization is delayed, denied, revoked, restricted or not renewed, nor shall any such delay, denial, revocation, restriction or non-renewal shall not constitute a breach of the Agreement by Axon.

3.2 **Computing Environment.** Customer is responsible for the maintenance and security of its own network and computing environment that it uses to host and/or access the Dedrone Products and for ensuring that any Third-Party Hardware meets the necessary specifications for use with the Dedrone Software.

4. **Data Protection.**

4.1 **Data.** If Customer licenses Dedrone Software, as part of its operation, the Dedrone Software may collect and send to servers owned, operated or controlled by Axon data or other information regarding Customer's use of the Dedrone Software, which may include (i) information generated by each Sensor deployed by Customer, including information related to the date, time, and duration of the detection of the drone, as well as the locations of the detected drones and remote controls and of the Sensor itself (collectively, "Sensor Data"), and (ii) video recording of the detected drones, including flight path ("Video Data") (Sensor Data and Video Data are collectively referred to as "Collected Data").

4.2 **Use of Collected Data.** Axon has the right to use Collected Data for any purpose, including: (i) improving any Dedrone Product; (ii) analyzing any Dedrone Product or the performance of any Dedrone Product; or (iii) compiling or using aggregate or de-identified Collected Data with other customers, or government and law enforcement entities, with or without compensation. Customer acknowledges that Axon may learn from the performance or use of any Dedrone Product, and Axon shall have the sole right to exploit any modification, enhancement or improvement of any Dedrone Product resulting from such learning.

4.3 **User Data.** To the extent Axon uses User login information, including name, email, username, and password (collectively, "User Data") for any purpose other than to provide services to the Customer, such User Data will be deidentified and anonymized, and will not be identified as having come from Customer, except that Axon may disclose User Data where Axon, in good faith, believes that the law or legal process (such as a court order, search warrant or subpoena) requires Axon to do so.

4.4 **Security.** Axon maintains industry standard physical, technical, and administrative safeguards (the "Security Measures") to protect Collected Data.

4.5 **No Access.** Except for User Data, Axon does not (and will not) collect, process, store, or otherwise have access to any personal information, about End Users or users of Customer's products or services.

5. **Ownership.**

5.1 **Axon Property.** Axon owns and retains all rights, title, and interest in and to the Dedrone Data, Collected Data, the Dedrone Software, and all intellectual property embodied in the Dedrone Hardware, if the Dedrone Hardware is provided by Axon. Except for the limited license granted to Customer in Section 2.1, Axon does not by means of this Agreement or otherwise transfer or license any rights in the Dedrone Products to Customer, whether by implication, estoppel or otherwise. To the maximum extent permitted by applicable law Customer will take no action inconsistent with Axon intellectual property rights in the Dedrone Products or any Dedrone Data.

5.2 **Customer Property.** Customer owns and retains all right, title, and interest in and to the User Data and does not by means of this Agreement or otherwise transfer any rights in the User Data to Axon, except for the limited rights set forth in Section 4.3.

6. **Government Restricted Rights.** To the extent that Customer is an agency or instrumentality of the U.S. government, the parties agree that the Dedrone Software and documentation are commercial computer software and commercial computer software documentation, respectively, and Customer's rights therein are as specified in this License, per FAR 12.212 and DFARS 227.7202-3, as applicable, or in the case of NASA, subject to NFS 1852.22.

7. **Updates.** The Dedrone Software may include functionality that allows it to automatically download updates that may be made available by Axon. Customer consents to the installation of such functionality.

Axon Enterprise, Inc.
17800 N 85th St
Scottsdale, Arizona 85255
United States
VAT: 86-0741227
Domestic:(800) 978-2737
International: +1.800.978.2737

Q-663087-45931JS

Issued: 10/01/2025

Quote Expiration: 10/31/2025

Estimated Contract Start Date: 02/01/2026

Account Number: 112616

Payment Terms: N30

Mode of Delivery: UPS-GND

Credit/Debit Amount: $0.00

SHIP TO	BILL TO	SALES REPRESENTATIVE	PRIMARY CONTACT
Addison Police Dept. - TX 4799 Airport Pkwy Addison, TX 75001-3321 USA	Addison Police Dept. - TX 4799 Airport Pkwy Addison TX 75001-3321 USA Email:	John Sholl Phone: Email: jsholl@axon.com Fax:	TJ Smetzer Phone: (972) 450-7195 Email: tsmetzer@addisontx.gov Fax: \--

Quote Summary

Program Length	60 Months
TOTAL COST	$1,373,800.94
ESTIMATED TOTAL W/ TAX	$1,373,800.94

Discount Summary

Average Savings Per Year	$168,477.38
TOTAL SAVINGS	$842,386.88

Payment Summary

Date	Subtotal	Tax	Total
Jan 2026	$273,098.18	$0.00	$273,098.18
Jan 2027	$275,175.69	$0.00	$275,175.69
Jan 2028	$275,175.69	$0.00	$275,175.69
Jan 2029	$275,175.69	$0.00	$275,175.69
Jan 2030	$275,175.69	$0.00	$275,175.69
Total	**$1,373,800.94**	**$0.00**	**$1,373,800.94**

Quote Unbundled Price:	**$2,216,261.00**
Quote List Price:	**$1,608,449.00**
Quote Subtotal:	**$1,373,800.94**

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

Item	Description	Qty	Term	Unbundled	List Price	Net Price	Subtotal	Tax	Total
Program									
100553	TRANSFER BALANCE - SOFTWARE AND SERVICES	1			$1.00	($29,716.65)	($29,716.65)	$0.00	($29,716.65)
100552	TRANSFER BALANCE - GOODS	1			$1.00	$1,745.25	$1,745.25	$0.00	$1,745.25
M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	65	60	$435.40	$287.06	$284.13	$1,108,107.00	$0.00	$1,108,107.00
B00056	BUNDLE - UNLIMITED PLUS ISLE WITH VR	10	60	$297.96	$249.15	$211.87	$127,122.00	$0.00	$127,122.00
A la Carte Hardware									
50265	AXON INTERVIEW - IO RED LED	1			$35.00	$0.35	$0.35	$0.00	$0.35
50258	AXON INTERVIEW - IO MODULE CABINET	1			$445.00	$4.45	$4.45	$0.00	$4.45
50267	AXON INTERVIEW - IO MODULE	1			$788.00	$7.88	$7.88	$0.00	$7.88
50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	2			$209.00	$2.09	$4.18	$0.00	$4.18
50298	AXON INTERVIEW - CAMERA - OVERT DOME	2			$985.00	$9.85	$19.70	$0.00	$19.70
101408	AXON FUSUS - CORE - CAD	1			$600.00	$600.00	$600.00	$0.00	$600.00
101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	2			$600.00	$600.00	$1,200.00	$0.00	$1,200.00
101383	AXON FUSUS - CORE - LITE 512GB POE	5			$250.00	$250.00	$1,250.00	$0.00	$1,250.00
101390	AXON FUSUS - CORE - ELITE 2.0 44TB HDD	1			$4,000.00	$4,000.00	$4,000.00	$0.00	$4,000.00
101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	2			$5,000.00	$2,500.00	$5,000.00	$0.00	$5,000.00
H00001	AB4 Camera Bundle	75			$899.00	$8.99	$674.25	$0.00	$674.25
T7Dock	T7 Dock	1	60		$1,792.40	$27.90	$1,674.27	$0.00	$1,674.27
H00002	AB4 Multi Bay Dock Bundle	10			$1,638.90	$16.39	$163.90	$0.00	$163.90
A la Carte Software									
50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	1	60		$28.21	$0.28	$16.93	$0.00	$16.93
50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	60		$32.98	$0.33	$39.58	$0.00	$39.58
50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	2	60		$111.75	$1.12	$134.10	$0.00	$134.10
102011	AXON AI ASSISTANT	75	60		$32.55	$32.55	$146,475.00	$0.00	$146,475.00
ProLicense	Pro License Bundle	12	60		$48.82	$0.49	$351.00	$0.00	$351.00
A la Carte Services									
80146	AXON BODY - PSO - VIRTUAL STARTER	1			$2,500.00	$0.25	$0.25	$0.00	$0.25
50430	AXON INTERVIEW - INSTALLATION - IO MODULE CABINET 1 LED	1			$1,000.00	$10.00	$10.00	$0.00	$10.00
85170	AXON INTERVIEW - INSTALLATION - STANDARD (PER ROOM)	1			$5,000.00	$50.00	$50.00	$0.00	$50.00
85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1			$6,786.00	$67.86	$67.86	$0.00	$67.86
101267	AXON VR - PSO - FULL INSTALLATION	1			$12,000.00	$120.00	$120.00	$0.00	$120.00
101422	AXON FUSUS - PSO - HARDWARE DEPLOYMENT	11			$425.00	$425.00	$4,675.00	$0.00	$4,675.00
A la Carte Warranties									
101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	1			$464.00	$4.64	$4.64	$0.00	$4.64
101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	49		$0.00	$0.00	$0.00	$0.00	$0.00
101424	AXON FUSUS - CORE - EXTENDED WARRANTY	2	49		$0.00	$0.00	$0.00	$0.00	$0.00
101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	49		$0.00	$0.00	$0.00	$0.00	$0.00

101424	AXON FUSUS - CORE - EXTENDED WARRANTY	2	49	$0.00	$0.00	$0.00	$0.00	$0.00
Total						**$1,373,800.94**	**$0.00**	**$1,373,800.94**

Delivery Schedule

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
AB4 Camera Bundle	100147	AXON BODY 4 - CAMERA - NA US FIRST RESPONDER BLK RAPIDLOCK	75	1	01/01/2026
AB4 Camera Bundle	100147	AXON BODY 4 - CAMERA - NA US FIRST RESPONDER BLK RAPIDLOCK	2	1	01/01/2026
AB4 Camera Bundle	100466	AXON BODY 4 - CABLE - USB-C TO USB-C	83	1	01/01/2026
AB4 Camera Bundle	100775	AXON BODY 4 - MAGNETIC DISCONNECT CABLE	83	1	01/01/2026
AB4 Camera Bundle	100974	AXON BODY - MOUNT - MOLLE HIGH TORQUE DOUBLE RAPIDLOCK	40	1	01/01/2026
AB4 Camera Bundle	74028	AXON BODY - MOUNT - WING CLIP RAPIDLOCK	43	1	01/01/2026
AB4 Multi Bay Dock Bundle	100206	AXON BODY 4 - 8 BAY DOCK	10	1	01/01/2026
AB4 Multi Bay Dock Bundle	70033	AXON - DOCK WALL MOUNT - BRACKET ASSY	10	1	01/01/2026
AB4 Multi Bay Dock Bundle	71019	AXON BODY - DOCK POWERCORD - NORTH AMERICA	10	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100126	AXON VR - TACTICAL BAG	3	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100390	AXON TASER 10 - HANDLE - YELLOW CLASS 3R	65	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100390	AXON TASER 10 - HANDLE - YELLOW CLASS 3R	2	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100394	AXON TASER 10 - MAGAZINE - HALT TRAINING BLUE	4	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100396	AXON TASER 10 - MAGAZINE - INERT RED	2	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100399	AXON TASER 10 - CARTRIDGE - LIVE	1300	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100400	AXON TASER 10 - CARTRIDGE - HALT	650	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100401	AXON TASER 10 - CARTRIDGE - INERT	30	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100591	AXON TASER - CLEANING KIT	1	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100611	AXON TASER 10 - SAFARILAND HOLSTER - RH	61	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100613	AXON TASER 10 - SAFARILAND HOLSTER - LH	4	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100623	ENHANCED HOOK-AND-LOOP TRAINING (HALT) SUIT (V2)	1	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100681	AXON SIGNAL - SIDEARM SENSOR ONLY	65	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100748	AXON VR - CONTROLLER - TASER 10	3	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100832	AXON VR - CONTROLLER - HANDGUN VR19H	3	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101122	AXON VR - HOLSTER - T10 SAFARILAND GRAY - RH	2	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101123	AXON VR - HOLSTER - T10 SAFARILAND GRAY - LH	1	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101294	AXON VR - TABLET	3	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101300	AXON VR - TABLET CASE	3	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101455	AXON TASER 10 - REPLACEMENT TOOL KIT - INTERPOSER BUCKET	1	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101456	AXON TASER 10 - REPLACEMENT INTERPOSER BUCKET	1	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101755	AXON TASER 10 - MAGAZINE - LIVE DUTY BLACK V2	2	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101755	AXON TASER 10 - MAGAZINE - LIVE DUTY BLACK V2	65	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20018	AXON TASER - BATTERY PACK - TACTICAL	13	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20018	AXON TASER - BATTERY PACK - TACTICAL	2	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20018	AXON TASER - BATTERY PACK - TACTICAL	65	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	70033	AXON - DOCK WALL MOUNT - BRACKET ASSY	1	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	71019	AXON BODY - DOCK POWERCORD - NORTH AMERICA	1	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	71044	AXON SIGNAL - BATTERY - CR2430 SINGLE PACK	130	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	74200	AXON TASER - DOCK - SIX BAY PLUS CORE	1	1	01/01/2026

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80087	AXON TASER - TARGET - CONDUCTIVE PROFESSIONAL RUGGEDIZED	1	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80090	AXON TASER - TARGET FRAME - PROFESSIONAL 27.5 IN X 75 IN	1	1	01/01/2026
BUNDLE - UNLIMITED PLUS ISLE WITH VR	100126	AXON VR - TACTICAL BAG	1	1	01/01/2026
BUNDLE - UNLIMITED PLUS ISLE WITH VR	100748	AXON VR - CONTROLLER - TASER 10	1	1	01/01/2026
BUNDLE - UNLIMITED PLUS ISLE WITH VR	100832	AXON VR - CONTROLLER - HANDGUN VR19H	1	1	01/01/2026
BUNDLE - UNLIMITED PLUS ISLE WITH VR	101123	AXON VR - HOLSTER - T10 SAFARILAND GRAY - LH	1	1	01/01/2026
BUNDLE - UNLIMITED PLUS ISLE WITH VR	101294	AXON VR - TABLET	1	1	01/01/2026
BUNDLE - UNLIMITED PLUS ISLE WITH VR	101300	AXON VR - TABLET CASE	1	1	01/01/2026
BUNDLE - UNLIMITED PLUS ISLE WITH VR	101751	AXON VR - HEADSET - HTC FOCUS VISION	1	1	01/01/2026
BUNDLE - UNLIMITED PLUS ISLE WITH VR	101886	SIGNAL SENSOR	10	1	01/01/2026
BUNDLE - UNLIMITED PLUS ISLE WITH VR	101889	AXON SIGNAL - BATTERY - CR2032	10	1	01/01/2026
T7 Dock	70033	AXON - DOCK WALL MOUNT - BRACKET ASSY	1	1	01/01/2026
T7 Dock	71019	AXON BODY - DOCK POWERCORD - NORTH AMERICA	1	1	01/01/2026
T7 Dock	74200	AXON TASER - DOCK - SIX BAY PLUS CORE	1	1	01/01/2026
A la Carte	101383	AXON FUSUS - CORE - LITE 512GB POE	5	1	01/01/2026
A la Carte	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	2	1	01/01/2026
A la Carte	101390	AXON FUSUS - CORE - ELITE 2.0 44TB HDD	1	1	01/01/2026
A la Carte	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	2	1	01/01/2026
A la Carte	101408	AXON FUSUS - CORE - CAD	1	1	01/01/2026
A la Carte	50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	2	1	01/01/2026
A la Carte	50258	AXON INTERVIEW - IO MODULE CABINET	1	1	01/01/2026
A la Carte	50265	AXON INTERVIEW - IO RED LED	1	1	01/01/2026
A la Carte	50267	AXON INTERVIEW - IO MODULE	1	1	01/01/2026
A la Carte	50298	AXON INTERVIEW - CAMERA - OVERT DOME	2	1	01/01/2026
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100399	AXON TASER 10 - CARTRIDGE - LIVE	200	1	01/01/2027
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100400	AXON TASER 10 - CARTRIDGE - HALT	520	1	01/01/2027
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100399	AXON TASER 10 - CARTRIDGE - LIVE	190	1	01/01/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100400	AXON TASER 10 - CARTRIDGE - HALT	520	1	01/01/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100210	AXON VR - TAP REFRESH 1 - TABLET	3	1	07/01/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101009	AXON VR - TAP REFRESH 1 - SIDEARM CONTROLLER	3	1	07/01/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101012	AXON VR - TAP REFRESH 1 - CONTROLLER	3	1	07/01/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20373	AXON VR - TAP REFRESH 1 - HEADSET	3	1	07/01/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73309	AXON BODY - TAP REFRESH 1 - CAMERA	67	1	07/01/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73689	AXON BODY - TAP REFRESH 1 - DOCK MULTI BAY	9	1	07/01/2028
BUNDLE - UNLIMITED PLUS ISLE WITH VR	100210	AXON VR - TAP REFRESH 1 - TABLET	1	1	07/01/2028
BUNDLE - UNLIMITED PLUS ISLE WITH VR	101009	AXON VR - TAP REFRESH 1 - SIDEARM CONTROLLER	1	1	07/01/2028
BUNDLE - UNLIMITED PLUS ISLE WITH VR	101012	AXON VR - TAP REFRESH 1 - CONTROLLER	1	1	07/01/2028
BUNDLE - UNLIMITED PLUS ISLE WITH VR	20373	AXON VR - TAP REFRESH 1 - HEADSET	1	1	07/01/2028
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73309	AXON BODY - TAP REFRESH 1 - CAMERA	10	1	07/01/2028
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73689	AXON BODY - TAP REFRESH 1 - DOCK MULTI BAY	2	1	07/01/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100399	AXON TASER 10 - CARTRIDGE - LIVE	200	1	01/01/2029
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100400	AXON TASER 10 - CARTRIDGE - HALT	520	1	01/01/2029
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100399	AXON TASER 10 - CARTRIDGE - LIVE	190	1	01/01/2030
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100400	AXON TASER 10 - CARTRIDGE - HALT	520	1	01/01/2030
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73310	AXON BODY - TAP REFRESH 2 - CAMERA	67	1	01/01/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73688	AXON BODY - TAP REFRESH 2 - DOCK MULTI BAY	9	1	01/01/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73310	AXON BODY - TAP REFRESH 2 - CAMERA	10	1	01/01/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73688	AXON BODY - TAP REFRESH 2 - DOCK MULTI BAY	2	1	01/01/2031

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101180	AXON TASER - DATA SCIENCE PROGRAM	65	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101705	AXON FUSUS - LICENSE - PRO USER	65	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101711	AXON FUSUS - LICENSE - ADDITIONAL CCTV STREAMS	150	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20248	AXON TASER - EVIDENCE.COM LICENSE	1	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20248	AXON TASER - EVIDENCE.COM LICENSE	65	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	20370	AXON VR - USER ACCESS - FULL VR	65	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73449	AXON BODY - LICENSE - DEVICE CONNECTIVITY	65	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73478	AXON EVIDENCE - REDACTION ASSISTANT USER LICENSE	65	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73618	AXON COMMUNITY REQUEST	65	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73638	AXON STANDARDS - LICENSE	65	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73682	AXON EVIDENCE - AUTO TAGGING LICENSE	65	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73683	AXON EVIDENCE - STORAGE - 10GB A LA CARTE	650	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73686	AXON EVIDENCE - STORAGE - UNLIMITED (AXON DEVICE)	65	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73739	AXON PERFORMANCE - LICENSE	65	02/01/2026	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	73746	AXON EVIDENCE - ECOM LICENSE - PRO	65	02/01/2026	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	101705	AXON FUSUS - LICENSE - PRO USER	10	02/01/2026	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	20370	AXON VR - USER ACCESS - FULL VR	10	02/01/2026	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73449	AXON BODY - LICENSE - DEVICE CONNECTIVITY	10	02/01/2026	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73478	AXON EVIDENCE - REDACTION ASSISTANT USER LICENSE	10	02/01/2026	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73618	AXON COMMUNITY REQUEST	10	02/01/2026	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73638	AXON STANDARDS - LICENSE	10	02/01/2026	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73682	AXON EVIDENCE - AUTO TAGGING LICENSE	10	02/01/2026	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73683	AXON EVIDENCE - STORAGE - 10GB A LA CARTE	10	02/01/2026	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73686	AXON EVIDENCE - STORAGE - UNLIMITED (AXON DEVICE)	10	02/01/2026	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73739	AXON PERFORMANCE - LICENSE	10	02/01/2026	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	73746	AXON EVIDENCE - ECOM LICENSE - PRO	10	02/01/2026	01/31/2031
Pro License Bundle	73683	AXON EVIDENCE - STORAGE - 10GB A LA CARTE	36	02/01/2026	01/31/2031
Pro License Bundle	73746	AXON EVIDENCE - ECOM LICENSE - PRO	12	02/01/2026	01/31/2031
A la Carte	102011	AXON AI ASSISTANT	75	02/01/2026	01/31/2031
A la Carte	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	1	02/01/2026	01/31/2031
A la Carte	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	02/01/2026	01/31/2031
A la Carte	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	2	02/01/2026	01/31/2031

Services

Bundle	Item	Description	QTY
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100751	AXON TASER 10 - REPLACEMENT ACCESS PROGRAM - DUTY CARTRIDGE	65
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101184	AXON INVESTIGATE - TRAINING - OPERATOR AND EXAMINER	4
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101193	AXON TASER - ON DEMAND CERTIFICATION	65
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101780	AXON FUSUS - PSO - SW IMPLEMENTATION - PRO	1
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	11642	AXON INVESTIGATE - THIRD PARTY VIDEO SUPPORT	65
BUNDLE - UNLIMITED PLUS ISLE WITH VR	11642	AXON INVESTIGATE - THIRD PARTY VIDEO SUPPORT	10
A la Carte	101267	AXON VR - PSO - FULL INSTALLATION	1
A la Carte	101422	AXON FUSUS - PSO - HARDWARE DEPLOYMENT	11
A la Carte	50430	AXON INTERVIEW - INSTALLATION - IO MODULE CABINET 1 LED	1
A la Carte	80146	AXON BODY - PSO - VIRTUAL STARTER	1
A la Carte	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1
A la Carte	85170	AXON INTERVIEW - INSTALLATION - STANDARD (PER ROOM)	1

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
A la Carte	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	1		
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100213	AXON VR - EXT WARRANTY - TABLET	3	01/01/2027	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100704	AXON TASER 10 - EXT WARRANTY - HANDLE	65	01/01/2027	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	100704	AXON TASER 10 - EXT WARRANTY - HANDLE	2	01/01/2027	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101007	AXON VR - EXT WARRANTY - CONTROLLER	3	01/01/2027	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	101008	AXON VR - EXT WARRANTY - HANDGUN CONTROLLER	3	01/01/2027	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80374	AXON TASER - EXT WARRANTY - BATTERY PACK T7/T10	13	01/01/2027	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80374	AXON TASER - EXT WARRANTY - BATTERY PACK T7/T10	65	01/01/2027	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80374	AXON TASER - EXT WARRANTY - BATTERY PACK T7/T10	2	01/01/2027	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80396	AXON TASER - EXT WARRANTY - DOCK SIX BAY T7/T10	1	01/01/2027	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80464	AXON BODY - TAP WARRANTY - CAMERA	65	01/01/2027	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80464	AXON BODY - TAP WARRANTY - CAMERA	2	01/01/2027	01/31/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	80465	AXON BODY - TAP WARRANTY - MULTI BAY DOCK	9	01/01/2027	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	100197	AXON VR - EXT WARRANTY - HEADSET	1	01/01/2027	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	100213	AXON VR - EXT WARRANTY - TABLET	1	01/01/2027	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	101007	AXON VR - EXT WARRANTY - CONTROLLER	1	01/01/2027	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	101008	AXON VR - EXT WARRANTY - HANDGUN CONTROLLER	1	01/01/2027	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	80464	AXON BODY - TAP WARRANTY - CAMERA	10	01/01/2027	01/31/2031
BUNDLE - UNLIMITED PLUS ISLE WITH VR	80465	AXON BODY - TAP WARRANTY - MULTI BAY DOCK	2	01/01/2027	01/31/2031
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	01/01/2027	01/31/2031
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	2	01/01/2027	01/31/2031
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	2	01/01/2027	01/31/2031
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	01/01/2027	01/31/2031

Shipping Locations

Location Number	Street	City	State	Zip	Country
1	4799 Airport Pkwy	Addison	TX	75001-3321	USA
1	4799 Airport Pkwy	Addison	TX	75001-3321	USA

Payment Details

Jan 2026

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Transfer Value	100552	TRANSFER BALANCE - GOODS	1	$1,745.25	$0.00	$1,745.25
Transfer Value	100553	TRANSFER BALANCE - SOFTWARE AND SERVICES	1	($29,716.65)	$0.00	($29,716.65)
Upfront Hardware and PSO	101267	AXON VR - PSO - FULL INSTALLATION	1	$120.00	$0.00	$120.00
Upfront Hardware and PSO	101383	AXON FUSUS - CORE - LITE 512GB POE	5	$1,250.00	$0.00	$1,250.00
Upfront Hardware and PSO	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	2	$1,200.00	$0.00	$1,200.00
Upfront Hardware and PSO	101390	AXON FUSUS - CORE - ELITE 2.0 44TB HDD	1	$4,000.00	$0.00	$4,000.00
Upfront Hardware and PSO	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	2	$5,000.00	$0.00	$5,000.00
Upfront Hardware and PSO	101408	AXON FUSUS - CORE - CAD	1	$600.00	$0.00	$600.00
Upfront Hardware and PSO	101422	AXON FUSUS - PSO - HARDWARE DEPLOYMENT	11	$4,675.00	$0.00	$4,675.00
Upfront Hardware and PSO	80146	AXON BODY - PSO - VIRTUAL STARTER	1	$0.25	$0.00	$0.25
Upfront Hardware and PSO	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1	$67.86	$0.00	$67.86
Upfront Hardware and PSO	H00001	AB4 Camera Bundle	75	$674.25	$0.00	$674.25
Upfront Hardware and PSO	H00002	AB4 Multi Bay Dock Bundle	10	$163.90	$0.00	$163.90
Upfront Hardware and PSO	T7Dock	T7 Dock	1	$1,674.27	$0.00	$1,674.27
Year 1	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	1	$0.95	$0.00	$0.95
Year 1	102011	AXON AI ASSISTANT	75	$29,843.28	$0.00	$29,843.28
Year 1	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	1	$3.45	$0.00	$3.45
Year 1	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	$8.06	$0.00	$8.06
Year 1	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	2	$27.32	$0.00	$27.32
Year 1	50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	2	$0.85	$0.00	$0.85
Year 1	50258	AXON INTERVIEW - IO MODULE CABINET	1	$0.91	$0.00	$0.91
Year 1	50265	AXON INTERVIEW - IO RED LED	1	$0.07	$0.00	$0.07
Year 1	50267	AXON INTERVIEW - IO MODULE	1	$1.61	$0.00	$1.61
Year 1	50298	AXON INTERVIEW - CAMERA - OVERT DOME	2	$4.01	$0.00	$4.01
Year 1	50430	AXON INTERVIEW - INSTALLATION - IO MODULE CABINET 1 LED	1	$2.04	$0.00	$2.04
Year 1	85170	AXON INTERVIEW - INSTALLATION - STANDARD (PER ROOM)	1	$10.19	$0.00	$10.19
Year 1	B00056	BUNDLE - UNLIMITED PLUS ISLE WITH VR	10	$25,900.28	$0.00	$25,900.28
Year 1	H00001	AB4 Camera Bundle	75	$0.00	$0.00	$0.00
Year 1	M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	65	$225,769.52	$0.00	$225,769.52
Year 1	ProLicense	Pro License Bundle	12	$71.51	$0.00	$71.51
Invoice Upon Fulfillment	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	$0.00	$0.00	$0.00
Invoice Upon Fulfillment	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	$0.00	$0.00	$0.00
Invoice Upon Fulfillment	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	2	$0.00	$0.00	$0.00
Invoice Upon Fulfillment	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	2	$0.00	$0.00	$0.00
Total				**$273,098.18**	**$0.00**	**$273,098.18**

Feb 2026

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Invoice Upon Fulfillment	M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	65	$0.00	$0.00	$0.00
Total				**$0.00**	**$0.00**	**$0.00**

Jan 2027

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 2	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	1	$0.92	$0.00	$0.92
Year 2	102011	AXON AI ASSISTANT	75	$29,157.90	$0.00	$29,157.90
Year 2	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	1	$3.37	$0.00	$3.37
Year 2	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	$7.88	$0.00	$7.88
Year 2	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	2	$26.69	$0.00	$26.69
Year 2	50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	2	$0.83	$0.00	$0.83
Year 2	50258	AXON INTERVIEW - IO MODULE CABINET	1	$0.89	$0.00	$0.89
Year 2	50265	AXON INTERVIEW - IO RED LED	1	$0.07	$0.00	$0.07
Year 2	50267	AXON INTERVIEW - IO MODULE	1	$1.57	$0.00	$1.57
Year 2	50298	AXON INTERVIEW - CAMERA - OVERT DOME	2	$3.92	$0.00	$3.92
Year 2	50430	AXON INTERVIEW - INSTALLATION - IO MODULE CABINET 1 LED	1	$1.99	$0.00	$1.99
Year 2	85170	AXON INTERVIEW - INSTALLATION - STANDARD (PER ROOM)	1	$9.95	$0.00	$9.95
Year 2	B00056	BUNDLE - UNLIMITED PLUS ISLE WITH VR	10	$25,305.47	$0.00	$25,305.47
Year 2	H00001	AB4 Camera Bundle	75	$0.00	$0.00	$0.00
Year 2	M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	65	$220,584.37	$0.00	$220,584.37
Year 2	ProLicense	Pro License Bundle	12	$69.87	$0.00	$69.87
Total				**$275,175.69**	**$0.00**	**$275,175.69**

Jan 2028

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 3	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	1	$0.92	$0.00	$0.92
Year 3	102011	AXON AI ASSISTANT	75	$29,157.90	$0.00	$29,157.90
Year 3	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	1	$3.37	$0.00	$3.37
Year 3	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	$7.88	$0.00	$7.88
Year 3	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	2	$26.69	$0.00	$26.69
Year 3	50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	2	$0.83	$0.00	$0.83
Year 3	50258	AXON INTERVIEW - IO MODULE CABINET	1	$0.89	$0.00	$0.89
Year 3	50265	AXON INTERVIEW - IO RED LED	1	$0.07	$0.00	$0.07
Year 3	50267	AXON INTERVIEW - IO MODULE	1	$1.57	$0.00	$1.57
Year 3	50298	AXON INTERVIEW - CAMERA - OVERT DOME	2	$3.92	$0.00	$3.92
Year 3	50430	AXON INTERVIEW - INSTALLATION - IO MODULE CABINET 1 LED	1	$1.99	$0.00	$1.99
Year 3	85170	AXON INTERVIEW - INSTALLATION - STANDARD (PER ROOM)	1	$9.95	$0.00	$9.95
Year 3	B00056	BUNDLE - UNLIMITED PLUS ISLE WITH VR	10	$25,305.47	$0.00	$25,305.47
Year 3	H00001	AB4 Camera Bundle	75	$0.00	$0.00	$0.00
Year 3	M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	65	$220,584.37	$0.00	$220,584.37
Year 3	ProLicense	Pro License Bundle	12	$69.87	$0.00	$69.87
Total				**$275,175.69**	**$0.00**	**$275,175.69**

Jan 2029

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 4	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	1	$0.92	$0.00	$0.92
Year 4	102011	AXON AI ASSISTANT	75	$29,157.90	$0.00	$29,157.90
Year 4	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	1	$3.37	$0.00	$3.37
Year 4	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	$7.88	$0.00	$7.88
Year 4	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	2	$26.69	$0.00	$26.69

Jan 2029

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 4	50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	2	$0.83	$0.00	$0.83
Year 4	50258	AXON INTERVIEW - IO MODULE CABINET	1	$0.89	$0.00	$0.89
Year 4	50265	AXON INTERVIEW - IO RED LED	1	$0.07	$0.00	$0.07
Year 4	50267	AXON INTERVIEW - IO MODULE	1	$1.57	$0.00	$1.57
Year 4	50298	AXON INTERVIEW - CAMERA - OVERT DOME	2	$3.92	$0.00	$3.92
Year 4	50430	AXON INTERVIEW - INSTALLATION - IO MODULE CABINET 1 LED	1	$1.99	$0.00	$1.99
Year 4	85170	AXON INTERVIEW - INSTALLATION - STANDARD (PER ROOM)	1	$9.95	$0.00	$9.95
Year 4	B00056	BUNDLE - UNLIMITED PLUS ISLE WITH VR	10	$25,305.47	$0.00	$25,305.47
Year 4	H00001	AB4 Camera Bundle	75	$0.00	$0.00	$0.00
Year 4	M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	65	$220,584.37	$0.00	$220,584.37
Year 4	ProLicense	Pro License Bundle	12	$69.87	$0.00	$69.87
Total				**$275,175.69**	**$0.00**	**$275,175.69**

Jan 2030

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 5	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	1	$0.92	$0.00	$0.92
Year 5	102011	AXON AI ASSISTANT	75	$29,157.88	$0.00	$29,157.88
Year 5	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	1	$3.37	$0.00	$3.37
Year 5	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	$7.88	$0.00	$7.88
Year 5	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	2	$26.69	$0.00	$26.69
Year 5	50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	2	$0.83	$0.00	$0.83
Year 5	50258	AXON INTERVIEW - IO MODULE CABINET	1	$0.89	$0.00	$0.89
Year 5	50265	AXON INTERVIEW - IO RED LED	1	$0.07	$0.00	$0.07
Year 5	50267	AXON INTERVIEW - IO MODULE	1	$1.57	$0.00	$1.57
Year 5	50298	AXON INTERVIEW - CAMERA - OVERT DOME	2	$3.92	$0.00	$3.92
Year 5	50430	AXON INTERVIEW - INSTALLATION - IO MODULE CABINET 1 LED	1	$1.99	$0.00	$1.99
Year 5	85170	AXON INTERVIEW - INSTALLATION - STANDARD (PER ROOM)	1	$9.95	$0.00	$9.95
Year 5	B00056	BUNDLE - UNLIMITED PLUS ISLE WITH VR	10	$25,305.49	$0.00	$25,305.49
Year 5	H00001	AB4 Camera Bundle	75	$0.00	$0.00	$0.00
Year 5	M00041	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE	65	$220,584.37	$0.00	$220,584.37
Year 5	ProLicense	Pro License Bundle	12	$69.87	$0.00	$69.87
Total				**$275,175.69**	**$0.00**	**$275,175.69**

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Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement attached, as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Agreement.

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Exceptions to Standard Terms and Conditions

Agency has existing contract(s) originated via Quote(s):

Q-328698, Q-345860, Q-423706, Q-447110, Q-535030, Q-559693, Q-729569

Agency is terminating those contracts effective 2/1/2026. Any changes in this date will result in modification of the program value which may result in additional fees or credits due to or from Axon.

The parties agree that Axon is applying a Transfer Balance of -$27,971.40

Any credits contained in this quote are contingent upon payment in full of the following amounts:

Pending Billing - Q-328698 - 9/1/2025 - $54,215.23

Pending Billing - Q-535030 - 9/1/2025 - $2,736.09

10/1/2025

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STATEMENT OF WORK FOR THE IMPLEMENTATION OF AXON INTERVIEW ROOM FOR ADDISON POLICE DEPT. - TX ("SOW")

Submitted By:

Axon Enterprise, Inc. (Axon) North 85th Street

Docusign Envelope ID: 2AA2CE7F-F5DE-415D-A915-50DD132F2CA5

1. PROJECT OVERVIEW:

1.1 SOFTWARE

The hardware and software detailed in this SOW includes, the listed functionality.

- Axon Interview Room

1.2 DEFINITIONS

TERM	DEFINITION
PARTIES	
Agency	Addison Police Dept. - TX who is identified within this SOW
End-Users	Specific Agency groups that will use the system
Professional Services	The services that Axon will provide within the scope of this SOW
SYSTEMS	
Axon Systems	Software solutions and Agency specific integrations developed by Axon
CJIS	The Federal Bureau of Investigation's Criminal Justice Information System
NCIC	National Crime Information Center
Product	The hardware and software solution being implemented as part of this SOW
Production Environment	The operational environment where the Product will be accessed
PROJECT & MILESTONES	
Project	Scope of this SOW as defined by the work to be completed described herein
Project Change Order (PCO)	Change order form outlined in Attachment B to be executed between Axon and Agency if a material change in scope is required to this SOW
ACCEPTANCE	
Blocker	Issue impacting 50% or more users
Functional Acceptance Testing	Testing the functionality of the system as configured for Agency

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1.3 OUT OF PROJECT SCOPE

Axon is only responsible for performing the Professional Services described within this SOW. Any additional Professional Services that are not defined explicitly by this SOW shall be done so through a Project Change Order. The following are considered outside the scope of this Project:

- Administration, management, or support of any internal City, County, State, Federal or Agency IT network or infrastructure
- Third Party Products and Services costs related to the vendors or Agency's cost of implementing the vendors or Agency's side of the integration
- Changes made by Agency or Agency's vendors

Docusign Envelope ID: 2AA2CE7F-F5DE-415D-A915-50DD132F2CA5

2. PROFESSIONAL SERVICES:

2.1 GENERAL

- Axon will provide a project manager throughout entire project.

2.2 HARDWARE

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2.3 INTERVIEW SOFTWARE

- Agency will ensure an appropriate resource is available to configure/troubleshoot network communications between onsite Interview Hardware. Agency will also assist in configure/troubleshoot connection to Axon Evidence.
- Agency may setup server per agencies standards for things such as, joining to the domain, antivirus, firewalls, etc, so long as they do not degrade operations of Interview Server(s)
- Axon will install Axon Interview Server Application, Agency may be required to provide appropriate permissions/credentials.
- Axon will install and configure Touch Panel Software.

2.4 READINESS

- Axon will supply Agency with copy of current QA/Testing Checklist.
- Axon will complete QA/Testing Checklist per room consisting of:
  - Hardware Wiring
  - Hardware Mounting
  - Hardware Functionality
  - Firmware Updates
  - Software Install and Configuration
  - Functional Test of all features

2.6 TRAINING

- Axon will provide training materials that may be used by agency. Training materials will be customized for agencies environment where applicable.
- Agency will provide facilities and equipment for conducting the Training.
- Train the Trainer: Axon will provide session(s), materials and support allowing Agency's in-house trainers to conduct their own Training. Agency is responsible for updating all Training materials after final acceptance.

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3. PROJECT MANAGEMENT:

3.1 MANAGEMENT RESOURCES

- Both Parties will assign a Point of Contact, Project Manager, or Project Coordinator to ensure completion of deliverables.
- Axon's Project Coordinator will ensure all team members from Axon and Agency are continually updated on the status of the Project.

3.2 REQUIREMENTS PLANNING

- All Proposed Project timelines will be documented during Project Management Kickoff call.
- Once all requirements are agreed to, Axon's Project Coordinator will work with Agency's Project Manager to develop a Project plan for Axon's implementation.

3.3 CHANGE CONTROL

- If any changes in the Project cause a material increase or decrease in fees, as determined by Axon, an adjustment in the fees will be agreed upon and included in a signed PCO form.
- Agency acknowledges a proposed change request might have an impact on both scheduling and cost for the Project that will be outlined in the PCO form.

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4. AGENCY COMMITMENTS:

- Ensure the reasonable availability for meetings, phone or email of knowledgeable staff and personnel to provide timely and accurate documentation and information to Axon.
- Identify holidays, non-workdays or major events that may impact the Project.
- Ensure Agency desktop or mobile systems and devices can access the Product.
- Make available relevant systems if needed for assessment by Axon (including making these systems available to Axon via remote access if possible).
- Technical Systems Requirements

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5. SUPPORT:

- Axon will provide on-site installer/trainer support as part of project.
- The Product undergoes updates and enhancements which Agency will automatically receive.
- Axon will provide Agency's End Users access to the help.axon.com support portal to submit and review service tickets.
- For Technical Support assistance, Agency may contact a Technical Support representative at 800-978-2737, or via email at Support@Axon.com. Online, email-based support and remote-location troubleshooting are included on an ongoing basis as part of Agency's investment in the Axon ecosystem. Phone support is available 24/7.

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6. TERMS AND CONDITIONS:

This SOW is governed by the Master Services and Purchasing Agreement, Version 24, executed by the Parties.

AXON ENTERPRISE, INC.		AGENCY	
Signature:	Signed by: Robert E. Driscoll, Jr. 55DAEBB131A4424...	Signature:	_____
Name:	Robert E. Driscoll, Jr.	Name:	_____
Title:	Deputy General Counsel	Title:	_____
Date:	10/9/2025 | 12:34 PM MST	Date:	_____

Docusign Envelope ID: 2AA2CE7F-F5DE-415D-A915-50DD132F2CA5

ATTACHMENT B - PROJECT CHANGE ORDER TEMPLATE

Date:
Axon Product or Service:
Change Order Details

AXON ENTERPRISE, INC.	AGENCY
Signature: _____	Signature: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

2025 City Council Regular Meeting **5. d.**

Meeting Date: 10/28/2025
Department: Information Technology
Key Focus Areas: Public Safety
Mobility and Connectivity

AGENDA CAPTION:

Present, discuss, and consider action on a Resolution authorizing the City Manager to execute a managed services agreement with Flock Group, Inc. for the license plate reader solutions to provide hardware, software, maintenance, and support in an amount not to exceed $266,132.50 due at signing, with an annual recurring fee of $238,220.00; and providing an effective date.

BACKGROUND:

The Town of Addison launched a License Plate Recognition (LPR) initiative in 2018, funded by the 2012 bond election, to enhance public safety through technology. The program began with a pilot project that installed 20 LPR units at 8 key intersections.

The pilot aimed to collect data, develop policy guidelines, and evaluate the feasibility of a citywide LPR system. Between 2018 and 2020, City Council reviewed and adopted policies governing the use, access, and integration of LPR data. In 2021, the Council approved a townwide expansion through an enterprise agreement with Vigilant Solutions. This led to the installation of 60 LPR cameras at 23 locations.

In 2024, Public Safety was reaffirmed as a strategic priority and key focus area during the Council's annual retreat:

- 1.5. Strategic Objectives: Leverage Technology to address issues.
  - Initiative 1.5.3 - Evaluate License Plate Recognition cameras network and additional locations throughout the town.

Thus, a new pilot project was launched using Flock Safety technology at three (3) additional locations: Addison & Sojourn, Addison & Arapaho, and Midway & Belt Line. This pilot aimed to assess the feasibility, effectiveness, and service quality of the Flock system. Following a successful evaluation, the Town decided in May 2025 to transition from the existing LPR system to the Flock Safety platform. The Flock Safety system complies with all applicable state and federal data privacy laws. Data retention policies, access controls, and audit logs are in place to ensure responsible use and protection of sensitive information. Only authorized personnel will have access to LPR data, and usage will be monitored

regularly.

This multi-year initiative reflects Addison’s commitment to leveraging technology for public safety while ensuring responsible data governance and cost-effective implementation.

The proposed three (3) year agreement with Flock Safety is a managed services agreement that includes:

- Lease of LPR hardware
- Access to software and analytics platform
- Ongoing maintenance and technical support
- System upgrades and warranty coverage

The initial Year 1 amount of $266,132.50 includes installation and the first year of service. After Year 1, the recurring annual fee of $238,220.00 covers all ongoing services.

FISCAL IMPACT

The total Year 1 cost of $266,132.50 is funded 80% by a Motor Vehicle Crime Prevention Authority (MVCPA) Taskforce Grant, with the required local match of 20% funded from the Town's Information Technology Equipment Replacement Fund (ITERF). Established in 1998, the Town's ITERF supports the scheduled replacement of critical IT infrastructure such as servers, network hardware, enterprise software, and other systems to ensure the Town’s network remains secure, scalable, and responsive to evolving operational demands.

MVCPA Taskforce Grant (80%)	$212,906
Town's Required Match (20%) - ITERF	$53,226.50
Total Year 1:	$266,132.50

After Year 1, the annual reoccurring fee is $238,220.00, which will be funded by ITERF.

Total Year 2:	$238,220.00
Total Year 3:	$238,220.00

RECOMMENDATION

Staff recommends approval.

Attachments

Presentation - LPR Agreement (Flock)

Resolution - LPR Agreement (Flock)

Flock Group Agreement for License Plate Recognition (LPR) Program

October 28, 2025

Hamid Khalegipour, Executive Director of Internal Services

Background & Objectives (2018-2025)

September 2018 - Overview of the License Plate Recognition (LPR) program presented to City Council for approval of a pilot project.

October 2018 - Council approval of a pilot project funded by 2012 Bond Election.
Objective: Install 20 LPR units at eight intersections and neighborhood entrances.

Installation Locations:
- Oaks North Dr & Belt Line Rd
- Belt Line Rd & Winnwood Rd
- Celestial Rd & Montfort Dr
- Proton Dr & Midway Rd
- Beltway Dr & Marsh Ln
- Surveyor Blvd & Belt Line Rd
- Beltway Dr & Midway Rd
- Palladium Dr & Montfort Dr

Pilot Goals:
- Collect data for at least six months.
- Draft a guiding policy covering:
  - Installation & operation of surveillance systems.
  - Use of collected information.
  - Integration of third-party systems (e.g., HOA, hotels).
  - Custody, control, sharing, and access to LPR records.

Evaluation Plan:
- Present data, ten-year cost of ownership, and lessons learned.
- Seek Council direction on townwide expansion via multi-phase strategy.

Background & Objectives (2018-2025)

December 2018 – Policy guidelines presented to Council regarding the Town's use of data obtained through the LPR system.

January 2019 - Council approved and adopted the recommended policy for managing data collected by LPR system.

August 2020 – Staff presented and discussed preliminary findings from the pilot project regarding the expansion of the LPR system.

Background & Objectives (2018-2025)

April 2021 - Council approved an enterprise service agreement with Vigilant Solutions for services related to the LPR network expansion funded by the 2012 Bond Election.

Objective: Install 60 additional LPR cameras at the following 23 locations based on data collected during the pilot project.

Installation Locations:

- Marsh Lane and Arapaho Road
- Marsh Lane and Belt Line Road
- Spring Valley Road and Vitruvian Way
- Ponte Avenue and Vitruvian Way
- Arapaho Road and Spectrum Drive
- Arapaho Road and Quorum Drive
- Inwood Road and Landmark Place
- Quorum Drive and Belt Line Road
- Quorum Drive and Airport Parkway
- Northbound Dallas Parkway Service Road by Wholefoods.
- Montfort Drive South
- Southbound Dallas Parkway Service Road by Addison Walk entrance
- Montfort Drive and Belt Line Road
- Apartment Complex Westgrove Drive and Sojourn Drive
- Business Avenue and Belt Line Road
- Town Center and Marsh Lane
- Commercial Drive and Belt Line Road
- Centurion Way and Midway Road
- Runyon Road and Belt Line Road
- Belt Line Road and Beltway Drive
- Arapaho South of Airport
- Quorum Drive and Dallas Parkway
- Lake Forest Drive entrance

Background & Objectives (2018 -2025)

March 2024 – At the annual strategic planning retreat, Council identified public safety security issues as a strategic objective under the Public Safety Key Focus Area.

- **Strategic Objective 1.5:** Leverage technology to address issues.

  Initiative 1.5.3 - Evaluate License Plate Recognition cameras network and additional locations through the town.

October 2024 - A new pilot project was negotiated and successfully implemented with new LPR cameras installed at three additional locations:

- Addison & Sojourn
- Addison & Arapaho
- Midway & Belt Line

This pilot project aimed to evaluate the feasibility, effectiveness, and customer service quality and response of the Flock Safety system as a potential replacement for the existing one.

Background & Objectives (2018 -2025)

May 2025 - Following the successful completion of the pilot project and the positive results observed, the Town decided to transition to the Flock LPR system for full implementation.

July 2025 – APD applied for and received an FY 2026 grant from the Motor Vehicle Crime Prevention Authority (MVCPA) for implementation of the LPR network in Addison.

Flock Managed Services Agreement

Three-Year Agreement includes:

- Hardware
- Access to software and analytics
- Maintenance and technical support
- System upgrades and warranty

Fiscal Impact:

- Initial Year 1 Cost: $266,132.50 (includes installation + first-year support)

MVCPA Taskforce Grant (80%)	$212,906
Town's Required Match (20%) – Budgeted in ITERF	$53,226.50
	$266,132.50

- Annual Recurring Cost: $238,220.00

Questions

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING A MANAGED SERVICES AGREEMENT WITH FLOCK GROUP, INC. FOR LICENSE PLATE READER SOLUTIONS TO PROVIDE HARDWARE, SOFTWARE, MAINTENANCE, AND SUPPORT IN AN AMOUNT NOT TO EXCEED $266,132.50 DUE AT SIGNING AND AN ANNUAL RECURRING FEE OF $238,220.00; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND TO PROVIDE FOR PAYMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the Town of Addison, Texas ("Town") has identified Flock Group, Inc. as the preferred provider of license plate readers, and has obtained a quote for such products and services, a copy of which is attached as Exhibit A; and

WHEREAS, the City Council desires to authorize the City Manager to accept the quote and execute the managed services agreement with Flock Group, Inc., for the foregoing products and services.

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

SECTION 1. The City Council hereby approves a managed services agreement between the Town of Addison and Flock Group, Inc. for license plate reader equipment in an amount not-to-exceed of $266,132.50 due at signing and an annual fee of $238,220.00 throughout the term of the agreement, a copy of which is attached to this Resolution as Exhibit A. The City Manager is hereby authorized to approve all related purchase orders, contract documents, or amendments related thereto on behalf of the Town, subject to available funding.

SECTION 2. This Resolution shall take effect from and after its date of adoption.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on this the ***28th*** day of ***OCTOBER***, 2025.

TOWN OF ADDISON, TEXAS

_____
Bruce Arfsten, Mayor

ATTEST:

_____
Valencia Garcia, City Secretary

EXHIBIT A

Docusign Envelope ID: 4FA61281-C288-4095-A4D4-8F2A4A1B310E

Flock Safety + TX - Addison PD

Flock Group Inc.
1170 Howell Mill Rd, Suite 210
Atlanta, GA 30318

MAIN CONTACT:
James Allen
james.allen@flocksafety.com
(972) 561-6737

flock safety

Docusign Envelope ID: 4FA61281-C288-4095-A4D4-8F2A4A1B310E

ORDER FORM

This order form ("**Order Form**") hereby incorporates and includes the terms of the previously executed agreement (the "**Terms**") which describe and set forth the general legal terms governing the relationship (collectively, the "**Agreement**"). The Terms contain, among other things, warranty disclaimers, liability limitations and use limitations.

This additional services Agreement will be effective when this Order Form is executed by both Parties (the "**Effective Date**")

Customer:	TX - Addison PD	Initial Term:	12 Months
Legal Entity Name:	TX - Addison PD	Renewal Term:	24 Months
Accounts Payable Email:	bpotts@addisontx.gov	Payment Terms:	Net 30
Address:	4799 Airport Pkwy Addison, Texas 75001	Billing Frequency:	Annual Plan - First Year Invoiced at Signing.
		Retention Period:	30 Days

Hardware and Software Products

Annual recurring amounts over subscription term

Item	Cost	Quantity	Total
Flock Safety Platform			**$238,220.00**
Flock Safety Flock OS			
FlockOS™ Elite Package	Included	1	Included
Flock Safety Bundles			
Dual Solar LPR - Standard Bundle, fka Falcon	Included	3	Included
Dual Solar LR Bundle	Included	1	Included
Flock Safety LPR Products			
Flock Safety LPR, fka Falcon	Included	42	Included
Solar Long-Range LPR, fka Solar Falcon LR	Included	9	Included
Flock Safety Video Products			
Flock Safety Video Integration VMS, fka Wing	Included	300	Included
Flock Safety Video Integration Gateway - 8 Streams, fka Wing	Included	2	Included
Solar Video Camera, fka Condor	Included	20	Included

Professional Services and One Time Purchases

Item	Cost	Quantity	Total
One Time Fees			
Flock Safety Professional Services			
Professional Services - Standard Implementation Fee	$650.00	28	$18,200.00
Professional Services - Existing Infrastructure Implementation Fee	$150.00	12	$1,800.00
Professional Services - MASH Tested Pole Implementation Fee - Non-Coastal Region	$0.00	2	$0.00

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Professional Services - Solar Implementation Fee	$750.00	1	$750.00
Professional Services - Existing Infrastructure Implementation Fee	$112.50	5	$562.50
Professional Services - MASH Tested Pole Implementation Fee - Non-Coastal Region	$0.00	3	$0.00
Professional Services - Video Integration Gateway Implementation Fee	$0.00	2	$0.00
Professional Services - Solar Bundle Implementation Fee	$900.00	3	$2,700.00
Professional Services - Solar Bundle Implementation Fee	$900.00	1	$900.00
Professional Services - Existing Infrastructure Implementation Fee	$150.00	20	$3,000.00
		Subtotal Year 1:	$266,132.50
		Annual Recurring Subtotal:	$238,220.00
		Discounts:	$1,187.50
		Estimated Tax:	$0.00
		Contract Total:	$266,132.50

*Taxes shown above are provided as an estimate. Actual taxes are the responsibility of the Customer. This Agreement will automatically renew for successive renewal terms of the greater of one year or the length set forth on the Order Form (each, a "**Renewal Term**") unless either Party gives the other Party notice of non-renewal at least thirty (30) days prior to the end of the then-current term.*

The Term for Flock Hardware shall commence upon first installation and validation, except that the Term for any Flock Hardware that requires self-installation shall commence upon execution of the Agreement. In the event a Customer purchases more than one type of Flock Hardware, the earliest Term start date shall control. In the event a Customer purchases software only, the Term shall commence upon execution of the Agreement.

Docusign Envelope ID: 4FA61281-C288-4095-A4D4-8F2A4A1B310E

Billing Schedule

Billing Schedule	Amount (USD)
Year 1	
At Contract Signing	$266,132.50
Annual Recurring after Year 1	$238,220.00
Contract Total	$266,132.50

*Tax not included

Discounts

Discounts Applied	Amount (USD)
Flock Safety Platform	$0.00
Flock Safety Add-ons	$0.00
Flock Safety Professional Services	$1,187.50

Docusign Envelope ID: 4FA61281-C288-4095-A4D4-8F2A4A1B310E

Product and Services Description

Flock Safety Platform Items	Product Description
FlockOS™ Elite Package	Distinguishing itself from traditional brick-and-mortar real-time crime centers (RTCCs) and other cloud-based solutions, FlockOS™ Elite is scalable and community-powered, offering a versatile, cloud-based RTCC platform.
Flock Safety LPR, fka Falcon	Law enforcement grade infrastructure-free (solar power + LTE) license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users.
Solar Long-Range LPR, fka Solar Falcon LR	Law enforcement grade, long range and high vehicle speed license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users, with LTE. Solar Power only
Professional Services - Standard Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.
Professional Services - Existing Infrastructure Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment of existing vertical infrastructure location, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.
Professional Services - MASH Tested Pole Implementation Fee - Non-Coastal Region	MASH tested pole that meets DOT crashworthiness requirements. Includes materials, installation, and maintenance.
Professional Services - Solar Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.
Professional Services - Existing Infrastructure Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment of existing vertical infrastructure location, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.
Professional Services - MASH Tested Pole Implementation Fee - Non-Coastal Region	MASH tested pole that meets DOT crashworthiness requirements. Includes materials, installation, and maintenance.
Flock Safety Video Integration VMS, fka Wing	
Flock Safety Video Integration Gateway - 8 Streams, fka Wing	4TB (~14 Days**)
Dual Solar LPR - Standard Bundle, fka Falcon	Two solar-powered fixed standard-range LPR cameras on the same pole
Dual Solar LR Bundle	Two solar-powered fixed long-range LPR cameras on the same pole
Professional Services - Video Integration Gateway Implementation Fee	
Solar LPR, fka Solar Falcon	Standard range license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users, with LTE
Professional Services - Solar Bundle Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.
Solar Long-Range LPR, fka Solar Falcon LR	Law enforcement grade, long range and high vehicle speed license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users, with LTE. Solar Power only
Professional Services - Solar Bundle Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.
Solar Video Camera, fka Condor	Law enforcement grade solar-powered video fixed camera addition to existing LPR install
Professional Services - Existing Infrastructure Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment of existing vertical infrastructure location, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.

Docusign Envelope ID: 4FA61281-C288-4095-A4D4-8F2A4A1B310E

By executing this Order Form, Customer represents and warrants that it has read and agrees to all of the terms and conditions contained in the previously executed agreement.

The Parties have executed this Agreement as of the dates set forth below.

FLOCK GROUP, INC.		**Customer: TX - Addison PD**	
By:	Signed by: 1024FAF1F68A40F...	By:	
Name:	Dan Haley	Name:	
Title:	Chief Legal Officer	Title:	
Date:	10/6/2025	Date:	
		PO Number:	

2025 City Council Regular Meeting **5. e.**

Meeting Date: 10/28/2025

Department: Airport

Key Focus Areas: Economic Development and Revitalization

AGENDA CAPTION:

Present, discuss, and consider action on a Resolution approving a Ground Lease Agreement between the Town of Addison and Thrust Properties, LLC for commercial aviation use on approximately 2.34 acres of improved and unimproved airport land located at Addison Airport, authorizing the City Manager to execute the Ground Lease Agreement and establishing an effective date.

BACKGROUND:

Staff requests City Council's consideration of a resolution approving a Ground Lease Agreement between the Town of Addison and Thrust Properties, LLC (Thurst Properties) for approximately 2.34 acres of improved and unimproved airport land at Addison Airport.

Thrust Properties is a single-purpose entity formed to hold leasehold interests under the proposed Ground Lease. Thrust Properties was created to legally hold the ground lease rights and title to the building improvements made to the land pursuant to the terms of the ground lease. This entity will then in turn contract the right to use the facilities such as hangars, office, parking, etc. via sublease to Thrust Flight, LLC, the entity that owns and operates the flight school. Thrust Properties is owned by Mr. Patrick Arnzen (75%) and Mr. Stuart Stevenson (25%). Mr. Arnzen is the Chief Executive Officer of Thrust Flight, a flight training organization founded at Addison Airport in 2006 that has trained thousands of pilots. Thrust Properties intends to sublease the new facility to Thrust Flight for use as a modern flight training campus.

The lease site is located on Eddie Rickenbacker Drive, which intersects Airport Parkway along the Airport's eastern boundary. The 2.34-acre parcel (102,105 square feet) comprises three existing parcels:

- Tract #1 (1.56 acres): Two developed and contiguous parcels with aeronautical facilities built in the 1970s and 1990s. These will be demolished by Thrust Properties at their expense and consolidated into a single tract.
- Tract #2 (0.79 acres): An adjacent, unimproved parcel separated by Eddie Rickenbacker Drive is to be improved as off-street vehicle parking for the complex.

Eddie Rickenbacker Drive must remain open to preserve access to neighboring

corporate flight departments, Sky B&B, LLC and Sky Squared, LLC. The current tenants with leases on Tract #1 will vacate by April 30, 2026. The Town will deliver the site to Thrust Properties by May 31, 2026. The site has airside access to the runway via Taxilane Sierra. Taxilane Sierra supports Aircraft Design Group II aircraft up to 80,000 lbs with dual-wheel landing gear.

Thrust Properties plans to construct a new aviation facility including:

- A 15,000 square-foot hangar with 28-foot-high doors designed for Group II aircraft.
- A 10,000 square-foot single-story building for classrooms and support facilities with future expansion possibilities for a second level to accommodate additional classrooms and offices.
- Approximately 100 off-street vehicle parking spaces.

Key Lease Terms:

- **Commencement Date:** Occurs upon substantial completion of improvements or July 31, 2028, whichever occurs first. This date marks the official beginning of the lease term and obligates the tenant to begin paying rent for the lease. Substantial completion occurs upon issuance of a Certificate of Occupancy. It has been the Aiport's general practice for the commencement date to mark the date when the building improvements can be used by the tenant for their permitted use. Should the tenant's design and construction of the building improvements extend past July 31, 2028, the tenant must begin paying rent August 1, 2028, regardless of whether they can conduct business or not.
- **Lease Term:** This lease term is for 50 years, a statutory maximum permitted by the Texas Transportation Code. The lease term is negotiable up to the statutory limit and is the greatest driver of value to maximize the development potential of a given parcel. Generally, the greater the capital investment made in the leased premises by the tenant, the longer the term. The lease term is also used to encourage the type of use or development the landlord is seeking. The term also needs to be long enough to allow the tenant to recover their capital investment and the cost of financing a commercially reasonable profit with an allowance for market risk.
- **Base Rent:** The stipulated stepped-up rate varies depending on the year of the commencement date. If the commencement date falls in 2027, the base rent will be set at $82,705 per year or $6,892 per month. As this lease was negotiated in today's dollars, staff were mindful that the tenant would not begin paying rent until the commencement date. The rent escalates during the “Preliminary Period”, defined in the lease as that period between the effective date and the commencement date to mitigate the loss of lease value until the payment of actual rent begins. This escalation is 3% per year until 2028. Should rent not commence by then, there is a provision triggering a third-party appraisal to establish the then prevailing market rent.

- **Rent Adjustments:** The ground lease stipulates the rent is to be adjusted every two years beginning on the second anniversary of the commencement date. This adjustment is tied to the percentage change in the Consumer's Price Index published by the Labor Department. The lease outlines the process for how this is to be calculated. All Airport lease agreements have some form of rent or fee adjustment annually or biennially.
- **Permitted Uses:** Aircraft sales, maintenance, storage, charter, rentals, and aviation-related training.
- **Minimum Building Improvements:**
  - 15,000 sq. ft. hangar with a 28-ft. clearance
  - Apron for Group II aircraft
  - Code-compliant off-street parking

Lease Addenda:

- Addendum #1: Minimum Maintenance and Repair Standards
- Addendum #2: Tenant's Responsibility for Demolition and Site Preparation
- Addendum #3: Tenant's Obligations During Construction
  - Construction value must exceed $10 million.

FISCAL IMPACT

- Annual Base Rent: $82,705
- Total Projected Rent (50 years): $6,048,899. This is the future stream of cash flow or "future value". This calculation also considered the Town's estimated cost of $400,000 to reconstruct a segment of Eddie Rickenbacker in connection with this and a neighboring project.
- Present Value of Contract Rent: $1,311,758 with a 6% discount rate assumed. Present value is a variant of the financial concept of "time value of money." It is used for benchmarking and comparison of investment alternatives. Ground lease rent is projected out for the duration of the term, assuming a 3.5% CPI-based increase every two years. The discount rate is an estimated rate to compensate for the cost of capital and/or equity plus risk. This calculation also considered the Town's estimated cost of $400,000 to reconstruct a segment of Eddie Rickenbacker in connection with this and a neighboring project.
- Estimated Construction Value: $10,000,000
- Total Direct Economic Impact to Airport: $11,311,758

RECOMMENDATION

Staff recommends approval.

Attachments

Presentation - Thrust Properties GLA

Resolution - Thrust Properties GLA

Location Map

Ground Lease Agreement – Thrust Properties

October 28, 2025 City Council Meeting

Jaime Edrosa, Airport Director

Project Summary

- June 2023 – RFQ #23-155 Advertised
  - Two qualified respondents
  - Letter of Intent executed: December 2023
- Redevelopment of 2.34 acres at Addison Airport
- Developer / Ground Tenant: Thrust Properties, LLC
- Permitted Use: Commercial Aviation and Flight Training
- Subtenant: Affiliate Thrust Flight, LLC

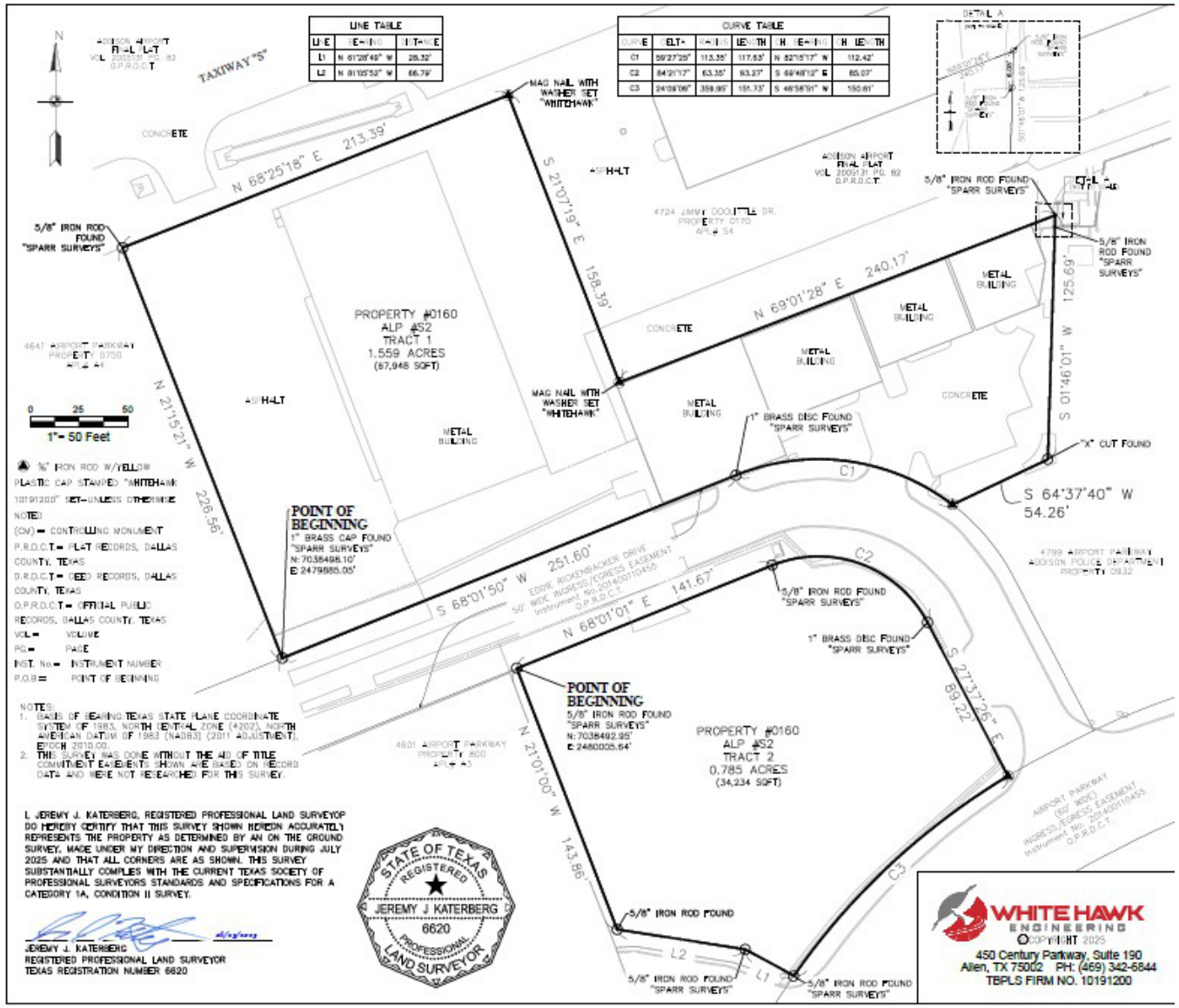
Site Location

- Landside access via Eddie Rickenbacker Drive via Airport Parkway
- Runway access via Taxilane Sierra
- Police and Fire are to the east of site towards Addison Road.
- City-owned hangars to the north and east
- Adjacent uses: Million Air and corporate flight departments Sky Squared, LLC; Sky B&B, LLC, and PepsiCo

Lease Boundary Survey

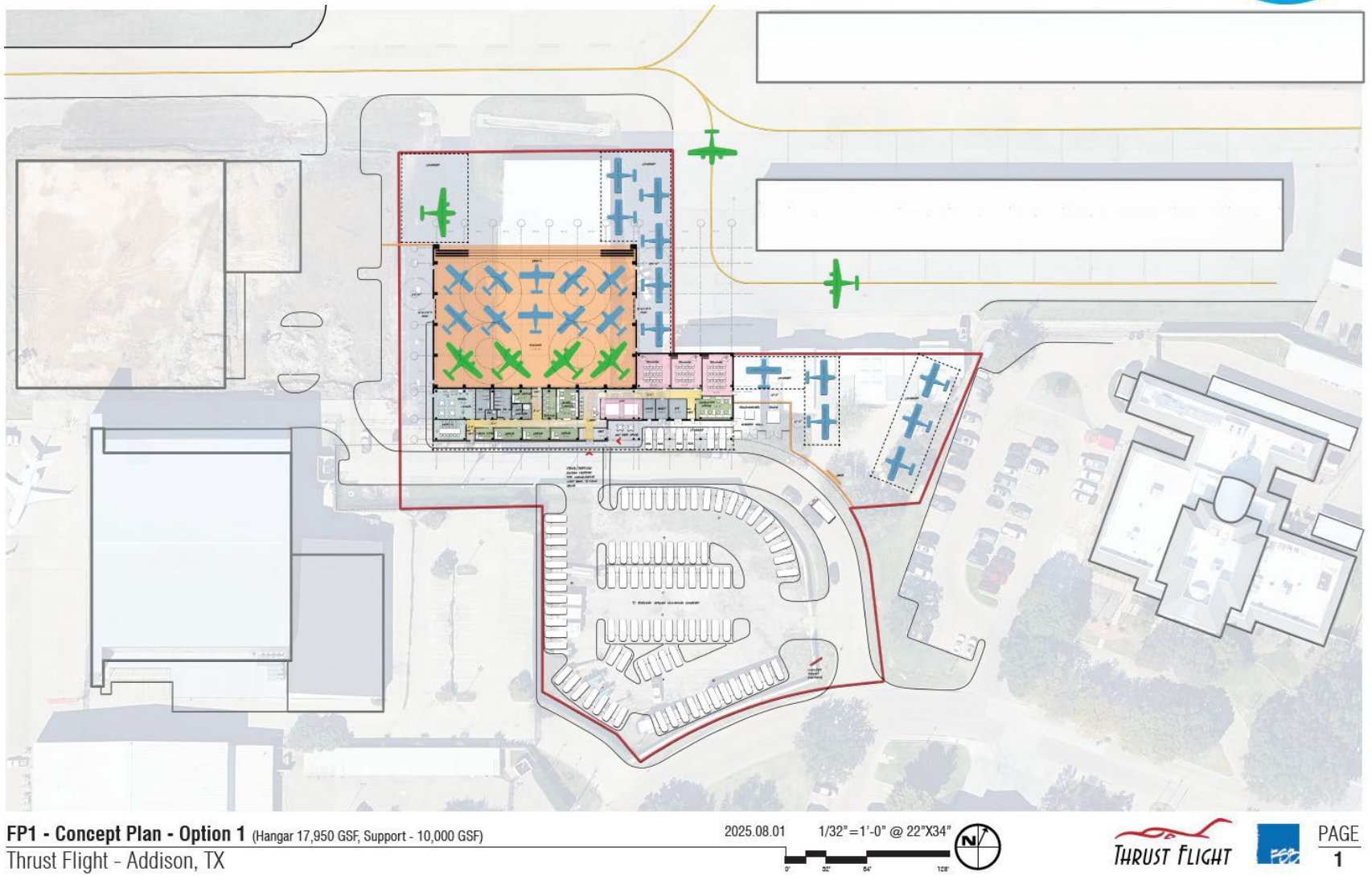
Lease premises comprised of two parcels:

- **Tract #1** – 1.56 acres (67,948 square feet) currently improved with obsolete aeronautical facilities constructed in 70's and late 90's.
- **Tract #2** - .785 acres (34,234 square feet) currently unimproved vacant land.
- Lease premises bisected by Eddie Rickenbacker Drive – a required airport access street by adjacent users.



Proposed Improvements

- 15,000 sq. ft. hangar for Group II aircraft
- 10,000 sq. ft. flight training & support facility
- Aircraft apron and 100-space parking lot
- Minimum construction value: $10 million



Key Lease Terms

- **Ground Lease Form:** Based on the Town's prevailing terms and conditions for similar projects.
  - Exhibit A of the Ground Lease Agreement Resolution.
- **Commencement Date:** As of substantial completion of improvements or July 31, 2028 – whichever occurs first.
- **Lease Term:** 50 years, a statutory maximum.
- **Base Rent:** Stepped-up rate based upon calendar year of commencement date. Base rent in 2027 = $82,705 per year.
  - Subject to CPI adjustments every 2 years after two-year anniversary of the commencement date.
- **Permitted Uses:** Commercial aeronautical operations & flight training.
- **Delivery Date:** Town is to deliver leased premises to Tenant no later than May 31, 2026.

Financial Impact

- Annual base rent: $82,705 per year
- Total rent over lease term: $6,048,899
- Present value of rent: $1,311,758
- Estimated construction investment: $10 million
- **Total direct economic impact to Airport:** $11.3 million
  - Does not include ad valorem, resale, or business property taxes.

Staff Recommendation

Staff recommends approval of the Ground Lease Agreement with Thrust Properties, LLC.

Questions?

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, APPROVING A GROUND LEASE AGREEMENT BETWEEN THE TOWN OF ADDISON AND THRUST PROPERTIES, LLC FOR COMMERCIAL AVIATION USE ON APPROXIMATELY 2.34 ACRES OF IMPROVED AND UNIMPROVED LAND LOCATED AT THE ADDISON AIRPORT; AUTHORIZING THE CITY MANAGER TO EXECUTE THE GROUND LEASE; AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. The Ground Lease Agreement between the Town of Addison and Thrust Properties, LLC, a Texas limited liability company, for commercial aviation use on approximately 2.34 acres of improved and unimproved land located at the Addison Airport, a copy of which is attached to this Resolution as **Exhibit A**, is hereby approved. The City Manager is hereby authorized to execute the Ground Lease Agreement.

SECTION 2. This Resolution shall take effect from and after its date of adoption.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on the ***28th*** day of ***OCTOBER* 2025**.

TOWN OF ADDISON, TEXAS

_____
Bruce Arfsten, Mayor

ATTEST:

_____
Valencia Gracia, City Secretary

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

STATE OF TEXAS §
§
COUNTY OF DALLAS §

Summary of Exhibits

- Exhibit 1: Legal Description of Addison Airport
- Exhibit 2: Property Survey of Demised Premises
- Exhibit 3: Legal Description of Demised Premise
- Exhibit 4: Description of Building Improvements and Approved Site Plan
- Exhibit 5: Form of Irrevocable Standby Letter of Credit
- Exhibit 6: Form of Memorandum of Lease
- Exhibit 7: Master Landlord Sublease Consent Form
- Exhibit 8: Environmental Reports
- Lease Addendum #1: Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices
- Lease Addendum #2: Existing Improvements; Demolition and Site Preparation
- Lease Addendum #3: Construction of New Building Improvements

GROUND LEASE AGREEMENT

This Ground Lease Agreement ("Lease" or "Agreement") is made and entered into as of October 1, 2025 (the "Effective Date"), by and among the **Town of Addison, Texas,** a Texas home-rule municipality (hereinafter referred to as "Landlord"), and **Thrust Properties, LLC** a Texas LLC (hereinafter referred to as "Tenant" or as "Thrust") (Landlord and Tenant are sometimes referred to herein together as the "Parties").

WITNESSETH:

WHEREAS, the Landlord is the record title owner of the Addison Airport, a description of which is set forth in Exhibit 1 attached hereto and incorporated herein (the "Airport"); and

WHEREAS, Landlord is the operator and manager of the Airport, and any person or entity appointed or authorized by Landlord from time to time to manage or operate the Airport on behalf of the Landlord (severally and/or collectively) hereinafter shall be referred to as "Airport Manager" or "Manager"); and

WHEREAS, the Town of Addison, as a home-rule municipality, operates under a municipal charter that has been adopted or amended as authorized by Article XI, Section 5 of the Texas Constitution. The Town of Addison, as a municipality, from time to time establishes and enforces federal, state and local ordinances, codes and regulations, which in doing so is acting in its governmental capacity, which may be the same or separate from its capacity as Landlord and Manager provided for herein; and

WHEREAS, Tenant desires to lease from the Landlord, and Landlord desires to lease to Tenant, approximately 2.5 acres of airport land as depicted in Exhibit 2 and more fully described in

Exhibit 3 attached hereto and incorporated herein by reference as the "Property Survey"), shall, together with the non-exclusive right to use the Common Facilities as defined in Section 17 hereinbelow, according to the terms and conditions set forth in this Agreement, be herein referred to as the "Demised Premises". The Parties hereby acknowledge and agree that the Property Survey, prepared by a licensed surveyor in the state of Texas, provides a legal description by metes and bounds and establishes the gross square feet of land area contained within the Demised Premises used as the multiplier to calculate Base Rent identified in Section 3 hereinbelow.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

Section 1. Demise of the Premises:

A. In consideration of and subject to the terms, covenants, and conditions set forth in this Agreement, Landlord does hereby lease and demise to Tenant, and Tenant does hereby lease from Landlord, the Demised Premises. This Lease is given and entered into subject to (i) all federal, state, and local laws, statutes, constitutional provisions, charters, ordinances, codes, rules, regulations, directives, policies, permits, standards, and orders (including, without limitation, court orders) of any governmental authority, entity, or agency (including, without limitation, the Town of Addison, Texas, the State of Texas, the Federal Aviation Administration, and the Texas Department of Transportation) whether in existence or hereafter enacted, adopted or imposed, and including, without limitation, any and all grant agreements or grant assurances, the Rules and Regulations, and the Minimum Standards, now existing or as hereafter agreed to, adopted or imposed, (ii) all restrictive covenants affecting the Demised Premises, (iii) all restrictions, easements, and other encumbrances on or matters affecting the Demised Premises, whether of record or not or which could be revealed by a survey of the Demised Premises, and (iv) and all of the terms, conditions, and provisions of this Lease. In furtherance of the foregoing, Landlord represents to Tenant that, to the best of Landlord's actual knowledge, there are no mortgages, deeds of trust, or monetary liens affecting the Demised Premises which are not of record.

Tenant's Taking Possession of Demised Premises: Landlord shall deliver, or cause to be delivered, the Demised Premises to Tenant at any time during the Preliminary Period, but no later than May 31, 2026. The Landlord shall give Tenant written notice ("Landlord's Delivery Notice") that it is prepared to deliver the Demised Premises to Tenant for its possession as provided under this Lease on a stipulated date given in the notice ("Landlord's Delivery Date"), which shall not be any earlier than thirty (30) days following the date of Landlord's Delivery Notice (the "Delivery Period"). Landlord shall deliver the Demised Premises in its "as-is-where-is" condition as generally described in Lease Addendum #2, in a commercially reasonable broom-swept condition, free of trash, debris, and any remaining personalty. Tenant shall have the right to inspect the Demised Premises during the Preliminary Period and before its acceptance of the Demised Premises.

B. Tenant acknowledges and agrees that it may not access or use any portion of the Demised Premises until it takes absolute possession of them as provided for herein without the Landlord's prior consent. Landlord has granted certain third parties the right to use and occupy the Demised Premises until April 30, 2026, and Tenant shall not interfere, disrupt or become a nuisance to said third parties.

Section 2. Term:

Subject to the termination and all other provisions of this Lease, the term hereof (the "Term") shall commence on the earlier of (i) the first day of the first calendar month following Substantial Completion of the New Building Improvements (as such term is defined in Lease Addendum #3) is achieved, or (ii) Tenant is granted full or partial use of the Demised Premises under the provision of a temporary certificate of occupancy issued by the Town of Addison, or (iii) July 31, 2028 (the "Commencement Date"), and shall end the last day of the SIX HUNDREDTH (600th) whole calendar month following the Commencement Date. The period beginning upon the Effective Date and ending upon the Commencement Date is called the "Preliminary Period". During the Preliminary Period, but prior to the Commencement Date, Tenant shall be entitled to perform certain preconstruction activities on the Demised Premises, subject to all of the terms and conditions of this Lease except for the payment of Rent and other monetary amounts owing hereunder. Any entry upon and/or use of occupancy of the Demised Premises by Tenant during the Preliminary Period shall be subject to all the terms and conditions of this Lease.

Section 3. Rent; Security Deposit:

A. Subject to adjustment as hereinbelow provided, Tenant agrees to and shall pay to Landlord, without notice, demand, offset or deduction on or before the Commencement Date, rent each month over the Term for the Demised Premises as set forth below:

1. **Base Rent**: Tenant agrees to and shall pay Landlord annual rent for the Demised Premises delivered to Tenant as follows (hereinafter "Base Rent"):

a. If the Commencement Date occurs during the calendar year 2026, the rate shall be the product of $.79 times the gross square feet of the Demised Premises as determined by the Property Survey (e. g. $.79 x 108,900 gross square feet = $86,031.00).

b. If the Commencement Date occurs during the calendar year 2027, the rate shall be the product of $.81 times the gross square feet of the Demised Premises as determined by the Property Survey.

c. If the Commencement Date occurs during the calendar year 2028, the rate shall be the product of $.83 times the gross square feet of the Demised Premises as determined by the Property Survey.

d. If the Commencement Date occurs during the calendar year 2029, the rate shall be the product of $.85 times the gross square feet of the Demised Premises as determined by the Property Survey.

e. If the Commencement Date occurs any time after calendar year 2030, the Base Rent shall be the prevailing fair market ground lease rate for the Airport as determined by a third-party licensed appraiser acceptable to the parties, which cost of said appraisal shall be shared equally and payable by the parties, however in no event shall the Base Rent determined under this subparagraph (d.) be any less than $.85 times the gross square feet of the Demised Premises as determined by the Property Survey.

f. Base Rent, as determined above, shall be paid by Tenant in twelve equal monthly payments in advance of or before the first day of each calendar month, with the first monthly payment of Base Rent due and payable on or before the Commencement Date. Thereafter, Base Rent is subject to periodic adjustment over the Term as outlined in Section 4 below. All Rent is due on the first of each, is delinquent after the 10th day of each month, and is subject to the provisions of Section 39.

2. In the event the Commencement Date is a date other than the first day of a calendar month, the monthly Base Rent for any partial month at the beginning of the Term shall equal the product of the Base Rent multiplied by a fraction, the numerator of which is the number of days in the partial month (beginning with the Commencement Date and ending with the last day of the partial month) and the denominator of which is the number of days in such whole calendar month. Payment of Base Rent for any fractional calendar month at the end of the Term shall be similarly prorated.

3. For purposes of this Lease, the term "Rent" means Base Rent, additional rent, and all other sums that Tenant may owe to Landlord or otherwise be required to pay under this Lease. Landlord shall have the same rights and remedies for nonpayment of any Rent as for nonpayment of Base Rent.

4. Rent is payable to Landlord by personal or corporate check made payable to "Addison Airport," electronic transfer, ACH, or by credit card at the location given herein or to such other address as Landlord may designate from time to time. Landlord reserves the right to require the Rent payment form to be by certified or cashier's check or money order. Cash is an unacceptable form of payment for Rent without the Landlord's prior written consent. Rent payments may be mailed to:

Addison Airport
P. O. Box 676957
Dallas, Texas 75267-6957

B. Security Deposit: Not applicable

Section 4. Adjustment of Rent:

A. Commencing on the second anniversary of the Commencement Date and on every second anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly Rent due under Section 3.A.1. (Base Rent) shall be adjusted as follows:

B. Annual Rent (including Base Rent) shall be adjusted to reflect changes in the Consumers' Price Index – All Items for Dallas, Texas Metropolitan Area (hereinafter referred to as the "Consumer Price Index"), as quoted in the publication *Consumer Price Index for All Urban Consumers (CPI-U)* for the Dallas-Fort Worth Consolidated Metropolitan Statistical Area which is issued by the U.S. Department of Labor, Bureau of Labor Statistics. The basic index ("Basic Index") is the Consumer Price Index existing as of the Commencement Date. The current index ("Current

Index") is the Consumer Price Index on the first day of the calendar month preceding the then applicable Adjustment Date.

1. Beginning with the first full month following the then applicable Adjustment Date, the annual Rent (including the Base Rent)) shall be adjusted so that it equals the product of the annual Rent (including the Base Rent) multiplied by a fraction, the numerator of which is the Current Index and the denominator of which is the Basic Index (the "Adjusted Rent"), but in no event shall such annual Rent (including the Base Rent) ever be decreased below the Base Rent set forth in Section 3.A.1.

2. In the event that the Consumer Price Index is unavailable for whatever reason for the computations set forth hereinabove, another index approximating the Consumer Price Index as closely as feasible (as determined by Landlord) shall be substituted therefor.

Section 5. Use of Demised Premises:

During the Term the Demised Premises shall be used and occupied by Tenant as set forth hereinbelow:

A. Permitted Uses:

The Demised Premises may be used and occupied by Tenant only for the following uses:

1. Constructing, owning, and operating an aeronautical facility used in connection with the sale of aircraft and aircraft parts; aircraft maintenance and repair; repair of aircraft parts; aircraft storage; aviation-related training; aircraft charter; and aircraft rentals.
2. Office or administrative space used in support of said aeronautical operations or services.
3. The size of the hangar must be at least 15,000 usable building square feet, excluding the office, passenger terminal, and shop space.
4. The height of the hangar door must be at least 28'. The aircraft aprons shall have a capacity for Aircraft Design Group II (80,000 lbs.) or better.
5. Off-street parking with count to meet or exceed local building code. Regard to be given to permitted use at peak demand during primary operations.
6. Incidental support, services, and materials in connection with the permitted aeronautical uses and aircraft stored or based at the Demised Premises, including maintenance and repair.
7. Any portion of the Demised Premises designed and constructed for aircraft storage may be used only to store aircraft in accordance with the FAA Policy on the *Non-Aeronautical Use of Airport Hangars.*
8. Other uses as authorized in advance in writing by the Landlord.

B. Prohibited or Restricted Use of Demised Premises:

The following uses are expressly prohibited:

1. Ground transportation for rent or hire (including taxi and limousine service).
2. All retail services, including food sales, barber and valet services, alcoholic beverage sales, pilot supplies, newsstands, and gifts are included. Notwithstanding the foregoing, the Parties agree to specifically and formally discuss further the allowance of limited retail services by Thrust, provided such services are incidental to its permitted aeronautical uses.
3. Any illegal purpose or any other activity (federal, state, county, and municipal laws, rules, regulations, ordinances, standards, and policies) that, in the Town's reasonable opinion, would create a nuisance, unreasonably disturbing other tenants of the Airport, or cause an increase in the Town's insurance costs, whether such increased costs are incurred.
4. Aircraft fueling operations without a valid license or permit.
5. Any use that would conflict with the FAA policy on the Non-Aeronautical Use of Airport Hangars as may be amended or modified (*FR/Vol. 81, No. 115, June 15, 2016; 14 CFR Chapter 1 [Docket No. FAA 2014-0463]).*
6. In any other manner not otherwise authorized under this Agreement.

C. Tenant acknowledges that Landlord is bound by the terms and conditions of all Federal Aviation Administration, Texas Department of Transportation, and other grant agreements, grant assurances and regulations regarding the Airport, and the terms or any grant, loan, regulation, or agreement under Section 22.055 of the Texas Transportation Code, as amended or superseded, whether now existing or made in the future. Tenant agrees not to take any action or omit to take any action in relation to the Lease Premises that would cause Landlord to be in violation of such regulations or standards.

D. The Tenant shall not at any time abandon or leave the Demised Premises vacant for any extended period of time but shall in good faith continuously throughout the term of this Lease conduct and carry on in the entire Demised Premises the type of use for which the Demised Premises are leased, except during periods in which the Demised Premises may not be occupied as a result of fire or other casualty, or reasonable periods for repairs and alterations, all such repairs and alterations to be diligently pursued to completion;

E. Tenant, for itself, its personal representatives, successors in interest and assigns, as part of the consideration herein, agrees as a covenant that no person shall be excluded from participation in, denied the benefits of or otherwise subject to discrimination because of race, color, national origin, religion, disability, sex (including pregnancy, sexual orientation, or gender identity). Tenant further agrees for itself, its personal representatives, successors in interest and assigns that no person shall be excluded from the provision of any services on or in the construction of any improvements or alterations to the Demised Premises on grounds of race, color, national origin, religion, disability, sex, (including pregnancy, sexual orientation, or gender identity). Tenant agrees to provide accommodation and to price its goods and services on a fair and equal basis for all people. In addition, Tenant covenants and agrees that it will always comply with any

requirements imposed by or pursuant to Title 49 of the Code of Federal Regulations, Part 21, Non-Discrimination in Federally Assisted Programs of the Department of Transportation and with any amendments to this regulation which may hereafter be enacted. If any claim arises from an alleged violation of this non-discrimination covenant by Tenant, its personal representatives, successors in interest or assigns, Tenant agrees to indemnify Lessor and hold Lessor harmless.

F. To the extent the Demised Premises is used for commercial purposes, the Tenant agrees to furnish all services on a fair, equal, and non-unjustly discriminatory basis to all users thereof and to charge fair, reasonable, and not unjustly discriminatory prices for such services, provided that the Tenant may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

Section 6. Construction of Improvements:

A. In connection with the use and occupancy of the Demised Premises by Tenant, Tenant will cause to be constructed on the Demised Premises throughout the Term, buildings and other improvements at Tenant's sole cost, expense and risk (except as may be otherwise agreed to in writing by Landlord and Tenant), which are to be approved in advance by Landlord. For purposes herein, the term "Building Improvements" shall mean, without limitation any Existing Improvements as defined in Lease Addendum #2, New Building Improvements as defined in Lease Addendum #3 (with each provided for below) and any other future building or improvements made to, constructed, installed, located or placed upon the Demised Premises during the Term, as the Term may be extended or modified. Except as provided for by this Lease (including Lease Addendum #2 (if applicable) and Lease Addendum #3, Tenant may not construct, locate, install, place, or erect any other improvements upon the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonable conditioned, delayed or denied.

B. Existing Improvements; Demolition and Site Preparation: See Lease Addendum #2 attached hereto and incorporated herein by reference.

C. Construction of New Building Improvements: See Lease Addendum #3 attached hereto and incorporated herein by reference.

Section 7. Acceptance of Demised Premises:

TENANT ACKNOWLEDGES THAT PRIOR TO DELIVERY OF POSSESSION TENANT SHALL HAVE BEEN GRANTED THE OPPORTUNITY TO INSPECT THE DEMISED PREMISES AND ACCEPTS THE DEMISED PREMISES AND THAT THE DEMISED PREMISES ARE LEASED TO TENANT "AS IS, WHERE IS, AND WITH ALL FAULTS AND PATENT AND LATENT DEFECTS", AND THAT LANDLORD HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY DISCLAIMS, ANY REPRESENTATION, PROMISE, COVENANT, AGREEMENT, GUARANTY OR WARRANTY OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, AS TO THE QUANTITY, QUALITY, CONDITION, SUITABILITY, HABITABILITY, OR FITNESS OF THE PROPERTY INCLUDING WITHOUT LIMITATION THE DEMISED PREMISES AND THE IMPROVEMENTS

THEREON, FOR ANY PURPOSE WHATSOEVER, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION REGARDING SOIL CONDITIONS, AVAILABILITY OF UTILITIES [SUBJECT TO SECTION 16], DRAINAGE, ZONING LAWS, ENVIRONMENTAL LAWS, OR ANY OTHER FEDERAL, STATE OR LOCAL STATUTES, CODES, REGULATIONS OR ORDINANCES. TENANT ALSO ACKNOWLEDGES AND AGREES THAT TENANT'S INSPECTION AND INVESTIGATION OF THE DEMISED PREMISES HAVE BEEN ADEQUATE TO ENABLE TENANT TO MAKE TENANT'S OWN DETERMINATION WITH RESPECT TO THE SUITABILITY OR FITNESS OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO SOIL CONDITIONS, AVAILABILITY OF UTILITIES [SUBJECT TO SECTION 16], DRAINAGE, ZONING LAWS, ENVIRONMENTAL LAWS, AND ANY OTHER FEDERAL, STATE OR LOCAL STATUTES, CODES, REGULATIONS OR ORDINANCES. TENANT ACKNOWLEDGES THAT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS PARAGRAPH ARE AN INTEGRAL PORTION OF THIS LEASE AND THAT LANDLORD WOULD NOT AGREE TO LEASE THE DEMISED PREMISES TO TENANT AS SET FORTH HEREIN WITHOUT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS PARAGRAPH. TENANT FURTHER ACKNOWLEDGES THAT TENANT IS NOT IN A DISPARATE BARGAINING POSITION WITH RESPECT TO LANDLORD. TENANT ACKNOWLEDGES AND AGREES FURTHER THAT THIS LEASE IS SUBJECT TO ANY AND ALL CURRENTLY EXISTING TITLE EXCEPTIONS OR OTHER MATTERS OF RECORD OR ANY MATTER OR ITEM VISIBLE OR APPARENT FROM AN INSPECTION AFFECTING THE DEMISED PREMISES. TENANT WAIVES ANY EXPRESS OR IMPLIED WARRANTIES OF SUITABILITY, HABITABILITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND FURTHER WAIVES ALL CLAIMS AGAINST LANDLORD BASED ON ANY DEFECT IN THE DEMISED PREMISES WHETHER OR NOT SUCH DEFECT COULD HAVE BEEN DISCOVERED BY TENANT'S REASONABLE INSPECTION. TENANT, AT ITS COST, SHALL BE ENTITLED TO PERFORM PHASE I AND PHASE II ENVIRONMENTAL STUDIES, INCLUDING, BUT NOT LIMITED TO, SOIL TESTS, IN TENANT'S SOLE JUDGMENT, PROVIDING A COPY THEREOF TO LANDLORD, ALL AS MAY BE SPECIFIED IN MORE DETAIL IN SECTION 22.D. BELOW AND/OR IN LEASE ADDENDUM #2. WITHOUT LIMITING THE FOREGOING, THERE IS NO WARRANTY, EXPRESS OR IMPLIED, OF SUITABILITY, MERCHANTABILITY, HABITABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE GIVEN IN CONNECTION WITH THIS LEASE.

In accepting Delivery of the Demised Premises, Tenant acknowledges that this Lease shall be construed to provide Rent to Landlord on a Net Return Basis, as set out in Section 32, below.

Section 8. Securing Governmental Approvals and Compliance with Law; Noise Abatement:

A. This Lease is subject to and Tenant shall comply with all federal, state, and local laws, statutes, constitutional provisions, charters, ordinances, codes, rules, regulations, directives, policies,

permits, standards, and orders (including, without limitation, court orders) of any governmental authority, entity, or agency (including, without limitation, the Town of Addison, Texas, the State of Texas, the Federal Aviation Administration ("FAA"), Texas Department of Transportation ("TxDOT"), the United States Environmental Protection Agency ("EPA"), and the Texas Commission on Environmental Quality ("TCEQ")) whether applicable or related to, whether directly or indirectly the use and occupancy of the Demised Premises and whether in existence or hereafter enacted, adopted or imposed, and including, without limitation, any and all grant agreements or grant assurances for which Landlord, at its sole absolute discretion accepts and becomes obliged (collectively "Laws").

B. Tenant at Tenant's sole cost and expense shall obtain any and all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the Demised Premises.

C. Tenant acknowledges that Landlord is bound by the terms and conditions of all FAA, TxDOT, and other grant agreements, grant assurances and regulations regarding the Airport, and the terms of any grant, loan, regulation, or agreement under Section 22.055 of the Texas Transportation Code, as amended or superseded, whether now existing or made in the future. Tenant agrees not to knowingly take any action or refrain from taking any action in relation to the Demised Premises that would cause Landlord to be in violation of such regulations or standards.

Section 9. Assignment, Subletting and Mortgaging of Leasehold Estate; Stored Aircraft Information: Aircraft Information:

A. **Assignment:**

1. Without the prior written consent of Landlord (which consent may be granted or withheld in Landlord's sole and absolute discretion and opinion and in accordance with 9.A.5. and 9.A.6. below), Tenant shall have no power to and may not assign, sell, pledge, encumber, license, transfer, or otherwise convey in any manner whatsoever, including by merger, consolidation, operation of law, or otherwise, (together, "assign" or "assignment," and the person or entity to whom an assignment is made being an "assignee"), this Lease or any rights, duties, or obligations of Tenant hereunder (except to a "Permitted Transferee" as defined below, a "Tenant Affiliate" as defined below, and to a leasehold mortgagee as hereinbelow provided and in accordance with and subject to all of the terms and conditions of this Lease) nor sublet (except as provided for in Section 9.B below) in whole or in part any portion of the Demised Premises, and any assignment or any subletting contrary to the terms of this Lease shall be null and void and may be deemed by Landlord (in Landlord's sole discretion) an Event of Default subject to notice and cure as provided in Section 23 of the Lease. Any assignment or subletting shall be expressly subject to all the terms and provisions of this Lease, including the provisions of Section 5 pertaining to the use of the Demised Premises. In the event of any Landlord-approved assignment or subletting, Tenant shall not assign Tenant's rights, duties, or obligations hereunder nor sublet the Demised Premises without first obtaining a written agreement from each such assignee or sublessee whereby each such transferee or sublessee agrees to be bound by the terms and provisions of this Lease. No such assignment or subletting shall constitute a novation. In the event of the occurrence of an Event of Default while the Demised Premises are assigned or sublet, Landlord, in addition to any other rights and remedies

provided herein or by law, may at Landlord's option, collect directly from such assignee or subtenant all rents becoming due under such assignment or subletting and apply such rent against any sums due to Landlord hereunder. No direct collection by Landlord from any such assignee or subtenant shall release Tenant from the payment or performance of Tenant's obligations hereunder. Landlord's consent to any assignment or subletting will not act as a waiver of any rights or remedies granted to or retained by Landlord under this Lease and shall not act as an election of remedies nor shall it prohibit Landlord from exercising its rights and remedies with respect to any other actual or proposed assignment or subletting, and Landlord's consent to any assignment shall not relieve Tenant or any Guarantor of any liability to Landlord under this Lease or otherwise.

2. If consent by Landlord to an assignment is required hereunder, Tenant shall deliver a written request to Landlord for Landlord's consent to the proposed assignment, which shall include, in addition to any other information or materials that Landlord may request: (i) the full legal name of the proposed assignee, including the name and title the person directly or indirectly holding a controlling ownership interest in the proposed assignee (if an entity); (ii) the nature and character of the assignee's business; (iii) all material terms of the proposed assignment; and (iv) financial statements prepared or reviewed by an independent CPA, or other evidence of the proposed assignee to perform its obligations under this Lease.

3. For purposes hereof, an assignment will be deemed to occur if the person or persons who own or have voting control of more than 50% of Tenant on the Effective Date cease to own or have voting control of more than 50% of Tenant at any time during the Term. Tenant shall provide to Landlord from time to time, as requested by Landlord and in a form acceptable to Landlord, a written certification confirming that no such assignment has occurred without Landlord's consent, if such consent is required hereunder. For purposes hereof, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities.

4. Tenant shall have the right to assign this Lease, or sublet the Demised Premises or any portion thereof, without the consent of Landlord, to any entity (a) with which Tenant may merge or consolidate, or (b) which is a parent or subsidiary of Tenant (collectively "Tenant Affiliate"). Tenant, or its successor in interest shall give Landlord written notice of any such assignment of this Lease to a Tenant Affiliate within thirty (30) days of said assignment, which said notice shall set forth and affirm the Tenant Affiliate information and delivered as required by Section 48 below.

5. For purposes hereof and any applicable law, and without limitation as to other grounds for Landlord withholding consent, it shall be deemed to be reasonable for Landlord to withhold its consent when any one or more of the following apply:

a. the proposed assignee is of a character or of a reputation or is engaged in a business which is not consistent with the master or strategic plan of the Airport as determined by Landlord; or

b. the proposed assignee has not demonstrated sufficient financial responsibility, or creditworthiness to the satisfaction of Landlord in light of the duties, obligations, and responsibilities of the tenant under the Lease at the time when the consent is requested; or

c. the proposed assignee's intended use of the demised premises as defined in the Lease is inconsistent with the Lease; or

d. the proposed assignment would cause Landlord to be in violation of another lease or agreement to which Landlord is a party or to which Landlord or the Airport is subject (including, without limitation, any grant agreements or grant assurances of the FAA or any other governmental entity or agency); or

e. if at any time consent is requested or at any time prior to the granting of consent, Tenant is in default under the Lease or would be in default under the Lease but for the pendency of a grace or cure period; or

f. the proposed assignee does not intend to occupy the entire Demised Premises as described in the Lease and conduct its business therefrom for a substantial portion of the then remaining term of the Lease.

6. For purposes herein and any applicable law, and without limitation as to other grounds for Landlord delaying consent, it shall be deemed to be reasonable for Landlord to delay its consent for a period of forty-five (45) days pursuant to Section 51 after the receipt by Landlord of all information requested by Landlord regarding or in connection with the proposed assignment and the proposed assignee.

B. Subletting:

1. Notwithstanding the foregoing, Landlord hereby acknowledges and consents to Tenant's subletting of the Demised Premises for the purpose of renting aircraft storage only, provided that each sublease is evidenced by written agreement, signed and executed by Tenant and each and every sublessee and fairly states:

a. Each sublessee agrees to be bound by the terms and provisions of this Lease to the extent such extends to a sublessee;

b. In the event of any conflict between the terms of this Lease and the terms of the sublease, the terms of the Lease shall control;

c. Such subletting shall not constitute a novation of the Lease;

d. Sublessee shall be obligated to obtain Landlord's consent to any action as to which Tenant is obligated to obtain such consent under the Lease;

e. Any such sublease is to automatically terminate upon termination of this Lease notwithstanding any other provision of the sublease to the contrary; Landlord shall have

no responsibility or obligation for the performance by Tenant of its obligations under any sublease.

f. In the event of occurrence of an Event of Default while the Demised Premises are sublet, Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, collect directly from such subtenant all rents becoming due under such subletting and apply such rent against any sums due to Landlord hereunder;

2. If Tenant desires to sublease the Demised Premises for any other purpose, Tenant shall obtain in advance Landlord's prior written consent, which must be evidenced by written agreement signed and executed by Tenant and made subject to the "Master Landlord Sublease Consent," substantially in the form of the rider to sublease attached hereto and incorporated herein by reference as Exhibit 7. Without Landlord's Consent, any such sublease is null and void.

3. Neither this consent, the exercise by Landlord of its rights and remedies hereunder, nor the sublease or any other instrument shall give sublessee any rights directly or indirectly against Landlord or create or impose any obligation, duty, responsibility, or liability of Landlord in favor of or for the benefit of sublessee.

4. Furthermore, Tenant agrees that in no way does any sublease release Tenant from any of its covenants, agreements, liabilities and duties under this Lease; that this consent does not constitute approval by Landlord of the terms of any such sublease; that nothing herein contained shall be deemed a waiver or release of any of the Landlord's rights or remedies under this Lease or pursuant to law, in equity, or otherwise; that Tenant shall remain fully liable for the performance of each and every term, provision, covenant, duty and obligation of the Tenant under this Lease, including, without limitation, the duty to make any and all payments of Rent; and that any violation of any terms and conditions of this Lease by a sublessee may constitute an Event of Default, subject to notice and cure as provided in Section 23 of the Lease.

5. Upon request by Landlord, Tenant shall provide to Landlord within five (5) business days of receipt of each request a complete and accurate roster of any subtenants which shall include, but not be limited to, name, mailing address, email address, daytime telephone number, 24-hour emergency contact information, together with the make, model, aircraft type and "N" number of any aircraft regularly stored or located on or in the Demised Premises. Tenant's failure to provide said information as prescribed constitutes an Event of Default, subject to notice and cure, as provided in Section 23 of this Lease.

C. Mortgaging of Leasehold Estate:

1. Tenant shall have the right to mortgage the leasehold estate of Tenant created hereby in order to secure a mortgage loan for the purpose of (i) obtaining funds for the construction of the New Building Improvements described in Lease Addendum #3, or to reimburse Tenant for funds advanced by Tenant for such purpose or to refinance any such loan, or (ii) other construction upon the Demised Premises approved from time to time by Landlord in writing, or (iii) for any other purpose which may be approved from time to time by Landlord in writing. If Tenant borrows money

for any purpose provided for above, and the lender requires a mortgage, deed of trust or some other form of security interest (a "Mortgage") to secure the loan, then Tenant may, without Landlord's further consent, enter into a Mortgage with a bank, lender (or, if the bank's or lender's interest have been assigned by or on behalf of a mortgage beneficiary) herein referred to as a "Leasehold Mortgagee"). The Leasehold Mortgagee shall in no event become personally liable to perform the obligations of Tenant under this Lease unless and until said mortgagee becomes the owner of the leasehold estate pursuant to foreclosure, transfer in lieu of foreclosure, or otherwise, and thereafter said leasehold mortgagee shall remain liable for such obligations only so long as such mortgagee remains the owner of the leasehold estate. Notwithstanding the foregoing, it is specifically understood and agreed that no such mortgaging by Tenant and/or any actions taken pursuant to the terms of such mortgage shall ever relieve Tenant of Tenant's obligation to pay the Rent due hereunder and otherwise fully perform the terms and conditions of this Lease.

2. A Mortgage is not an assignment of this Lease or of Tenant's interest in this Lease, and a Mortgage does not and shall not be construed to make Landlord a principal or surety on the loan or any other financial obligation secured by the deed of trust or similar security. Any Mortgage affecting Tenant's leasehold estate shall contain provisions (i) requiring the leasehold mortgagee to give Landlord at least fifteen (15) days written notice prior to accelerating the debt of Tenant to such mortgagee and/or initiating foreclosure proceedings under said mortgages or deeds of trust, and (ii) allowing Landlord during such fifteen (15) day notice period to cure Tenant's default and prevent said acceleration and/or foreclosure proceedings, and thereafter at Landlord's option to assume Tenant's position under said Mortgage.

3. Landlord agrees, if and so long as the leasehold estate of Tenant is encumbered by a Mortgage and written notice to such effect has been given to Landlord, to give the Leasehold Mortgagee at such address or addresses as may be specified in such written notice to Landlord for the giving of notices to the Leasehold Mortgagee, or as otherwise may be specified by the leasehold mortgagee to Landlord in writing, written notice of any default hereunder by Tenant, simultaneously with the giving of such notice to Tenant, and the holder of any such Mortgage shall have the right, for a period of thirty (30) days after its receipt of such notice or within any longer period of time specified in such notice, to take such action or to make payment as may be necessary or appropriate to cure any such default so specified, it being the intention of the parties hereto that Landlord shall not exercise Landlord's right to terminate this Lease without first giving any such Leasehold Mortgagee the notice provided for herein and affording any such Leasehold Mortgagee the right to cure such default as provided for herein. If the default cannot objectively be cured within the cure period, and if the Leasehold Mortgagee proceeds diligently and in good faith to cure the default, then the Leasehold Mortgagee will be entitled a reasonable additional period of time to cure the default but, not to exceed six (6) months from the date of the Leasehold Mortgagee's notice.

4. If this Lease is terminated for Tenant's breach before the end of the Term, for any reason other than a default that has not been cured by Tenant or Leasehold Mortgagee within the period specified in subsection 9(C)(3) above, including, without limitation, as a result of a rejection or disaffirmation of the Lease in a bankruptcy, insolvency or other proceeding affecting creditor's rights then Landlord shall provide a copy of the termination notice to the Leasehold Mortgagee. Upon the written request of Leasehold Mortgagee made any time within thirty (30) days after the

receipt of such notice from Landlord, Landlord shall agree to enter into a new lease of the Demised Premises with Leasehold Mortgagee for the remainder of the Term of the Lease upon the same covenants, conditions, limitations and agreements contain in the Lease, except for such provisions which must be modified to reflect any such termination, rejection or disaffirmance and the passage of time, provided, that, in the event of any such termination, rejection or disaffirmance, Leasehold Mortgagee (or such successor or assign) (A) shall pay to Landlord, simultaneously with the delivery of such new lease, all unpaid amounts due under the Lease up to and including the date of the commencement of the term of such new lease and all reasonable and substantiated expenses incurred by Landlord to prepare such new lease, and (B) otherwise shall cure all other defaults under the Lease promptly and with due diligence after the delivery of such new lease. If Landlord does not enter into a new lease with the Leasehold Mortgagee, then the Leasehold Mortgagee shall immediately remove all trade fixtures and other personal property from the Premises and repair to Landlord's reasonable satisfaction, any damage caused to the Demised Premises by the removal. The Leasehold Mortgagee shall not remove or tamper with any Building Improvement on the Demised Premises.

5. Landlord further agrees to execute and deliver to any proposed Leasehold Mortgagee of Tenant a "Non-Disturbance Agreement" wherein Landlord agrees that Landlord will (i) recognize such Leasehold Mortgagee after foreclosure, or transfer in lieu of foreclosure, as Tenant hereunder, and (ii) continue to perform all of Landlord's obligations hereunder so long as such Leasehold Mortgagee performs all of the obligations of Tenant hereunder and is not in default; provided, however, that notwithstanding the foregoing or any other provision of this Lease, such Leasehold Mortgagee or its successors and assigns after foreclosure or transfer in lieu of foreclosure shall not and does not have the right and shall not and does not have the power to assign (as defined in Subsection A. of this Section above) this Lease, or any right, interest, obligation, or liability hereunder, or any part of the Demised Premises, without the prior written approval of Landlord, and any such assignment shall be null and a cause for immediate termination of this Lease by Landlord, it being the intent of this provision that such mortgagee shall have no greater right to assign or sublet this Lease, or any right, interest, obligation, or liability hereunder, or any part of the Demised Premises, than the Tenant has as set forth in this Section. Landlord also agrees to consider the execution and delivery to such proposed Leasehold Mortgagee any other documents which such proposed Leasehold Mortgagee may reasonably request concerning the mortgaging by Tenant of the leasehold estate created hereby; provided, however, that Landlord shall never be required to subordinate Landlord's interest in the Demised Premises to the mortgage of such proposed Leasehold Mortgagee. Notwithstanding any provision of this Lease to the contrary, Landlord's interest in the Demised Premises and this Lease shall at all times be and remain superior and paramount to any Leasehold Mortgage. No Leasehold Mortgage shall have priority over Landlord's interest or any rights under this Lease without Landlord's prior written consent, which consent may be withheld in Landlord's sole discretion. If the Leasehold Mortgagee succeeds to Tenant's interest under this Lease, the Leasehold Mortgagee shall attorn to Landlord as if it were the Tenant under this Lease. The Leasehold Mortgagee's duty to so attorn to Landlord arises immediately upon the Leasehold Mortgagee succeeding to Tenant's interest under this Lease, and the duty to attorn is self-executing, requiring no formal writing or further action by Landlord or the Leasehold Mortgagee.

Section 10. Property Taxes and Assessments:

A. Following the Commencement Date, Tenant shall pay, before they become delinquent, any and all property taxes or assessments, and any other governmental charges, fees or expenses (collectively, the "Taxes"), levied or assessed on any improvements on the Demised Premises, the personal property and fixtures on the Demised Premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord "paid receipts" or other written evidence that Tenant has paid all such taxes. In the event Tenant shall fail to pay any such taxes, assessments, or charges prior to delinquency, Landlord shall have the right to pay (but not the obligation) or may cause all taxes, assessments, or charges to be paid and the reasonable costs thereof expended by Landlord plus interest thereon as provided in Section 39 of this Lease shall be paid by Tenant on demand. Subject to the payment of any outstanding Taxes, Tenant may protest, appeal or institute other formal proceedings to affect a reduction or abatement of real estate taxes and assessments for real estate taxes and assessments levied against the improvements on the Demised Premises (if Tenant has title to and owns the same) and/or the Tenant's leasehold interest in the Lease for any tax fiscal year that ends after the Commencement Date of this Lease. Such protest, appeal or other proceedings may be conducted only in the name of Tenant. To this end and at Tenant's expense, Tenant shall give Landlord written notice of any such protest or appeal and resolution thereof. Notwithstanding the foregoing, Tenant shall not contest the determination that the buildings and/or improvements are subject to taxation. If a final (non-appealable) determination is rendered by Dallas Central Appraisal District or a court of appropriate and competent jurisdiction that any such buildings or other improvements are not subject to property taxation, the Rent (as the same may be adjusted) for the year in which such final determination becomes effective shall be increased by an amount equal to the property tax revenue from such buildings and improvements that Tenant would have paid to Landlord in that year but for such final determination (and such initial increased amount shall be paid to Landlord on or before December 31 of such year, unless otherwise agreed to by Landlord); thereafter, Rent (as the same may be adjusted) as so increased shall continue, subject to adjustment as set forth in this Lease.

Section 11. Maintenance and Repair of Demised Premises:

A. Tenant shall, throughout the term hereof, maintain in good repair and in a first class condition (as defined in Lease Addendum #1) (in accordance with any construction and/or maintenance standards and specifications established by Landlord or Airport Manager from time to time and all applicable ordinances, codes, rules and regulations of or adopted by the Town of Addison, Texas in accordance with Texas law) all the Demised Premises and all buildings, improvements, fixtures, equipment and personal property (excluding aircraft stored in the Building Improvements) on the Demised Premises and keep them free from waste or nuisance and, at the expiration or termination of this Lease, deliver up the Demised Premises clean and free of trash and in good repair and condition (in accordance with any construction and/or maintenance standards and specifications established by Landlord or Airport Manager from time to time and all applicable ordinances, codes, rules and regulations of or adopted by the Town of Addison, Texas and in accordance with Texas Law), with all fixtures and equipment situated in the Demised Premises in good working order, reasonable wear and tear excepted. Tenant shall reimburse Landlord for and indemnify Landlord against all damages which Landlord incurs from Tenant's delay in vacating the Demised Premises.

B. Notwithstanding the foregoing, set forth as **"**Lease Addendum #1**"** attached hereto and incorporated herein by reference and made a part hereof, are "Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices," which are intended as maintenance and repair standards and practices Landlord expects of Tenant. Tenant (and any of its successors or assigns) hereby agrees to meet the Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices throughout the Term. Notwithstanding the foregoing, as provided in Section 18 below, Landlord reserves the right, in its sole discretion, to introduce and adopt other regulations deemed appropriate and necessary by Landlord for the purpose of protecting the property of Landlord. In the event Landlord should formally adopt similar leasehold maintenance and repair standards governing such practices of all ground leaseholds at the Airport ("Replacement Maintenance Standards"), such encompassing regulations and practices shall supersede and replace Lease Addendum #1 in its entirety upon the effective date of such Replacement Maintenance Standards for the Term or until otherwise modified, repealed, or revised by Landlord.

C. For the sake of clarification, unless and until any Replacement Maintenance Standards are adopted by the Landlord, Tenant will comply with the regulations and practices set forth in Lease Addendum #1.

Section 12. Alterations, Additions, and Improvements:

After completion of the New Building Improvements described in Lease Addendum #3, Tenant shall not create any openings in the roof or exterior walls, or make any alterations, additions or improvements to the Demised Premises or any improvements thereon or modifications thereto without the prior written consent of Landlord or Manager. Consent for non-structural alterations, additions or improvements shall not be unreasonably withheld by Landlord or Manager. Tenant shall have the right to erect or install shelves, bins, machinery, air conditioning or heating equipment and trade fixtures, provided that Tenant complies with all applicable governmental laws, ordinances and regulations (including, without limitation and as may be required by law, obtaining a building permit).

All alterations, modifications, additions and improvements in and to the Demised Premises shall comply with the standards and requirements set out in Lease Addendum #3 and Section 8.

Section 13. Insurance and Bonds:

A. Unless otherwise specified herein, at all times in connection with this Lease and during the Term hereof, Tenant shall purchase and maintain at Tenant's sole cost and expense and in a company or companies lawfully authorized to do business in Texas such insurance coverages relating to the Demised Premises as follows:

1. Insurance against loss or damage to improvements by fire, lightning, and all other risks from time to time included under standard extended coverage policies, and sprinkler, vandalism and malicious mischief, all in amounts sufficient to prevent Landlord or Tenant from becoming co-insurers of any loss under the applicable policies but in any event in amounts not less than one hundred percent (100%) of the full insurable value of the Demised Premises and any and all improvements thereon. The term "full insurable value"

as used herein means actual replacement value at the time of such loss. Upon request, such replacement value shall be determined by a qualified appraiser, a copy of whose findings shall be submitted to Landlord, and, thereafter, proper adjustment in the limits of insurance coverage shall be affected.

2. Commercial General Liability insurance at minimum combined single limits of $1,000,000 per-occurrence and $1,000,000 general aggregate for bodily injury, death or property damage or destruction occurring on, in or about the Demised Premises, which coverage shall include products/completed operations ($1,000,000 products/ completed operations aggregate). Coverage for products/completed operations must be maintained for at least two (2) years after construction work has been completed. Coverage must include contractual liability.

3. Statutory limits of workers compensation insurance and employer's liability with limits of liability of not less than $1,000,000.00 each occurrence each accident/$1,000,000.00 by disease each-occurrence/$1,000,000.00 by disease aggregate.

4. If applicable, boiler and pressure vessel insurance on all steam boilers and air compressors, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, erupting, collapsing, imploding or exploding, in the minimum amount of $500,000.00 for damage to or destruction of property resulting from such perils.

5. In connection with the design and construction of any improvements on the Demised Premises, architects, engineers, and constructions managers, including design/build contractors used by Tenant, shall carry professional liability insurance at minimum limits of $250,000.00; this coverage must be maintained for at least two (2) years after the improvements are completed, and if coverage is written on a claims-made basis, a policy retroactive date equivalent to the inception date of this Lease (or earlier) must be maintained.

6. Hangarkeepers Legal Liability insurance, at $1,000,000.00 per occurrence, is required if the Tenant is engaged in maintenance, repair, or servicing of an aircraft belonging to a third party or if the Tenant is otherwise involved in any operation in which the Tenant has care, custody, or control of an aircraft belonging to a third party.

7. Aircraft liability insurance against third party bodily injury or death and property damage or destruction at minimum limits required by regulatory agencies having jurisdiction at the Airport and which are acceptable to Landlord, but in any event not less than $1,000,000.00 each occurrence (applies to the ownership, operation or use of aircraft by Tenant or any subtenant). Policy shall include non-owned aircraft liability with a minimum of $1,000,000 and medical expense coverage with a limit of $5,000 for any one person.

8. Business Automobile Liability insurance for all tenant-owned and non-owned vehicles being operated on the Airport with a minimum combined single limit of $1,000,000 for bodily injury and property damage.

9. If Tenant is fueling aircraft at the Airport according to a fueling permit or license issued by Landlord, Tenant shall maintain a minimum of $1,000,000 in Pollution Liability Insurance coverage, which may be satisfied through sudden and accidental pollution coverage under Tenant's commercial general liability policy.

10. Such other insurance in such amounts and against such other insurable hazards, which at the time are commonly obtained within the aeronautical industry for similar types of building improvements and other improvements that may be located on the Demised Premises and Tenant's permitted use of the Demised Premises.

B. Tenant shall cause all such policies of insurance to comply with the following and be specifically endorsed as follows:

1. The Town of Addison, Texas, and the Airport Manager shall be named as additional insureds, or loss payees as the case may be, except for the professional liability policies and workers' compensation insurance;

2. All insurance policies that name the Town of Addison, Texas, and the Airport Manager as additional insureds must be endorsed to read as primary coverage and non-contributory regardless of the application of other insurance;

3. A waiver of subrogation in favor of the Town of Addison, Texas and the Airport Manager shall be contained in each policy required herein;

4. All insurance policies shall be endorsed to the effect that the Town of Addison, Texas and the Airport Manager will receive at least sixty (60) days' written notice before cancellation or non-renewal of the insurance (except that if such insurance is canceled for non-payment of premium, such notice shall be ten [10] days.);

5. All insurance policies shall be endorsed to require the insurer to immediately notify Landlord and the Airport Manager of any material change in the insurance coverages;

6. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions applicable to the claims of the Town of Addison or the Airport Manager;

7. Tenant may maintain reasonable and customary deductibles, subject to approval by Landlord; and

8. Insurance must be purchased from insurers that are financially acceptable to Landlord and licensed to do business in the State of Texas.

C. All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of insurance, satisfactory to Landlord, evidencing all coverage above, shall be prepared and executed by the insurance company or its authorized agent, promptly delivered to Landlord, and updated as may be appropriate, and shall:

1. List each insurance coverage described and required herein. Such certificates will also include a copy of the endorsements necessary to meet the requirements and instructions contained herein; and

2. Specifically set forth the notice-of-cancellation or termination provisions to the Town of Addison and the Airport Manager.

D. Landlord reserves the right to review the insurance requirements contained herein and to reasonably adjust coverages and limits when deemed necessary and prudent by Landlord during the Term. Landlord shall give Tenant ninety (90) day advance written notice of any such change or modification in the above insurance requirements before same go into effect pursuant to this Agreement.

Section 14. Casualty Damage or Destruction:

A. In case of any damage to or destruction of the buildings, structures, equipment, or any other improvements on or at the Demised Premises (including the Building Improvements), or any part thereof, Tenant will promptly give written notice thereof to Landlord, generally describing the nature and extent of such damage and/or destruction.

B. In case of any damage to or destruction of any building, structure, equipment, or other improvements (including the Building Improvements) on or at the Demised Premises, or any part thereof, Tenant, whether or not the insurance proceeds, if any, payable on account of such damage and/or destruction shall be sufficient for such purpose, at Tenant's sole cost, risk and expense will promptly and diligently commence and complete the restoration, repair and replacement of said building, structure, equipment, or other improvements as nearly as possible to their value, condition and character immediately prior to such damage and/or destruction and with at least as good workmanship and quality as such building, structure, equipment, or other improvements on or at the Demised Premises being repaired or replaced, with such alterations in and additions thereto as may be approved in writing by Landlord (hereinafter sometimes referred to as the "Restoration"). All Restoration plans (whether design, architectural, or otherwise) shall be approved in writing by Landlord prior to the commencement of construction. All such design and construction shall comply with other Sections of this Lease concerning the design and construction of buildings and other improvements on or at the Demised Premises, including without limitation Sections 6 (including Lease Addendum #2), 8, and 13 hereof.

C. All insurance proceeds, if any, payable on account of such damage to or destruction of the buildings, structures and equipment on the Demised Premises shall be held by a qualified escrow agent mutually acceptable to Landlord and Tenant (all costs of escrow agent are to be paid from the insurance proceeds). Landlord shall be protected, and fully indemnified in accordance with Sections 6 and 21 hereof and other relevant provisions of this Lease, in acting upon any

endorsed certificate believed by Landlord to be genuine and to have been executed by the proper party and shall receive such certificate as conclusive evidence of any fact or as to any matter therein set forth. Such certificate shall be full warranty, authority, and protection to Landlord in acting thereon and Landlord shall be under no duty to take any action other than as set forth in this Section 14.

D. Insurance proceeds held by the escrow agent, which may be Tenant's leasehold mortgagee pursuant to Section 9.C. of this Agreement, on account of any damage to or destruction of the buildings, structures and equipment on the Demised Premises, or any part thereof (less the costs, fees and expenses incurred by Landlord and Tenant in the collection thereof, including, without limitation, adjuster's and attorney's fees and expenses) ("Net Insurance Proceeds") shall be applied as follows:

1. Net Insurance Proceeds shall be paid to Tenant or as Tenant may direct from time to time as Restoration progresses to pay (or reimburse Tenant for) the cost of Restoration, upon written request of Tenant to Landlord and escrow agent accompanied by (a) certificate of a supervising architect or engineer approved by Landlord, describing in reasonable detail the work and material in question and the cost thereof, stating that the same were necessary or appropriate to the Restoration and constitute a complete part thereof, and that no part of the cost thereof has theretofore been reimbursed, and specifying the additional amount, if any, necessary to complete the Restoration, and (b) lien waivers or an opinion of counsel satisfactory to Landlord that there exist no mechanics', materialmen's or similar lien for labor or materials except such, if any, as are discharged by the payment of the amount requested.

2. Upon receipt by Landlord of the certificate and opinion or lien waivers required by the foregoing clauses 1 (a) and (b) that Restoration has been completed and the cost thereof paid in full, and that there are no mechanics', materialman's or similar liens for labor or materials supplied in connection therewith, the balance, if any, of such proceeds shall be paid to Tenant or as Tenant may direct.

E. If Tenant does not promptly commence Restoration, or after commencement Tenant does not diligently proceed to the completion of same, Landlord shall have the right to commence or complete Restoration. Landlord's right to commence or complete Restoration shall begin after Landlord has given Tenant at least thirty (30) days written notice requesting (i) the commencement of Restoration, or (ii) that Tenant diligently proceed to the completion of Restoration, and Tenant during such thirty (30) day period fails to commence or fails to proceed to diligently complete Restoration. In such event, Landlord shall be entitled to obtain the insurance proceeds, and Tenant shall promptly pay any deficiency if such proceeds are not sufficient for Restoration.

F. In the event of termination of this Lease by Landlord as a result of Tenant's failure to commence or complete (as the case may be) the Restoration, this Lease shall terminate and come to an end upon Landlord's termination as aforesaid as though the date of such termination by Landlord were the date of expiration of the term of this Lease, and all insurance proceeds shall be paid to Landlord.

Section 15. Condemnation:

A. If during the term hereof, any part of the Demised Premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, or are sold to a condemning authority under threat of condemnation, and after such taking by or sale to said condemning authority the remainder of the Demised Premises is not susceptible to efficient and economic occupation and operation by Tenant, this Lease shall automatically terminate as of the date that said condemning authority takes possession of the Demised Premises, and Landlord shall refund to Tenant any prepaid but unaccrued Rent less any sum then owing by Tenant to Landlord.

B. If after such taking by or sale to said condemning authority the remainder of the Demised Premises is susceptible to efficient and economic occupation and operation by Tenant, this Lease shall not terminate but the Rent due hereunder shall be adjusted so that Tenant shall be required to pay for the remainder of the term hereof the sum obtained by multiplying each monthly Rent installment due hereunder, as adjusted from time to time pursuant to Section 4, by a fraction, the numerator of which shall be the number of square feet remaining in the Demised Premises after the taking by or sale to said condemning authority and denominator of which shall be the square footage originally contained in the Demised Premises. The Rent adjustment called for herein shall not commence until said condemning authority actually takes possession of the condemned portion of the Demised Premises.

C. If this Lease is not terminated pursuant to Section 15.A., above, Tenant shall promptly restore any building and any other improvements on the Demised Premises, and the condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid first to cover the costs and expenses for restoring the remaining portion of the Demised Premises to a condition susceptible to efficient and economic occupation and operation by Tenant, and any remaining proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant, as their interest may appear. If this Lease is terminated pursuant to Section 15.A, condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant as their interests may appear.

Section 16. Utilities:

Tenant shall be responsible at Tenant's sole cost and expense for obtaining all utility connections at or for the Demised Premises and Tenant shall pay all charges for water, electricity, gas, sewer, telephone or any other utility connections, tap-in fees, impact fees, and services furnished to the Demised Premises during the term hereof. Tenant agrees to contact all utility service providers prior to any excavation or digging on the Demised Premises. Landlord shall in no event be liable or responsible for any cessation or interruption in any such utility services.

Section 17. Common Facilities:

Tenant and Tenant's employees, agents, servants, customers and other invitees shall have the non-exclusive right to use all common facilities, improvements, equipment and services which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of Landlord's customers and tenants, including landing and takeoff facilities, means of ingress and

egress to the Demised Premises, other Airport installations, and all other reasonable services which may be provided with or without charge from time to time by Landlord in operating the Airport ("Common Facilities"). All such Common Facilities shall at all times be under the exclusive control, operation and management of Landlord and may be rearranged, modified, changed, altered, removed, or terminated from time to time at Landlord's sole discretion.

Section 18. Airport Governing Documents:

Landlord, in its sole and absolute discretion, shall have the right from time to time to adopt, amend, modify, alter, and terminate in a reasonable manner certain rules and regulations, standards of operations, policies, procedures and practices deemed necessary and appropriate for the purpose of assuring the safety, welfare, fairness and equality without unjust discrimination, convenience and protection of property of Landlord, Tenant, other tenants and users of the Airport, their customers, and the general public (herein collectively referred to as the "Airport Governing Documents.") Tenant hereby agrees to comply fully at all times with these Airport Governing Documents as they exist now and as they may be amended or modified from time to time during the Term.

As of the Effective Date of this Lease such Airport Governing Documents include, without limitation:

1. Addison Airport Minimum Standards and Requirements for Commercial Aeronautical Service Providers vr. 2004 (also commonly referred to as the "Minimum Standards" or "Airport Minimum Standards"); and

2. *Addison Airport Rules and Regulations* vr. 2010 (also commonly referred to as the "Rules and Regulations" or "Airport Rules and Regulations"), which shall govern Tenant's use of the Demised Premises and all Common Facilities of the Airport; and

3. *Addison Airport Rates and Charges* – a schedule of the current rates, fees and charges assessed by the Airport for various services and facilities, which are generally approved in connection with the Airport's annual budgetary process but may be amended from time to time as deemed reasonable and appropriate.

Landlord has also adopted the National Business Aviation Association (NBAA) Noise Abatement Program (https://nbaa.org/aircraft-operations/environment/noise-abatement-program/) revised in 2015. Unless Landlord adopts a noise abatement program of its own, Tenant and Tenant's subtenants and their aeronautical guest and invitees are required to comply with NBAA's recommended noise abatement procedures, which are suitable for any aircraft type and airport operating environment.

Section 19. Signs and Equipment:

After first securing Landlord's approval, Tenant shall have the right from time to time to install and operate signs depicting Tenant's name and operate radio, communications, meteorological, aerial navigation and other equipment and facilities in or on the Demised Premises that may be

reasonably necessary for the operation of Tenant's business, provided such signs and equipment are installed and maintained in compliance with all applicable governmental laws, rules, and regulations, including the Town of Addison's sign ordinance, and do not interfere with the operation of any navigation facilities or Airport communications (including, without limitation, navigation facilities or Airport communications used or operated by the Federal Aviation Administration).

Section 20. Landlord's Right of Entry:

Landlord and Landlord's authorized representatives shall have the right, during normal business hours and upon one (1) day notice (not counting Saturdays, Sundays or holidays), except in the case of emergencies, to enter the Demised Premises (i) to inspect the general condition and state of repair thereof, (ii) to make repairs permitted under this Lease, (iii) to show the Demised Premises to any prospective tenant or purchaser or (iv) for any other reasonable and lawful purpose.

During the final one hundred eighty (180) days of the term hereof, Landlord and Landlord's authorized representatives shall have the right to erect and maintain on or about the Demised Premises customary signs advertising the Demised Premises for lease.

Section 21. Indemnity and Exculpation:

A. Exculpation.

Except and to the extent caused by the gross negligence or intentional misconduct of Landlord or any party acting on its behalf, Landlord and the elected officials, the officers, employees, representatives, agents, and volunteers under the direction of Landlord, individually or collectively, in both their official and private capacities, (each a "Landlord Person" and collectively the "Landlord Persons"), and Airport Manager and Airport Manager's owner's, officers, employees, representatives, and agents, in both their official and private capacities, (each a "Manager Person" and collectively the "Manager Persons"), shall not be liable to Tenant or to any of Tenant's owners, directors, officers, shareholders, partners, managers, employees, agents, consultants, servants, customers, invitees, patrons, subtenants, licensees, concessionaires, contractors, subcontractors, or any other person or entity for whom Tenant is legally responsible, and their respective owners, directors, officers, shareholders, partners, managers, employees, agents, consultants, servants, customers, invitees, patrons, subtenants, licensees, concessionaires, contractors, and subcontractors, (each a "Tenant Person" and collectively "Tenant Persons"), or to any other person whomsoever, for any death or injury to persons or damage to or destruction of property or any other harm on or about the Demised Premises or any adjacent area owned by Landlord caused by or resulting from any act or omission of Tenant or any Tenant Persons, or arising out of the use or occupation of the Demised Premises by Tenant or any Tenant Persons and/or the conduct of Tenant's business thereon, or arising out of any breach or default by Tenant in the performance of Tenant's obligations hereunder.

B. Tenant's Indemnity Obligation.

Tenant shall DEFEND (with counsel reasonably acceptable to Landlord), INDEMNIFY, AND HOLD HARMLESS Landlord and all other Landlord Persons and Airport Manager and all Manager Persons (Landlord and all other Landlord Persons, and Airport Manager and all other Manager Persons, being collectively the "Indemnified Persons") from and against any and all claims, actions, proceedings, causes of action, demands, losses, harm, damages, penalties, fines, liability, expenses, lawsuits, judgments, costs, and fees (including reasonable attorney fees and court costs) of any kind and nature whatsoever made upon, incurred by, suffered by, or asserted against any of the Indemnified Persons, whether directly or indirectly (collectively for purposes of this Section, "Damages"), that result from, relate to, are based upon, or arise out of, in whole or in part, (I) any condition of the Demised Premises caused in whole or in part by Tenant or by any Tenant Persons; (II) any act or omission of Tenant or any Tenant Persons under, in connection with, or in the performance of, this Lease; (III) any representations or warranties by Tenant under this Lease; (IV) any personal injuries (including but not limited to death) to any Tenant Persons and to any third persons or parties arising out of or in connection with Tenant's use and occupancy of the Demised Premises under this Lease; and/or (V) the Demised Premises becoming out of repair due to the fault of Tenant or any Tenant Persons for any reason, including by failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the Demised Premises, regardless of the source, or by dampness or by fire, explosion, falling plaster or ceiling. THIS DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATION SHALL AND DOES INCLUDE DAMAGES ALLEGED OR FOUND TO HAVE BEEN CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENCE (BUT EXCLUDING THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT) OF THE INDEMNIFIED PERSONS (OR ANY OF THEM), AND CONDUCT BY THE INDEMNIFIED PERSONS (OR ANY OF THEM) THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND. HOWEVER, TO THE EXTENT GROSS NEGLIGENCE AND/OR WILLFUL CONDUCT ARE ALLEGED SIMULTANEOUSLY WITH CLAIMS REQUIRING DEFENSE AND INDEMNITY HEREIN, TENANT SHALL DEFEND ALL CLAIMS ALLEGED AGAINST THE INDEMNIFIED PERSONS. Tenant's liability under this indemnity obligation shall be reduced by that portion of the total amount of the Damages (excluding defense fees and costs) equal to the Indemnified Person's or Indemnified Persons' equitable share of the negligence or conduct that would give rise to liability of any kind, that caused the loss. Likewise, Tenant's liability for Indemnified Person's or Indemnified Persons' defense costs and attorneys' fees shall be limited to a portion of the defense costs and attorneys' fees equal to the Indemnified Person's or Indemnified Persons' equitable share of the negligence or conduct that would give rise to liability of any kind, that caused the loss.

Tenant shall promptly advise Landlord and Airport Manager in writing of any claim or demand against any Indemnified Persons, Tenant, or any Tenant Persons related to or arising out of Tenant's activities under this Lease and shall see to the investigation and defense of such claim or demand at Tenant's sole cost and expense. The Indemnified Persons shall have the right, at the Indemnified Person's or Indemnified Persons' option and own expense, to participate in such defense without relieving Tenant of any of its obligations hereunder.

C. Release.

Tenant hereby RELEASES Landlord and all other Landlord Persons, and Airport Manager and all other Manager Persons, (i) for any death or injury to any person or persons or damage to or destruction of property of any kind resulting from the Demised Premises becoming out of repair or by defect in or failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the Demised Premises, regardless of the source, or by dampness or by fire, explosion, falling plaster or ceiling , and (ii) any loss or damage that may result from or be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in construction of any private, public, or quasi-public work, INCLUDING, WITHOUT LIMITATION, ANY AND ALL CLAIMS WHICH ARISE FROM, OR ARE ALLEGED OR FOUND TO HAVE BEEN CAUSED BY, IN WHOLE OR IN PART, THE NEGLIGENCE [BUT EXCLUDING GROSS NEGLIGENCE OR WILLFUL MISCONDUCT] OF ANY OF THE INDEMNIFIED PERSONS, OR CONDUCT BY ANY OF THE INDEMNIFIED PERSONS THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND. Nothing herein shall release the Landlord from (1) the obligation to deliver the Demised Premises vacant, free and clear of any known Hazardous Materials.

D. THE PROVISIONS OF THIS SECTION 21 SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS LEASE.

Section 22. Environmental Compliance:

A. Landlord has delivered, and Tenant hereby acknowledges receipt of, copies of certain environmental and soils reports within the possession of Landlord relating to the Demised Premises and contiguous properties surrounding the Demised Premises as listed in Exhibit 8 attached hereto and incorporated by reference ("Environmental Reports"). Except as set forth in the Environmental Reports, Landlord is not aware of any Hazardous Materials (as defined in Section 22. II.A. below) present on the Property in any material amount, or any violation of any Environmental Laws, or any requirement to remediate any environmental condition.

B. No Storage or Disposal: Tenant shall not install, store, use, treat, transport, discharge or dispose (or permit or acquiesce in the installation, storage, use, treatment, transportation, discharge or disposal by Tenant, its directors, officers, shareholders, members, partners, agents, employees, invitees, contractors, subcontractors, independent contractors, or subtenants) on the Demised Premises or any portion of the Common Facilities, any: (a) asbestos in any form; (b) urea formaldehyde foam insulation; (c) transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls in excess of 50 parts per million; or (d) any other chemical, material, air pollutant, toxic pollutant, waste, or substance which is regulated as toxic or hazardous or exposure to which is prohibited, limited or regulated by the Resource Conservation Recovery Act (42 U.S.C. §6901, et seq., as amended or superseded), the Comprehensive and Environmental Response Compensation and Liability Act (42 U.S.C. §9601, et seq, as amended or superseded), the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Clean Air Act, and/or the Clean Water Act, or any other federal, state, county, regional, local or other governmental authority laws, rules, orders, standards, policies, or

regulations, or which, even if not so regulated may or could pose a hazard to the health and safety of the occupants of the Demised Premises and/or any portions of the Common Facilities, and which is either: (i) in amounts in excess of that permitted or deemed safe under any applicable law, rule, order, standard, policy, or regulation or (ii) in any manner prohibited or deemed unsafe under applicable law, rule, order, standard, policy, or regulation. (The substances referred to in (a), (b), (c) or (d) are collectively referred to hereinafter as "Hazardous Materials").

C. Cleanup Laws: Tenant shall, at Tenant's own expense, comply with any presently existing or hereafter enacted laws relating to Hazardous Materials (collectively, "Cleanup Laws"); provided, however that Tenant shall not be obligated to perform investigation or remediation of any Hazardous Substances that existed on the Demised Premises prior to the Effective Date, to the extent such substances were not released, used, stored, generated, or aggravated by Tenant or any party under Tenant's control . In furtherance and not in limitation of the foregoing, Tenant shall, at Tenant's own expense, make all submissions to provide all information to, and comply with all requirements of the governmental authority with responsibility for implementation and enforcement of applicable Cleanup Laws (an "Authority"). Should any Authority require that a cleanup plan be prepared and that a cleanup be undertaken because of the existence of Hazardous Materials which were installed, stored, used, treated, transported, disposed of or discharged during the Term of the Lease on the Demised Premises and/or any portion of the Common Facilities, by Tenant, its directors, shareholders, members, partners, officers, agents, employees, invitees, independent contractors, contractors, subcontractors, licensees, subtenants, any other person entering the Demised Premises under express or implied invitation of Tenant, or any person directly or indirectly employed by or acting under Tenant, Tenant shall, at Tenant's own expense, prepare and submit the required plans and financial assurances and carry out the approved plans in accordance with such Cleanup Laws and to Landlord's satisfaction. The obligations of Tenant under this Section shall survive the expiration or earlier termination of this Lease. Regarding Tenant's liability described in this subsection 22.C., at no expense to Landlord, Tenant shall promptly provide all information requested by Landlord for preparation of affidavits or other documents required by Landlord to determine the applicability of the Cleanup Laws to the Demised Premises and/or any portion of the Common Facilities, as the case may be, and shall sign the affidavits promptly when requested to do so by Landlord.

TENANT'S FURTHER INDEMNITY OBLIGATION. TENANT SHALL INDEMNIFY, DEFEND, SAVE AND HOLD HARMLESS LANDLORD AND ALL OTHER LANDLORD PERSONS, AND AIRPORT MANAGER AND ALL OTHER MANAGER PERSONS, FROM AND AGAINST, AND REIMBURSE LANDLORD AND ALL OTHER LANDLORD PERSONS, AND AIRPORT MANAGER AND ALL OTHER MANAGER PERSONS, FOR, ANY AND ALL OBLIGATIONS, DAMAGES, INJUNCTIONS, FINES, PENALTIES, DEMANDS, CLAIMS, COSTS, FEES, CHARGES, EXPENSES, ACTIONS, CAUSES OF ACTION, JUDGMENTS, LIABILITIES, SUITS, PROCEEDINGS AND LOSSES OF WHATEVER KIND OR NATURE (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COURT COSTS), AND ALL CLEANUP OR REMOVAL COSTS (COLLECTIVELY FOR PURPOSES OF THIS SUBSECTION, "DAMAGES") AND ALL ACTIONS OF ANY KIND ARISING OUT OF OR IN ANY WAY CONNECTED WITH, (I) THE GENERATION, INSTALLATION, STORAGE, USE, TREATMENT, TRANSPORTING, DISPOSAL OR DISCHARGE OF HAZARDOUS MATERIALS IN OR ON THE DEMISED PREMISES AND/OR ANY

PORTION OF THE AIRPORT, INCLUDING THE COMMON FACILITIES, OR ANY PROPERTY ADJACENT TO THE AIRPORT, BY TENANT OR ANY TENANT PERSONS, AND (II) ALL FINES, SUITS, PROCEDURES, CLAIMS AND ACTIONS OF ANY KIND ARISING OUT OF TENANT'S FAILURE TO PROVIDE ALL INFORMATION, MAKE ALL SUBMISSIONS AND TAKE ALL STEPS REQUIRED BY THE AUTHORITY UNDER THE CLEANUP LAWS OR ANY OTHER ENVIRONMENTAL LAW, RULE, STANDARD, REGULATION, OR POLICY. SUCH DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATION SHALL AND DOES INCLUDE DAMAGES ALLEGED OR FOUND TO HAVE BEEN CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENCE [BUT NOT THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT] OF THE LANDLORD, ANY OTHER LANDLORD PERSON, AIRPORT MANAGER, OR ANY OTHER MANAGER PERSON, OR BY ANY ACT OR OMISSION OF LANDLORD, ANY OTHER LANDLORD PERSON, AIRPORT MANAGER, OR ANY OTHER MANAGER PERSON THAT MAY GIVE RISE TO STRICT LIABILITY OF ANY KIND RELATING TO TENANT'S OCCUPANCY, USE, VACATION, OR ABANDONMENT OF THE DEMISED PREMISES AS DESCRIBED IN CLAUSES I-III OF THIS PARAGRAPH. HOWEVER, TO THE EXTENT GROSS NEGLIGENCE AND/OR WILLFUL MISCONDUCT ARE ALLEGED SIMULTANEOUSLY WITH CLAIMS REQUIRING DEFENSE AND INDEMNITY HEREIN, TENANT SHALL DEFEND ALL CLAIMS ALLEGED AGAINST THE LANDLORD, AND ANY OTHER LANDLORD PERSON, AND AIRPORT MANAGER, AND ANY OTHER MANAGER PERSON RELATING TO TENANT'S OCCUPANCY, USE, VACATION, OR ABANDONMENT OF THE DEMISED PREMISES AS DESCRIBED IN CLAUSES I-III OF THIS PARAGRAPH. TENANT'S LIABILITY UNDER THIS INDEMNITY OBLIGATION SHALL BE REDUCED BY THAT PORTION OF THE TOTAL AMOUNT OF THE DAMAGES (EXCLUDING DEFENSE FEES AND COSTS) EQUAL TO THE INDEMNIFIED PERSON'S OR INDEMNIFIED PERSONS' EQUITABLE SHARE OF THE NEGLIGENCE, OR CONDUCT THAT WOULD GIVE RISE TO LIABILITY OF ANY KIND, THAT CAUSED THE LOSS. LIKEWISE, TENANT'S LIABILITY FOR INDEMNIFIED PERSON'S OR INDEMNIFIED PERSONS' DEFENSE COSTS AND ATTORNEYS' FEES SHALL BE REDUCED BY A PORTION OF THE DEFENSE COSTS AND ATTORNEYS' FEES EQUAL TO THE INDEMNIFIED PERSON'S OR INDEMNIFIED PERSONS' EQUITABLE SHARE OF THE NEGLIGENCE, OR CONDUCT THAT WOULD GIVE RISE TO LIABILITY OF ANY KIND, THAT CAUSED THE LOSS. In addition to and not in limitation of Landlord's other rights and remedies, Tenant's failure to abide by the terms of this Section shall be restrainable by injunction.

C. Environmental Notices: Tenant shall promptly supply Landlord with copies of any notices, correspondence and submissions made by Tenant to or received by Tenant from any governmental authorities of the United States Environmental Protection Agency, the United States Occupational Safety and Health Administration, the FAA, TxDOT, or any other local, state or federal authority that requires submission of any information concerning environmental matters or Hazardous Materials.

D. Prior to the Commencement Date of the Lease, the Tenant, at Tenant's sole cost and expense, is entitled to conduct a Phase I Environmental Site Assessment ("ESA") with respect

to the Demised Premises. If a Phase I ESA indicates the likely presence of Hazardous Materials (as defined in this Lease) on the Demised Premises, Tenant shall be entitled to (i) ask Landlord to remedy the reported condition at Landlord's sole cost and expense if, and only if, a Phase II ESA is not recommended; or (ii) if a Phase II ESA is recommended, Tenant may, at its sole option, terminate the Lease or conduct a Phase II ESA at Tenant's sole cost and expense. If the Phase II ESA indicates the presence of Hazardous Materials on the Demised Premises, Tenant shall be entitled to: (a) remedy the condition at it sole cost, expense and risk, or (b) ask Landlord to remedy the reported condition at Landlord's sole cost, expense and risk, which the Town shall make such determination at its sole discretion, or (c) elect to terminate and disaffirm the Lease, in which case the Lease shall become null and void *ab inito*, whereupon no further obligation shall be borne of either party hereto. A full copy of any ESA shall be delivered promptly to Landlord upon its issuance. Lease Addendum #2 contains additional detail and terms regarding Tenant's Environmental Site Assessment procedures. Any election made by Tenant pursuant to this Section 23.D. shall not constitute a waiver of any rights, claims, remedies or causes of action which Tenant may have in connection with or arising out of the presence of Hazardous Materials present on the Demised Premises prior to the Effective Date.

E. Survival: Tenant's defense and indemnity and hold harmless obligation and Tenant's liability pursuant to the terms of Sections 6, 21 and 22 shall survive the expiration or earlier termination of this Lease.

Section 23. Default by Tenant:

Each of the following events, inclusive of those events of default otherwise referenced herein, shall be deemed to be an Event of Default (herein so called) by Tenant under this Lease:

A. Failure of Tenant to pay any installment of Rent or any other sum payable to Landlord hereunder, or to pay or cause to be paid taxes (to the extent Tenant is obligated to pay or cause same to be paid), utilities, or insurance premiums, or any other payment which Tenant is to make under this Lease, on the date that same is due and such failure continues for a period of ten (10) days after the date on which such payment is to be made.

B. Failure of Tenant to comply with any term, condition or covenant of this Lease (other than the payment of Rent or other sum of money, or the payment of taxes, utilities or insurance premiums, or other payments Tenant is to make under this Lease, as set forth in Subsection A. of this Section 23) and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant; provided, however, in the event such failure is not susceptible of cure within such thirty (30) day period, then such thirty (30) day period shall be extended for an additional period of time (not to exceed an additional sixty [60] days) so long as Tenant has provided Landlord written notice of the curative measures Tenant proposes to undertake and commenced to cure such failure within the initial thirty (30) day period and thereafter diligently pursues such cure.

C. INTENTIONALLY DELETED.

D. Insolvency, the making of a transfer in fraud of creditors, or the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.

E. Filing of a petition under any section or chapter of the Bankruptcy Code, as amended, or under any similar law or statute of the United States or any State thereof by Tenant or any guarantor of Tenant's obligations, or adjudication as a bankrupt or insolvent in proceedings filed against Tenant or such guarantor and same is not dismissed within sixty (60) days of filing.

F. Appointment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations and same is not dismissed within sixty (60) days of filing.

G. Abandonment or cessation of use of the Demised Premises or any substantial portion thereof for the purpose leased by Tenant for a period of thirty (30) consecutive days.

H. Tenant is in default of any other lease or agreement with the Town of Addison after notice and opportunity to cure, if applicable, or, provided Tenant is the holder of a valid aviation fuel dispensing permit or license issued by the Town of Addison, is in default of said fuel dispensing permit or license after notice and opportunity to cure, if applicable.

Section 24. Remedies of Landlord:

A. Upon the occurrence of any of Event of Default by Tenant under this Lease, Landlord, without prejudice to any other legal, equitable, or contractual right or remedy, shall have the option to pursue any one or more of the following rights or remedies using lawful force if necessary or appropriate, without notice or demand whatsoever:

1. Terminate this Lease or any of Tenant's rights under this Lease, with or without reentering or repossessing the Demised Premises, and terminate any other lease or agreement at the Airport between Landlord and Tenant and any fuel license or permit granted to Tenant. Landlord may also terminate this Lease at any time after a termination of occupancy or possession as described in subsection B. of this Section.

2. Terminate Tenant's right to occupy or possess all or any part of the Demised Premises without terminating this Lease and with or without reentering or repossessing the Demised Premises.

3. Recover unpaid Rent and any Damages (as defined below);

4. Re-enter and re-possess all or any part of the Demised Premises by changing or picking the locks, access codes, or other access control devices, and taking any other self-help or judicial action, to exclude Tenant and other occupants from the Demised Premises. Re-entry or repossession of the Demised Premises by Landlord will not be construed as an election by Landlord to terminate this Lease.

5. Remove and store (at Tenant's sole cost) any property (other than aircraft) on the Demised Premises.

6. Sue for eviction, specific enforcement, equitable relief, Rent, damages, or any other available remedy.

7. Cure Tenant's default, and if Landlord does so, Tenant must reimburse Landlord within 30 days after Landlord delivers an invoice for any actual, out-of-pocket expenses Landlord incurred effecting compliance with Tenant's obligations during the Term of the Lease.

8. Withhold or suspend any payment that this Lease would otherwise require Landlord to make.

9. Exercise all other remedies available to Landlord at law or in equity (including, without limitation, injunctive and other extraordinary remedies).

B. For purposes of this Section, "Damages" includes, without limitation, all actual, incidental, and consequential damages, court costs, interest, and attorneys' fees incurred by Landlord and arising from Tenant's breach of this Lease, including, without limitation, the cost of (i) recovering possession of the Demised Premises, (ii) removing and storing Tenant's and any other occupant's property, (iii) re-letting the Demised Premises, including, without limitation, the costs of brokerage commissions and cleaning, decorating, repairing, or altering the Demised Premises for a substitute tenant or tenants, (iv) collecting any money owed by Tenant or a substitute tenant, (v) repairing any damage caused by any Tenant Persons, (vi) performing any obligation of Tenant under the Lease, and (vii) any other loss or cost incurred by Landlord as a result of, or arising from, Tenant's breach of the Lease or Landlord's exercise of its rights and remedies for such breach. Any rent received from a substitute tenant shall be subtracted from what the defaulting Tenant may owe in Damages.

C. Unless Landlord delivers signed, written notice thereof to Tenant explicitly accepting surrender of the Demised Premises, providing for termination of this Lease, or evicting Tenant, no act or omission by Landlord or Airport Manager or their respective officials, officers, employees, or agents will constitute Landlord's acceptance of surrender of the Demised Premises, termination of Lease, or an actual or constructive eviction of Tenant (including, without limitation, Tenant's delivery of keys to any of Landlord's or Manager's officials, officers, employees, or agents or Landlord's repossession, reentry, or reletting of the Demised Premises).

D. Pursuit of any of the foregoing rights or remedies by Landlord shall not preclude Landlord's pursuit of any of the other rights or remedies herein provided or any other rights or remedies provided by law, in equity, or otherwise, nor shall pursuit of any right or remedy herein provided constitute a forfeiture or waiver of any Rent due to Landlord hereunder or of any damages accruing to Landlord because of the violation of any of the terms, conditions and covenants herein contained.

Section 25. Default by Landlord:

No default by Landlord hereunder shall constitute an eviction or disturbance of Tenant's use and possession of the Demised Premises or render Landlord liable for damages (including consequential damages) or entitle Tenant to be relieved from any of Tenant's obligations (including the obligation to pay Rent) or grant Tenant any right of deduction, abatement, set-off or recovery or

entitle Tenant to take any action whatsoever with regard to the Demised Premises or Landlord until thirty (30) days after Tenant has given Landlord written notice specifically setting forth such default by Landlord, and Landlord has failed to cure such default within said thirty (30) day period, or in the event such default cannot be cured within said thirty (30) day period then within an additional reasonable period of time so long as Landlord has commenced curative action within said thirty (30) day period and thereafter is diligently attempting to cure such default. In the event that Landlord fails to cure such default within said thirty (30) day period, or within said additional reasonable period of time, Tenant shall have the right as its sole and exclusive remedy to:

A. Proceed to cure such default (provided such cure occurs entirely within the Demised Premises) and deduct the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum from the next succeeding Rent installment(s) due by Tenant to Landlord hereunder;

B. Proceed to cure such default (provided such cure occurs entirely within the Demised Premises) and bring suit against Landlord for the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum; or

C. Exercise all other remedies available to Tenant at law or in equity (including, without limitation, injunctive and other extraordinary remedies).

If any mortgagee of Landlord has given Tenant its address for notices and specifically requests such notice, Tenant agrees to give the notice required hereinabove to such mortgagee at the time Tenant gives same to Landlord, and to accept curative action, if any, undertaken by such mortgagee as if such curative action had been taken by Landlord.

Section 26. Mitigation of Damages:

A. In lieu of any obligation imposed by law on Landlord to mitigate damages arising from Tenant's abandonment of the Demised Premises in breach of this Lease, Landlord, beginning not more than 90 days after Tenant physically vacates the Demised Premises and continuing until the Demised Premises have been relet (but subject to the provisions of this subsection A. set forth below), will market the Demised Premises for lease, and Tenant will remain liable for all Rent and for Damages incurred by Landlord (as the term "Damages" is defined in Section 24, above).

B. Landlord and Tenant agree to the following criteria in connection with Landlord's obligation (if any) to mitigate damages as described above:

1. Landlord will have no obligation to solicit or entertain negotiations with any other prospective tenants of the Demised Premises until and unless Landlord obtains full and complete possession of the Demised Premises, including without limitation, the final and unappealable legal right to relet the Demised Premises free of any claim of Tenant.

2. Landlord will not be obligated to offer the Demised Premises to a prospective tenant when other premises suitable for that prospective tenant's use are (or soon will be) available in any other premises located at Addison Airport.

3. Landlord will not have any obligation to lease the Demised Premises for any rent less than the current rate then prevailing for similar space at Addison Airport (or if no similar space is available, the current fair market rent then prevailing for similar space in comparable buildings in the same market area as the Demised Premises) nor shall Landlord be obligated to enter into a new lease under any terms or conditions that are unacceptable to Landlord, so long as the terms Landlord is requiring are commercially reasonable.

4. Landlord will not be obligated to enter into any lease with any prospective tenant whose reputation is not acceptable to Landlord, in Landlord's commercially reasonable judgment and opinion.

5. Landlord will not be obligated to enter into a lease with any prospective tenant: (i) which does not have, in Landlord's commercially reasonable judgment and opinion, sufficient financial resources and operating experience to operate the Demised Premises in a manner consistent with the highest standards of quality, cleanliness, and service generally recognized within the industry, including without limitations the attributes outlined in Section 9.A.5 above; or (ii) whose proposed use of the Demised Premises is not a permitted use under the terms of this Lease.

6. Landlord will not be required to expend more than a commercially reasonable amount of money to alter, remodel or otherwise make the Demised Premises suitable for use by any prospective tenant.

If Landlord makes the Demised Premises available for reletting under the criteria set forth hereinabove, Landlord will be deemed to have fully satisfied Landlord's obligation (if any) to mitigate damages under this Lease and any law or judicial ruling in effect on the date of this Lease or at the time of Tenant's default, and **Tenant hereby waives and releases**, to the fullest extent legally permissible, any right to assert in any action by Landlord to enforce the terms of this Lease, any defense, counterclaim, or rights of setoff or recoupment respecting the mitigation of damages by Landlord (or alleged failure by Landlord to adequately mitigate its damages), unless and to the extent Landlord maliciously or in bad faith fails to act in accordance with the requirements of this Section.

Tenant stipulates that the mitigation requirements expressed in this Section are objectively reasonable. TO THE FULLEST EXTENT PERMITTED BY LAW, TENANT WAIVES ANY OTHER OBLIGATION BY LANDLORD TO MITIGATE ITS DAMAGES AFTER TENANT FAILS TO PAY RENT OR VACATES OR ABANDONS THE PREMISES.

C. Tenant's right to seek actual damages as a result of a default by Landlord under this Lease shall be conditioned on Tenant taking all actions reasonably required, under the circumstances, to minimize any loss or damage to Tenant's property or business, or to any of Tenant's officers, employees, agents, invitees, or other third parties that may be caused by any such default of Landlord.

Section 27. Waiver of Subrogation:

Each party hereto waives any and every claim which arises or may arise in such party's favor against the other party hereto during the term of this Lease for any and all loss of, or damage to, any of such party's property located within or upon, or constituting a part of, the Demised Premises, which loss or damage is covered by valid and collectible casualty, fire and extended coverage insurance policies, to the extent that such loss or damage is recoverable under such insurance policies. Such mutual waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Lease with respect to any loss of, or damage to, property of the parties hereto. Since such mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation or otherwise to an insurance company (or any other person), each party hereby agrees immediately to give to each insurance company which has issued to such party policies of fire and extended coverage insurance, written notice of the terms of such mutual waivers, and to cause such insurance policies to be endorsed appropriately, if necessary, to prevent the invalidation of such insurance coverages because of such waivers.

Section 28. Title to Improvements:

A. All improvements on the Demised Premises, including, without limitation, any buildings constructed on the Demised Premises by or for Tenant, shall be owned by Tenant during the term of this Agreement. The term "improvements" shall include, without limitation, the Building Improvements as defined in Section 6.

B. Upon the termination of this Agreement, whether by expiration of the term hereof or by reason of default on the part of Tenant, or for any other reason whatsoever, the improvements (including, without limitation, the Building Improvements), and all parts thereof, shall merge with the title of the Demised Premises, free and clear of any claim of Tenant and all persons or entities claiming under or through Tenant (including, without limitation, any holder of a leasehold mortgage), and shall become the property of Landlord; provided, however: (i) Tenant shall have the right to remove all personal property (including aircraft stored in the Building Improvements) and trade fixtures owned by Tenant from the Demised Premises, but Tenant shall be required to repair any damage to the Demised Premises caused by such removal in a good and workmanlike manner and at Tenant's sole cost and expense; and (ii) Landlord may elect to require Tenant to remove all Building Improvements from the Demised Premises and restore the Demised Premises to the condition in which the same existed on the date hereof, in which event Tenant shall promptly perform such removal and restoration in a good and workmanlike manner and at Tenant's sole cost and expense. Upon such termination, Tenant shall deliver the Demised Premises to Landlord in good condition, reasonable wear and tear excepted, and shall, at Landlord's request, execute a recordable instrument evidencing the termination of this Agreement and stating the termination or expiration date.

C. Upon the expiration or early termination of this Lease, Tenant shall, at Landlord's request, execute a recordable instrument evidencing the termination of this Lease and giving the effective date of said termination or expiration date.

Section 29. Mechanics' and Materialmen's Liens; Lien for Rent:

A. Tenant agrees to DEFEND, INDEMNIFY and HOLD HARMLESS to the full extent as provided in this Lease, Landlord and all Landlord Persons, and Airport Manager and all Manager Persons, from and against all liability arising out of the filing of any mechanics' or materialmen's liens against the Demised Premises by reason of any act or omission of Tenant or anyone claiming under Tenant (including, without limitation, any Tenant Persons), and Landlord, at Landlord's option, may satisfy such liens and collect the amount expended from Tenant together with interest thereon as provided in Section 39 as additional Rent; provided, however, that Landlord shall not so satisfy such liens until thirty (30) days after written notification to Tenant of Landlord's intention to do so and Tenant's failure during such thirty (30) day period to bond such liens or escrow funds with appropriate parties to protect Landlord's interest in the Demised Premises, unless a shorter period of time is dictated by applicable law.

Section 30. Intentionally Deleted.

Section 31. Quiet Enjoyment and Subordination:

Landlord represents that Tenant, upon payment of the Rent and performance of the terms, conditions, covenants and agreements herein contained, shall (subject to all of the terms and conditions of this Lease) peaceably and quietly have, hold and enjoy the Demised Premises during the full term of this Lease. Landlord further is hereby irrevocably vested with full power and authority by Tenant to subordinate Tenant's interest hereunder to any mortgage, deed of trust or other lien hereafter placed on the Demised Premises or to declare this Lease prior and superior to any mortgage, deed of trust or other lien hereafter placed on the Demised Premises; provided, however, any such subordination shall be upon the express conditions that (i) this Lease shall be recognized by the mortgagee and that all of the rights of Tenant shall remain in full force and effect during the full term of this Lease on condition that Tenant attorn to the mortgagee, its successors and assigns, and perform all of the covenants and conditions required by the terms of this Lease, and (ii) in the event of foreclosure or any enforcement of any such mortgage, the rights of Tenant hereunder shall expressly survive and this Lease shall in all respects continue in full force and effect so long as Tenant shall fully perform all Tenant's obligations hereunder and attorn to the purchaser. Tenant also agrees upon demand to execute further instruments declaring this Lease prior and superior to any mortgage, deed of trust, or other lien and specifically providing that this Lease shall survive the foreclosure of such mortgage, deed of trust, or other lien.

Section 32. Rent on Net Return Basis:

The Rent provided for in this Lease shall be an absolutely net return to Landlord for the term of this Lease, free of any loss, expenses or charges for the Demised Premises, including, without limitation, maintenance, repairs, replacement, insurance, taxes and assessments, and this Lease shall be construed in accordance with and to effectuate such intention.

Section 33. Holding Over:

Should Tenant, or any of Tenant's successors in interest fail to surrender the Demised Premises, or any part thereof, on the expiration of the Term of this Lease, such holding over shall constitute a tenancy from month to month only terminable at any time by either Landlord or Tenant after thirty (30) days prior written notice to the other, at a monthly Rent equal to one hundred and twenty-five percent (125%) of the Base Rent paid for the last month of the Term of this Lease.

Section 34. Waiver of Default:

No waiver by the parties hereto of any default or breach of any term, condition or covenant of this Lease shall be deemed to be a waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein. Neither Landlord nor Tenant will be deemed to have waived any right or breach of any obligation under this Lease by the other Party, unless a signed writing is delivered to the other Party, addressed to such Party explicitly relinquishing that right or breach. No custom or practice arising during the administration this Lease will waive, or diminish, Landlord's right to insist upon strict performance of Tenant's obligations. No restrictive endorsement or other statement on or accompanying any check or payment will be deemed an accord and satisfaction or novation, and Landlord will be entitled to accept any such check or payment, without prejudice, to Landlord's rights to recover the full amount due and to exercise its other remedies.

Section 35. Release of Landlord Upon Transfer:

All of Landlord's personal liability for the performance of the terms and provisions of this Lease (except for any liability accruing prior to such transfer) shall terminate upon a transfer of the Demised Premises by Landlord, provided that the obligations of Landlord under this Lease are covenants running with the land and shall be binding upon the transferee of Landlord's interest in this Lease and the Demised Premises.

Section 36. Attorneys' Fees:

If, on account of any breach or default by either Party to this Lease, it shall become necessary for either Party to employ an attorney to enforce or defend any of its rights or remedies hereunder, with the result that a judicial proceeding shall be filed, then the prevailing party in such judicial proceeding shall be entitled, in addition to any other rights it may have, in law or equity, to collect reasonable attorneys' fees and costs of Court incurred.

Section 37. Financial Information:

Tenant agrees that Tenant will from time to time upon the written request of Landlord during the term of this Lease furnish to Landlord such credit and banking references as Landlord may reasonably request.

Section 38. Estoppel Certificates:

A. Tenant agrees that from time to time, upon not less than ten (10) days prior written request by Landlord, Tenant will deliver to Landlord a statement in writing certifying that:

1. This Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease as modified is in full force and effect and stating the modifications).

2. The dates to which Rent and other charges have been paid.

3. Landlord is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

4. If requested by Landlord, Tenant will not pay Rent for more than one (1) month in advance and that this Lease will not be amended without notice to Landlord's mortgagee and that the same will not be terminated without the same notice required by the Lease to be furnished to Landlord also being furnished to Landlord's mortgagee and Landlord's mortgagee fails to cure such default within the curative period allowed Landlord under this Lease.

B. Landlord agrees that from time to time, upon not less than ten (10) days' prior written request by Tenant, Landlord will deliver to Tenant a statement in writing certifying that:

1. This Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease as modified is in full force and effect and stating the modifications).

2. The dates to which Rent and other charges have been paid.

3. Tenant is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

Section 39. Interest on Tenant's Obligations and Manner of Payment:

Other than Rent, monetary obligations of Tenant to Landlord under this Lease remaining unpaid thirty (30) days after the due date of the same (if no due date has been established under other provisions hereof, the "due date" shall be the date upon which Landlord demands payment from Tenant in writing) shall bear interest at the rate of ten percent (10%) per annum (or the maximum interest rate permitted by law, whichever is lower) from and after said tenth (10th) day until paid. If more than twice during the term of the Lease Tenant's personal or corporate check is not paid by the bank on which it is drawn for whatever reason, Landlord may require by giving written notice to Tenant that the payment of all future monetary obligations of Tenant under this Lease are to be made on or before the due date by cash, cashier's check, certified check or money order, and the delivery of Tenant's personal or corporate check will no longer constitute payment of such monetary obligations. Any acceptance by Landlord of a personal or corporate check after such notice shall not be deemed or construed as a waiver or estoppel of Landlord to require other payments as required by said notice. Notwithstanding the foregoing, Tenant's failure to pay any monetary amount due payable is a monetary default of this Lease.

Section 40. Special Events:

Landlord may sponsor certain special events, including, but not limited to, air shows, to be conducted on portions of the Airport, which may limit or obstruct access to the Premises and/or to the Airport ("Special Events"), and Tenant agrees and consents to the same. As a material inducement to Landlord to enter into this Lease, and notwithstanding anything to the contrary contained herein, Tenant, on behalf of Tenant and on behalf of all directors, officers, shareholders, partners, principals, employees, agents, contractors, subtenants, licensees or concessionaires of Tenant and on behalf of any other party claiming any right to use the Demised Premises by, through or under Tenant, hereby: (i) agrees that Landlord has the right to sponsor any or all Special Events and to allow use of portions of the Airport therefor even if the same limit or obstruct access to the Demised Premises and/or to the Airport; (ii) **releases, waives and discharges** Landlord and Manager, and Landlord Persons and Manager Persons, from all liability for any loss, damage, cost, expense or claim arising or resulting from or pertaining to the limitation or obstruction of access to the Demised Premises and/or to the Airport from the conduct of Special Events and/or activities relating or pertaining thereto, including, without limitation, death, injury to person or property or loss of business or revenue (the "Released Claims"); (iii) **covenants not to sue** the Landlord or Manager, or any of the Landlord Persons and Manager Persons, for any Released Claims; (iv) agrees that the terms contained in this Section are intended and shall be construed to be as broad and inclusive as possible under the laws of the State of Texas; and (v) agrees that if any portion of this Section is held to be invalid or unenforceable, the remainder of this Section shall not be affected thereby but shall continue in full force and effect.

Section 41. Independent Contractor:

It is understood and agreed that in leasing, using, occupying, and operating the Demised Premises, Tenant is acting as an independent contractor and is not acting as agent, partner, joint venturer or employee of Landlord or Airport Manager.

Section 42. Force Majeure:

A. In the event performance by Landlord of any term, condition or covenant in this Lease is delayed or prevented by an Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, quarantine or mandatory closure order enacted in response to a pandemic or other public health crises, civil riot, flood, or any other cause not within the control of Landlord, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Landlord is so delayed or hindered.

B. In the event performance by Tenant of any term, condition or covenant in this Lease is delayed or prevented by an Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, quarantine or mandatory closure order enacted in response to a pandemic or other public health crises, civil riot, flood, or any other cause not within the control of Tenant, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Tenant is so delayed or hindered.

Section 43. Exhibits:

All exhibits, attachments, annexed instruments and addenda referred to herein shall be considered a part hereof for all purposes with the same force and effect as if copied verbatim herein.

Section 44. Use of Language:

Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular shall be held to include the plural, unless the context otherwise requires. The terms "day", "week,", "month", "year" or any plural form of said terms shall be construed to mean on a calendar basis unless expressly stated otherwise. For the purposes herein, the term "business day" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of Texas are authorized or required by law or other governmental action to close.

Section 45. Captions:

The captions or headings, sections, or paragraphs in this Lease are inserted for convenience only and shall not be considered in construing the provisions hereof if any question of intent should arise.

Section 46. Successors; No Third-Party Beneficiaries; No Waiver of Immunity; No Tax Representation:

The terms, conditions and covenants contained in this Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto and their respective successors in interest and legal representatives except as otherwise herein expressly provided. All rights, powers, privileges, immunities and duties of Landlord under this Lease, including, but not limited to, any notices required or permitted to be delivered by Landlord to Tenant hereunder, may, at Landlord's option, be exercised or performed by Landlord's agent or attorney.

Except as otherwise set forth in this Lease (e.g., provisions relating to the Airport Manager and Manager Persons), this Lease and all of its provisions are solely for the benefit of the parties hereto and do not and are not intended to create or grant any rights, contractual or otherwise, to any third person or entity.

Notwithstanding any other provision of this Lease, nothing in this Lease shall or may be deemed to be, or shall or may be construed to be, a waiver or relinquishment of any immunity, defense, or tort limitation to which the Town of Addison, Landlord, its officials, officers, employees, representatives, and agents, or Airport Manager, its owners, officers, employee, representatives, and agents, are or may be entitled, including, without limitation, any waiver of immunity to suit.

Notwithstanding any provision of this Lease, Landlord makes no representation that this Lease or any provision hereof will entitle or allow Tenant to receive any federal income or other federal tax benefit whatsoever.

Section 47. Severability:

If any provision in this Lease should be held to be invalid, illegal, or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby, and the invalid, illegal, or unenforceable term will be reformed to give effect (to the fullest extent possible) to the parties' intentions in a manner that is legal, valid, and enforceable. It is the parties' intent that the term of this Lease does not exceed 50 years (600 months); if it should be determined that the term of this Lease exceeds such period of time, the term hereof shall be reformed to make the Term hereof not exceed such period of time.

Section 48. Notices:

Any notice or document required to be delivered or given in writing shall be delivered or given (a) in person; (b) by United States mail, postage prepaid, registered or certified mail, (return receipt requested optional by the sender); (c) by FedEx Corporation or other nationally recognized carrier; or (d) by email. Such notice or document shall be deemed to be delivered or given, whether actually received or not, (a) when received if delivered or given in person; (b) three business days after being deposited in the United States mail as set forth above; (c) the next business day after the notice or document is provided to FedEx Corporation or other nationally recognized carrier; or (d) the next business day if sent by email. A confirmation of delivery report, which reflects the time that the email was delivered to the recipient's last notified email address, is prima facie evidence of receipt by the recipient, unless the sender receives a delivery failure notification indicating that the email has not been delivered to the recipient.

Addresses for the delivery or giving of any such notice or document are indicated below, or at such address as may hereafter be specified by written notice delivered in accordance with this Section 48.

TO LANDLORD:	TO TENANT:
Town of Addison, Texas c/o City Manager P.O. Box 9010 Addison, Texas 75001 Email: dgaines@addisontx.gov	Thrust Properties, LLC Patrick Arnzen, Manager 4700 Airport Parkway Addison TX 75001 p.arnzen@thrustflight.com
With Copy to: Town of Addison, Texas c/o Addison Airport Manager 4545 Jimmy Doolittle Drive, Suite 200 Addison, Texas 75001 Attn: Asst. Airport Director - Real Estate Email: bdyer@addisontx.gov	*With Copy to:* Stuart Stevenson, Manager Thrust Properties, LLC 4700 Airport Parkway Addison TX 75001 (s.stevenson@thrustflight.com)

and Town of Addison, Texas City Attorney P.O. Box 9010 Addison, Texas 75001	and Alyssa Krahmer, Sole Managing Member Krahmer Law Firm, PLLC 12700 Hillcrest Road, Ste. 125 Dallas, TX 75230 (alyssa@krahmerlawfirm.com)

Section 49. Fees or Commissions:

Each party hereto hereby covenants and agrees with the other that such party shall be solely responsible for the payment of any brokers', agents' or finders' fees or commissions agreed to by such party arising from the execution of this Lease or the performance of the terms and provisions contained herein, and such party agrees to indemnify and hold the other party harmless from the payment of any such fees or commissions.

Section 50. Counterparts:

This Lease may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 51. Consent; "Includes" and "Including"; Recitals:

Where Landlord consent or approval is required in this Lease, such consent or approval may be given by the City Council of the Town of Addison, Texas or by the City Manager of the Town of Addison. For purposes of this Lease, "includes" and "including" are terms of enlargement and not of limitation or exclusive enumeration. Using the terms does not suggest that components not expressed are excluded. The above and foregoing recitals to the Lease are true and correct and are incorporated into and made a part of this Lease for all purposes.

Section 52. Governing Law and Venue; Survivability of Rights and Remedies:

A. This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas, without regard to "choice of laws" rules of any jurisdiction. All suits, actions, or legal proceedings relating to this Agreement shall be maintained in the state or federal courts of Dallas County, Texas, which courts shall have exclusive jurisdiction for such purpose. Each of the parties submits to the exclusive jurisdiction of such courts for purposes of any such suit, action, or legal proceeding hereunder, and waives any objection or claim that any such suit, action, or legal proceeding has been brought in an inconvenient forum or that the venue of that suit, action, or legal proceeding is improper.

B. Any rights and remedies either party may have with respect to the other arising out of the performance of or failure to perform this Lease during the term hereof shall survive the

cancellation, expiration or termination of this Lease. **NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE PARTIES OBLIGATIONS AND LIABILITIES PURSUANT TO SECTIONS 6, 21, 22, 28 SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE AS DEEMED NECESSARY FOR THE ENFORCEMENT OF THE PARTIES RIGHTS AND OBLIGATIONS THEREUNDER.**

Section 53. Entire Agreement and Amendments; Authorized Persons:

This Lease, consisting of 53 Sections and Exhibits 1 through 53, together with Lease Addendum #1, Lease Addendum #2 and Lease Addendum #3 attached hereto, embodies the entire agreement between Landlord and Tenant and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. Except as otherwise expressly provided herein, no agreement hereafter made shall be effective to change, modify, discharge or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing and signed by or on behalf of the party against whom enforcement of the change, modification, discharge or abandonment is sought.

The undersigned representatives of the parties hereto are the properly authorized persons and have the necessary authority to execute this Lease on behalf of the respective parties hereto.

EFFECTIVE as of the day, month and year first above written. **EXECUTED** per the date of final signature below.

CONTRACT AS OFFER: The execution of this Ground Lease Agreement (the "Agreement") by the first party constitutes an offer to lease the hereinbefore described property ("the Demised Premises") under the terms of the Agreement. This offer shall become fully executed and of full legal effect immediately upon the other party's signature, provided such signature occurs at any time prior to 5:00 p.m. Central Standard Time on November 15, 2025 ("Offer Deadline"). If the other party does not sign by the Offer Deadline, the offer shall be null and void and of no further force or effect. The execution date of this Agreement shall not modify the Effective Date of this Agreement.

TENANT:	**LANDLORD:**
THRUST PROPERTIES, LLC a Texas limited liability company	**TOWN OF ADDISON, TEXAS** a home-rule municipality
By: Signed by: 0695F03F4568492... Patrick Arnzen, Manager	By: _____ David Gaines, City Manager
Date: 9/26/2025	Date: _____

Initial PA

ACKNOWLEDGEMENTS

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on 9/26/2025, by Patrick Arnzen, Manager, of Thrust Properties, LLC, a Texas limited liability company, on behalf of the said limited liability company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 26th day of September 2025.

Signed by:
Stuart Stevenson
4D5E4E8237B840B...

Notary Public, State of Texas
This is an online notarization

Stuart Wayne Stevenson
Notary Public, State of Texas
Comm. Expires 10/29/2028
Notary ID 129186673

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on _____ by David Gaines, City Manager of the Town of Addison, Texas, a Texas home-rule municipality, on behalf of the said municipality.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the _____ day of _____, 2025.

Melissa Melville Newman
Notary Public, State of Texas
Comm. Expires 3/2/2028
Notary ID 7450509

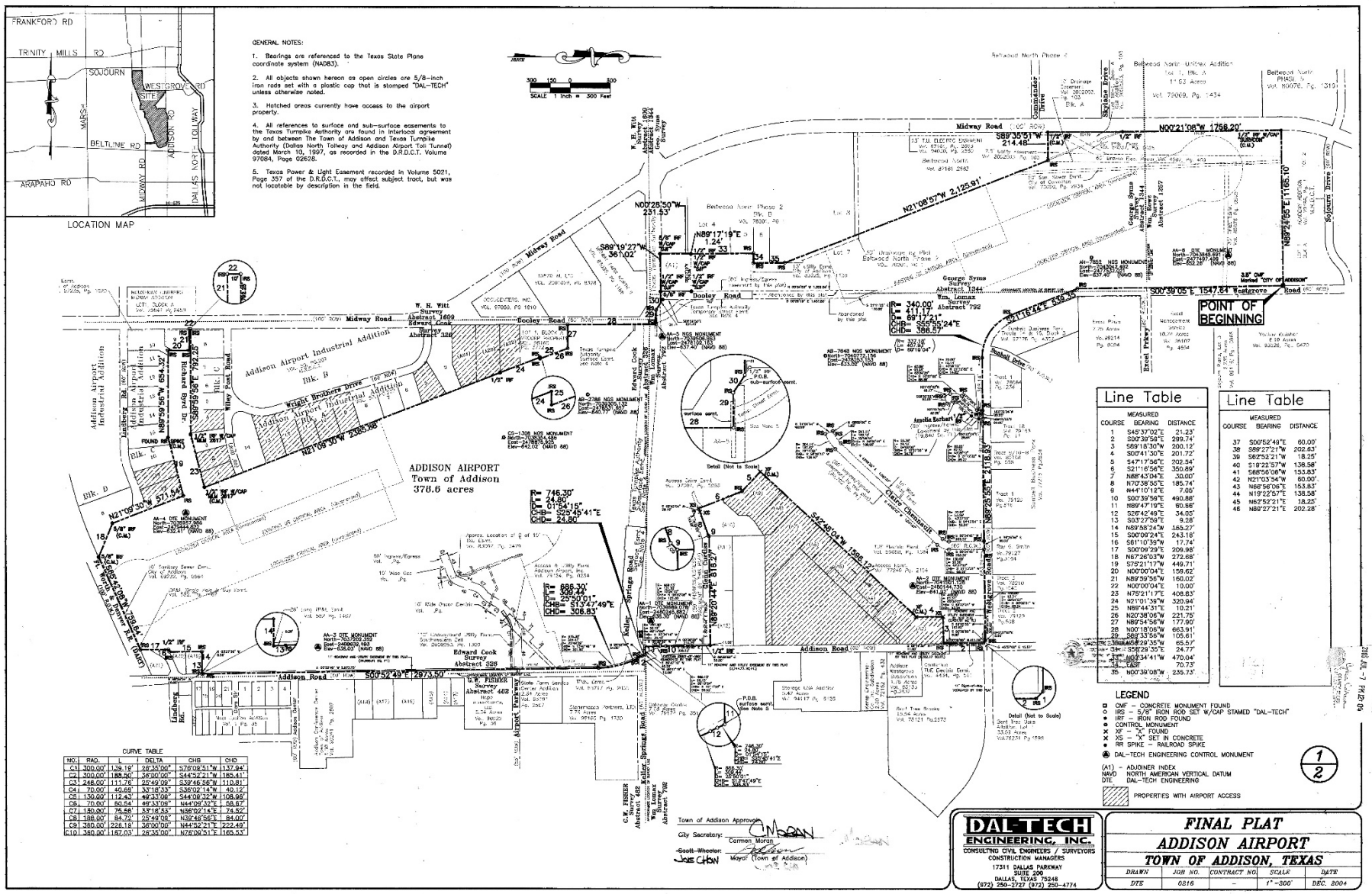
Notary Public, State of Texas
This is an online notarization

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Exhibit 1

Legal Description of Addison Airport

The property platted pursuant to the Final Plat, Addison Airport, recorded as Instrument #200503420292 in Dallas County, Texas Official Public Records as depicted on the following two pages.



Line Table		
	MEASURED	
COURSE	BEARING	DISTANCE
1	S43°37'02"E	21.23'
2	S00°39'56"E	299.74'
3	S89°18'30"W	200.12'
4	S00°41'30"E	201.72'
5	S47°17'56"E	202.54'
6	S21°16'56"E	350.89'
7	N88°43'04"E	30.00'
8	N70°39'00"E	185.74'
9	N44°10'12"E	7.05'
10	S00°39'56"E	490.88'
11	N89°47'19"E	80.86'
12	S26°42'49"E	34.05'
13	S03°27'58"E	9.28'
14	N89°58'24"W	185.27'
15	S00°09'24"E	243.18'
16	S61°10'39"W	17.74'
17	S00°09'29"E	209.98'
18	N67°26'03"W	272.68'
19	S75°21'17"W	449.71'
20	N00°00'04"E	159.62'
21	N89°39'56"W	160.02'
22	N00°00'04"E	10.00'
23	N75°21'17"E	408.83'
24	N21°01'39"W	320.94'
25	N89°44'31"E	10.21'
26	N20°38'06"W	221.75'
27	N89°54'56"W	177.90'
28	N00°18'06"W	663.91'
29	S89°33'56"W	105.61'
30	S00°26'04"E	65.00'
31	S58°29'35"E	24.77'
32	N00°34'41"W	470.04'
33	EAST	72.73'
34	S00°39'56"E	1547.64'
35	N00°39'08"W	235.73'

Line Table		
	MEASURED	
COURSE	BEARING	DISTANCE
37	S00°52'49"E	60.00'
38	S89°27'21"W	202.63'
39	S62°52'21"W	18.25'
40	S19°22'57"W	138.58'
41	S68°56'08"W	153.83'
42	N21°03'54"W	60.00'
43	N68°56'06"E	153.83'
44	N19°22'57"E	138.58'
45	N62°52'21"E	18.25'
46	N89°27'21"E	202.28'

CURVE TABLE					
NO.	RAD.	L	DELTA	CHB	CHD
C1	300.00'	139.19'	26°35'00"	S78°09'51"W	137.94'
C2	300.00'	188.50'	36°00'00"	S44°52'21"W	185.41'
C3	248.00'	111.76'	25°49'09"	S39°46'56"W	110.81'
C4	70.00'	40.68'	33°18'33"	S36°02'14"W	40.12'
C5	150.00'	112.42'	49°33'09"	S44°09'32"W	108.98'
C6	70.00'	60.54'	49°33'09"	N44°09'32"E	58.67'
C7	150.00'	75.58'	33°18'33"	N36°02'14"E	74.52'
C8	186.00'	84.72'	25°49'09"	N39°46'56"E	84.00'
C9	360.00'	226.19'	36°00'00"	N44°52'21"E	222.49'
C10	380.00'	167.03'	26°35'00"	N78°09'51"E	165.53'

LEGEND
- CMF – CONCRETE MONUMENT FOUND
- IRS – 5/8" IRON ROD SET W/CAP STAMED "DAL-TECH"
- IRF – IRON ROD FOUND
- CONTROL MONUMENT
- XF – "X" FOUND
- XS – "X" SET IN CONCRETE
- RR SPIKE – RAILROAD SPIKE
- DAL-TECH ENGINEERING CONTROL MONUMENT
- (A1) – ADJOINER INDEX
- NAVD NORTH AMERICAN VERTICAL DATUM
- DTE DAL-TECH ENGINEERING
- PROPERTIES WITH AIRPORT ACCESS

DAL-TECH ENGINEERING, INC.
CONSULTING CIVIL ENGINEERS / SURVEYORS
CONSTRUCTION MANAGERS
17311 DALLAS PARKWAY
SUITE 200
DALLAS, TEXAS 75248
(972) 250-2727 (972) 250-4774

FINAL PLAT
ADDISON AIRPORT
TOWN OF ADDISON, TEXAS

DRAWN	JOB NO.	CONTRACT NO.	SCALE	DATE
DTE	0216	-	1"=300'	DEC. 2004

1/2

Adjoiner Index

Index	Owner	Vol.	Page
A1	Texas Turnpike Authority	95197	4724
A2	Texas Federal Subdivision, No 2	79039	133
A3	Blakely Airport Addition	84088	4359
A4	Von-Hoff Subdivision	79197	1831
A5	Aemco Subdivision	79136	2610
A6	Replat Aemco Subdivision	97093	2846
A7	Personal Way Aviation Addition	90241	2860
A8	Hancin Out LLC	98245	3525
A9	Airport Land Development Subdivision	79078	1799
A10	1.950-acre Wolfe Subdivision	84108	3030
A11	Airport Plaza	85070	2982
A12	Addison Storage Addition	99078	78
A13	Eleanor W. Dedmon Marital Trust No. 1	98064	3173
A14	Tom J. Shepherd et ux Sandra D. Shepherd	97229	4451
A15	Crossroads Aviation Inc.	87044	213
A16	J.A. Cody	71165	2789
A17	Aerco Minor & Class	79020	872
A18	General Public	83083	1059
A19	Town of Addison	97247	4072
A20	White Rock Majestic Lodge #234	3981	416
A21	George P. Kondos and Carol C. Kondos	91084	2102
A22	15800 Dooley Road Ltd.	20000397	4255
A23	John-Mac Joint Venture	89001	1989
A24	Midway Road Condo's	81115	0018

Parent Tracts

Owner: City of Addison
Address: 15333 Addison Road City of Addison, Texas
Legal Description: Being all the certain tract of land 373.332 acres, more or less, out of the Edward Cook Survey Abstract 326, the William Lomax Survey Abstract 792, the George Syms Survey Abstract 1344, the William Rowe Survey Abstract 1257, Lot 1R-1, Block A of Coll Addition, Vol. 2002003, Page 103 Dallas County, Texas, and part of Lot 1 and Lot 2 of Block "A" of The Carroll Estates Addition, Volume 10 Page 473, Dallas County, Texas

Grantor: Addison Airport, Inc.
Grantee: City of Addison
WD Vol.77010 Pg. 1391

Grantor: W. H. Laffity
Grantee: City of Addison
Judgment Cause# 80-1894-D
Vol.81079 Pg.2887

Grantor: Beltwood North Joint Venture, et al
Grantee: City of Addison
Vol.82022 Pg.1211

Grantor: Bob Chester and William F. Chester
Grantee: City of Addison
Vol.98015 Pg.2145
Re: Chester Addition Vol.84216 Pg.3068

Grantor: Protecta-Cab, Inc.
Grantee: Town of Addison
Vol.97217 Pg.1350

Grantor : Charles Coyce, Independent Executor of the Estate of William L. Gray and Independent Executor of the Estate of Kathy L. Gray
Grantee: Town of Addison, Texas
Vol. 2003105, Pg. 11725
Re: Lot 1R-1, Block A, Coll Addition, Vol. 2002003, Pg. 103

Grantor: North Texas Tollway Authority
Grantee: Town of Addison
Vol. 2002150, Pg. 10404

Grantor: Roy V. Kincaid, Jr.
Grantee: Town of Addison
Vol.99155 Pg.2281
Re: Kincaid Addition Vol.84067 Pg.0048

Grantor: Billy Joe Mullins, Jr.
Grantee: Town of Addison
Vol.99249 Pg.5436
Re; Mullins Addition Vol.85157 Pg.4674 and Barnett Addition Vol.85160 Pg.1680

Grantor: George Marko, Trustee, et al
Grantee: Town of Addison
Vol.99078 Pg.1254
Re: a portion of Aircorp Property Addition Vol.98165 Pg.3772

Grantor: Bobbie L. Odom, et al
Grantee: City of Addison
Vol.81150 Pg.1985
Re: 1/4th Interest

Grantor: Donnell Jones, et al
Grantee: City of Addison
Vol.81150 Pg.1993
Re: 1/4th Interest

Grantor: Annie Ruth Harpe, et al
Grantee: City of Addison
Vol.81150 Pg.1991
Re: 1/4th Interest

Grantor: Oswald Coleman, et al
Grantee: City of Addison
Vol.81150 Pg.1989
Re: 1/4th Interest

Dedication Statement

That the TOWN OF ADDISON ("Owner") does hereby adopt this plat designating the hereinabove property as ADDISON AIRPORT ADDITION, an addition to the Town of Addison, Texas, and, subject to the conditions, restrictions and reservations stated hereinafter, owner dedicates to the public use forever the streets and alleys shown thereon.

The easements shown on this plat are hereby reserved for the purposes as indicated, including, but not limited to, the installation and maintenance of water, sanitary sewer, storm sewer, drainage, electric, telephone, gas and cable television. Owner shall have the right to use these easements, provided however, that it does not unreasonably interfere or impede with the provision of the services to others. Said utility easements are hereby being reserved by mutual use and accommodation of all public utilities using or desiring to use the same. An express easement of ingress and egress is hereby expressly granted on, over and across all such easements for the benefit of the provider of services for which easements are granted.

Any drainage and floodway easement shown hereon is hereby dedicated to the public's use forever, but including the following covenants with regards to maintenance responsibilities. The existing channels or creeks traversing the drainage and floodway easement will remain as an open channel, unless required to be enclosed by ordinance, at all times and shall be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage and floodway easement. The City will not be responsible for the maintenance and operation of said creek or for any damage or injury of private property or person that results from the flow of water along said creek, or for any damage or injury of private property or person that results from the flow of water along said creek, or for the control of erosion. No obstruction to the natural flow of water run-off shall be permitted by construction of any type building, fence or any other structure within the drainage and floodway easement. Provided, however, it is understood that in the event it becomes necessary for the City to channelize or consider erecting any type of drainage structure in order to improve the storm drainage, then in such event, the City shall have the right, but not the obligation, to enter upon the drainage and floodway easement at any point, or points, with all rights of ingress and egress to investigate, survey, erect, construct or maintain any drainage facility deemed necessary by the City for drainage purposes. Each property owner shall keep the natural drainage channels and creeks traversing the drainage and floodway easement adjacent to his property clean and free of debris, silt, growth, vegetation, weeds, rubbish, refuse matter and any substance which would result in unsanitary conditions or obstruct the flow of water, and the City shall have the right of ingress and egress for the purpose of inspection and supervision and maintenance work by the property owner to alleviate any undesirable conditions which may occur. The natural drainage channels and creeks through the drainage and floodway easement, as in the case of all natural channels, are subject to storm water overflow and natural bank erosion to an extent that cannot be definitely defined. The City shall not be held liable for any damages or injuries of any nature resulting from the occurrence of these natural phenomena, nor resulting from the failure of any structure or structures, within the natural drainage channels, and the owners hereby agree to indemnify and hold harmless the City from any such damages and injuries. Building areas outside the drainage and floodway easement line shall be filled to a minimum elevation as shown on the plat. The minimum floor of elevation of each lot shall be shown on the plat.

The maintenance or paving of the utility and fire lane easements is the responsibility of the property owner. All public utilities shall at all times have the full right of ingress and egress to and from and upon the said utility easements for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or parts of its respective system without the necessity at any time of procuring the permission of anyone. Any public utility shall have the right of ingress and egress to private property for the purpose of reading meters and any maintenance and service required or ordinarily performed by that utility. Buildings, fences, trees, shrubs or other improvements or growth may be constructed, reconstructed or placed upon, over or across the utility easements as shown; provided, however, that owner shall at its sole cost and expense be responsible under any and all circumstances for the maintenance and repair of such improvements or growth, any public utility shall have the right to remove and keep removed all or parts of any buildings, fences, trees, shrubs or other improvements or growth which in any way endanger or interfere with the construction, maintenance or efficiency of its respective system or service.

Water main and sanitary sewer easements shall also include additional area of working space for construction and maintenance of the systems. Additional easement area is also conveyed for installation and maintenance of manholes, cleanouts, fire hydrants, water service and sewer services from the main to curb or pavement line, and the descriptions of such additional easements herein granted shall be determined by their locations as installed.

This plat is approved subject to all platting ordinances, rules, regulations and resolutions of the Town of Addison, Texas.

Control Monument

(NAD 83, TEXAS NORTH CENTRAL – 4202)

North	East	Elevation	Desc.
7039889.078	2480245.682	638.30	AA-1
7041501.126	2480144.730	641.92	AA-2
7037702.352	2480632.193	636.03	AA-3
7035957.986	2479444.822	632.41	AA-4
7039506.863	2478102.163	637.40	AA-5
7043949.891	2477497.499	652.26	AA-6
7038305.132	2478531.857	640.77	AB2788
7040772.156	2478253.163	633.02	AB7648
7043042.492	2477532.021	637.40	AH7852
7038354.486	2478875.925	642.02	CS1308

PROPERTY DESCRIPTION

Being a tract of land out of the E. Cook Survey, Abstract No. 326, the William Lomax Survey, Abstract No. 792, the George Syms Survey, Abstract 1344, and the William Rowe Survey, Abstract 1257, and being all of a tract of land described in deed to the City of Addison recorded in Volume 77010, Page 1391 of the Deed Records of Dallas County, Texas (D.R.D.C.T.), all of a tract of land described in Judgment to the City of Addison recorded in Volume 81079, Page 2887, D.R.D.C.T., LOT 7, Block 3 of Beltwood North Addition, Phase II, an Addition to the City of Dallas, Texas, according to the map thereof recorded in Volume 78201, Page 0001, D.R.D.C.T., as described in deed to the City of Addison recorded in Volume 82022, Page 1211, D.R.D.C.T., a tract of land described in deed to the Town of Addison recorded in Volume 98015, Page 2143, D.R.D.C.T. a tract of land described in deed to the Town of Addison recorded in Volume 97217, Page 1350, D.R.D.C.T., Lot 1, Block 1, of Kincaid Addition, an Addition to the City of Addison, Dallas County, Texas, according to the Plat thereof recorded in Volume 84087, Page 48, D.R.D.C.T., a tract of land described in deed to the Town of Addison recorded in Volume 99249, Page 5436, D.R.D.C.T., a tract of land described in deed to the Town of Addison recorded in Volume 99078, Page 1254, D.R.D.C.T., a tract of land described in Deed to the City of Addison recorded in Volume 5143, Page 162, D.R.D.C.T., and a tract of land described in Deed to the City of Addison recorded in Volume 81150, Page 1985, D.R.D.C.T., said tracts to be known as the Addison Airport tract and being more particularly described as follows:

Beginning at a concrete monument found with a 3 1/2 inch disk stamped "City of Addison" lying in the west right-of-way line of Westgrove Road (a 60 foot wide right-of-way) said point being the most northerly northeast corner of said Addison Airport tract and the southeast corner of Lot 1, Block A, Academy Addition, an addition to the City of Carrollton, Dallas County, Texas according to the Plat thereof recorded in Volume 79186, Page 1, D.R.D.C.T.;

THENCE South 00 degrees 39 minutes 05 seconds East, along the west right-of-way line of said Westgrove Road, a distance of 1547.64 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 21 degrees 16 minutes 44 seconds East, continuing along said west right-of-way line of Westgrove Road, a distance of 539.35 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE along a curve to the left of said Westgrove Road having a radius of 340.00 feet, a central angle of 69 degrees 17 minutes 21 seconds and an arc length of 411.17 feet, being subtended by a chord of South 55 degrees 55 minutes 24 seconds East for a distance of 386.57 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 89 degrees 25 minutes 55 seconds East, along the southerly right-of-way line of Westgrove Road for a distance of 2,118.93 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" at the corner clip of said Southerly right-of-way line of Westgrove Road and the west right-of-way line of Addison Road (a 80 foot wide right-of-way);

THENCE South 45 degrees 37 minutes 02 seconds East, along said corner clip, a distance of 21.23 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 00 degrees 39 minutes 59 seconds East, along said west right-of-way line of Addison Road, a distance of 299.74 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 89 degrees 18 minutes 30 seconds West, departing said west right-of-way line of Addison Road, a distance of 200.12 feet to a chiseled "X" set in concrete;

THENCE South 00 degrees 41 minutes 30 seconds East, a distance of 201.72 feet to a found "X";

THENCE South 42 degrees 48 minutes 04 seconds West, a distance of 1,596.12 feet to a found "X";

THENCE South 47 degrees 17 minutes 58 seconds East, a distance of 202.54 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 21 degrees 16 minutes 56 seconds East, a distance of 350.89 feet to a chiseled "X" set in concrete;

THENCE North 68 degrees 43 minutes 04 seconds East, a distance of 30.00 feet to a chiseled cross set in concrete;

THENCE North 70 degrees 38 minutes 55 seconds East, a distance of 185.74 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 44 degrees 10 minutes 12 seconds East, a distance of 7.05 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH", said point be the common corner between the aforesaid Addison Airport tract and the southwest corner of a tract of land described in deed to O.J. Braughton and E.E. Ericson recorded in Volume 4350, Page 491 of D.R.D.C.T.;

THENCE North 89 degrees 20 minutes 44 seconds East, along the common line of said Addison Airport tract and the south line of said O.J. Braughton tract for a distance of 818.27 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the west right-of-way line of aforesaid Addison Road;

THENCE South 00 degrees 39 minutes 59 seconds East, a distance of 490.88 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the apparent common survey line between the aforesaid William Lomax Survey, Abstract No. 792 and the aforesaid E. Cook Survey, Abstract No. 326;

THENCE North 89 degrees 47 minutes 19 seconds East, a distance of 60.66 feet to a 1/2 inch iron rod set with cap stamped "DAL-TECH" in the aforesaid west right-of-way line of Addison Road;

THENCE along a curve to the left in the said west right-of-way line of Addison Road, having a radius of 746.30 feet, a central angle of 01 degree 54 minutes 15 seconds and an arc length of 24.80 feet, being subtended by a chord of South 25 degrees 45 minutes 41 seconds East for a distance of 24.80 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 26 degrees 42 minutes 49 seconds East, along said west right-of-way line of Addison Road, a distance of 34.05 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE along a curve to the right in the said west right-of-way line of Addison Road having a radius of 686.30 feet, a central angle of 25 degrees 50 minutes 01 second and an arc length of 309.44 feet, being subtended by a chord of South 13 degrees 47 minutes 49 seconds East for a distance of 306.83 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 00 degrees 52 minutes 49 seconds East, along said west right-of-way line of Addison Road, a distance of 2,973.50 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 03 degrees 27 minutes 59 seconds East, along said west right-of-way line of Addison Road, a distance of 9.28 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 89 degrees 58 minutes 24 seconds West, departing said west right-of-way line of Addison Road, a distance of 185.27 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 00 degrees 09 minutes 24 seconds East, a distance of 243.18 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 51 degrees 10 minutes 39 seconds West, a distance of 17.74 feet to a 1/2 inch iron rod found;

THENCE South 00 degrees 09 minutes 29 seconds East, a distance of 209.98 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the north right-of-way line of said Fort Worth and Denver Railroad spur;

THENCE South 65 degrees 42 minutes 08 seconds West, along said north right-of-way line of said Forth Worth and Denver Railroad spur, a distance of 759.64 feet to a 5/8 inch iron rod found at the most easterly corner of the Addison Airport Industrial District, an Addition to the City of Addison according to the plat thereof recorded in Volume 50, Page 207, D.R.D.C.T.;

THENCE North 67 degrees 26 minutes 03 seconds West, along the said easterly line of Addison Airport Industrial District addition, a distance of 272.88 feet to a 5/8 inch iron rod found;

THENCE North 21 degrees 09 minutes 30 seconds West, along the said easterly line of Addison Airport Industrial District addition, a distance of 571.54 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 75 degrees 21 minutes 17 seconds West, a distance of 449.71 feet to a found railroad spike;

THENCE North 89 degrees 59 minutes 56 seconds West, a distance of 854.32 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 00 degrees 00 minutes 04 seconds East, a distance of 159.62 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 89 degrees 59 minutes 56 seconds West, a distance of 160.02 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the east right-of-way line of Midway Road (a 100 foot wide right-of-way);

THENCE North 00 degrees 00 minutes 04 seconds East, along said east right-of-way line of Midway Road, a distance of 10.00 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE South 89 degrees 59 minutes 56 seconds East, a distance of 792.25 feet to a 1/2 inch iron rod found with cap stamped "MLM #2817;

THENCE North 75 degrees 21 minutes 17 seconds East, a distance of 408.83 feet to a 1/2 inch iron rod found with cap stamped "MLM #2817;

THENCE North 21 degrees 09 minutes 30 seconds West, along the aforesaid easterly line of said Addison Airport Industrial District addition, a distance of 2,385.88 feet record to a 1/2 inch iron rod found;

THENCE North 21 degrees 01 minute 39 seconds West, a distance of 320.94 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 89 degrees 44 minutes 31 seconds East, a distance of 10.21 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 20 degrees 38 minutes 06 seconds West, a distance of 221.75 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 89 degrees 54 minutes 56 seconds West, a distance of 177.90 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the east right-of-way line of Dooley Road (a 50 foot wide right-of-way)

THENCE North 00 degrees 18 minutes 06 seconds West, along the said east right-of-way line of Dooley Road, a distance of 683.91 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" for the apparent intersection of said east right-of-way line of Dooley Road and the north right-of-way line of the aid Keller Springs Road (a 50 foot wide right-of-way);

THENCE South 89 degrees 33 minutes 56 seconds West, with the said north line of Keller Springs Road, a distance of 165.61 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 56 degrees 29 minutes 35 seconds West, a distance of 65.57 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the aforesaid east right-of-way line of Dooley Road (a 60 foot wide right-of-way);

THENCE South 89 degrees 19 minutes 27 seconds West, a distance of 361.02 feet to a 5/8 inch iron rod found;

THENCE North 00 degrees 28 minutes 50 seconds West, a distance of 231.53 feet to a 1/2 inch iron rod found;

THENCE North 89 degrees 17 minutes 19 seconds East, a distance of 1.24 feet to a 1/2 inch iron rod found with cap stamped SM&F

THENCE North 00 degrees 34 minutes 41 seconds West, a distance of 470.04 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" in the east line of Beltwood North Phase 2, an addition to the City of Dallas, Texas, according to the Plat thereof recorded in Volume 78201, Page 1, D.R.D.C.T.;

THENCE East, a distance of 70.73 feet along said Beltwood North Phase 2 addition to a 5/8 inch iron rod set with cap stamped "DAL-TECH";

THENCE North 00 degrees 39 minutes 06 seconds West, along said Beltwood North Phase 2 addition, a distance of 235.73 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" for the most southerly corner of Lot 7 of said Beltwood North Phase 2 addition;

THENCE North 21 degrees 08 minutes 57 seconds West, passing the north line of said Beltwood North Phase 2 addition at a called distance of 576.04 feet and continuing on for a total distance of 2,125.91 feet to a 5/8 inch iron rod set with cap stamped "DAL-TECH" for the northeast corner of Beltwood North Addition, according to the plat thereof recorded in Volume 78201, Page 1, D.R.D.C.T., same being the southeast corner of Lot 1R-1, Block A, Coll Addition, according to the plat thereof recorded in Volume 2002003, Page 103, D.R.D.C.T.;

THENCE South 89 degrees 35 minutes 51 seconds West, along the common line between the north line of said Beltwood Addition and the south line of said Coll Addition, a distance of 214.48 feet to a 1/2 inch iron rod found in the east right-of-way line of Midway Road (a 100 foot wide right-of-way);

THENCE North 00 degrees 21 minutes 08 seconds West, along said east right-of-way line of Midway Road, passing a 1/2 inch iron rod found for the North corner of said Lot 1R-1, Block A, at a distance of 564.89 feet and continuing for a total distance of 1,756.20 feet to a 1/2 inch iron rod found with cap stamped "SURVCON";

THENCE North 89 degrees 24 minutes 55 seconds East, a distance of 1,165.10 feet to the POINT OF BEGINNING and CONTAINING 16,492,399 square feet or: 378.6 acres of land, more or less.

I, Alan Moore, a Registered Professional Land Surveyor in the State of Texas, do herby certify that I prepared this Plat from an actual survey of the land under my supervision in accordance with the "Minimum Standards of Practice" approved by the Texas Board of Professional Land Surveyors.

12/2/04
Alan Moore, RPLS No. 5537

CARMEN S MORAN
NOTARY PUBLIC
State of Texas
Comm. Exp. 01-24-2006

12/2/04

Town of Addison Approval:

City Secretary: Carmen Moran

Scott Wheeler
JOE CHAN
Mayor (Town of Addison)

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
2005 JAN -7 PM 02:04
[illegible]

DAL-TECH ENGINEERING, INC.
CONSULTING CIVIL ENGINEERS / SURVEYORS
CONSTRUCTION MANAGERS
17311 DALLAS PARKWAY
SUITE 200
DALLAS, TEXAS 75248
(972) 250-2727 (972) 250-4774

FINAL PLAT
ADDISON AIRPORT
TOWN OF ADDISON, TEXAS

DRAWN	JOB NO.	CONTRACT NO.	SCALE	DATE
DTE	0216	-	1"=300'	DEC. 2004

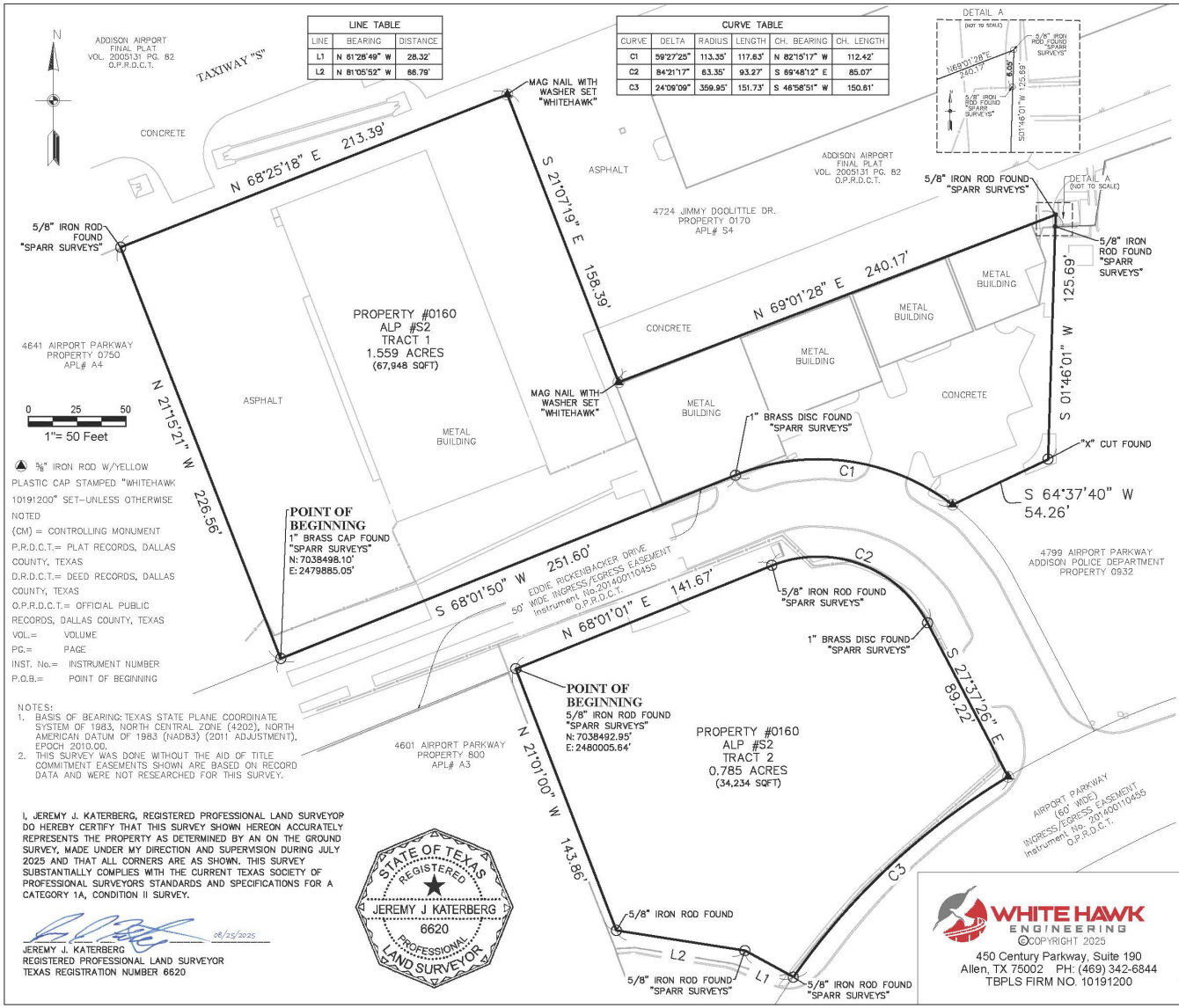
2/2

P:\0216 Addison Airport Plat\Dgn\0216SURV.dgn 12/2/2004 10:40:23 AM Copyright (c) Dal-Tech Engineering, Inc.

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Exhibit 2
Property Survey of Demised Premises

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9DD2FC34BD7



LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 61°28'49" W	28.32'
L2	N 81°05'52" W	66.79'

CURVE TABLE					
CURVE	DELTA	RADIUS	LENGTH	CH. BEARING	CH. LENGTH
C1	59°27'25"	113.35'	117.63'	N 82°15'17" W	112.42'
C2	84°21'17"	63.35'	93.27'	S 89°48'12" E	85.07'
C3	24°09'09"	359.95'	151.73'	S 46°58'51" W	150.61'

▲ ⅝" IRON ROD W/YELLOW PLASTIC CAP STAMPED "WHITEHAWK 10191200" SET–UNLESS OTHERWISE NOTED

(CM) = CONTROLLING MONUMENT

P.R.D.C.T.= PLAT RECORDS, DALLAS COUNTY, TEXAS

D.R.D.C.T.= DEED RECORDS, DALLAS COUNTY, TEXAS

O.P.R.D.C.T.= OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS

VOL.= VOLUME

PG.= PAGE

INST. No.= INSTRUMENT NUMBER

P.O.B.= POINT OF BEGINNING

NOTES:
1. BASIS OF BEARING: TEXAS STATE PLANE COORDINATE SYSTEM OF 1983, NORTH CENTRAL ZONE (4202), NORTH AMERICAN DATUM OF 1983 (NAD83) (2011 ADJUSTMENT), EPOCH 2010.00.
2. THIS SURVEY WAS DONE WITHOUT THE AID OF TITLE COMMITMENT EASEMENTS SHOWN ARE BASED ON RECORD DATA AND WERE NOT RESEARCHED FOR THIS SURVEY.

I, JEREMY J. KATERBERG, REGISTERED PROFESSIONAL LAND SURVEYOR DO HEREBY CERTIFY THAT THIS SURVEY SHOWN HEREON ACCURATELY REPRESENTS THE PROPERTY AS DETERMINED BY AN ON THE GROUND SURVEY, MADE UNDER MY DIRECTION AND SUPERVISION DURING JULY 2025 AND THAT ALL CORNERS ARE AS SHOWN. THIS SURVEY SUBSTANTIALLY COMPLIES WITH THE CURRENT TEXAS SOCIETY OF PROFESSIONAL SURVEYORS STANDARDS AND SPECIFICATIONS FOR A CATEGORY 1A, CONDITION II SURVEY.

08/25/2025

JEREMY J. KATERBERG
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NUMBER 6620

STATE OF TEXAS REGISTERED JEREMY J KATERBERG 6620 PROFESSIONAL LAND SURVEYOR

PROPERTY #0160 TRACT 1
METES AND BOUNDS DESCRIPTION

BEING A 1.559 ACRE (67,948 SQUARE FOOT) TRACT OF LAND SITUATED IN THE EDWARD COOK SURVEY, ABSTRACT NO. 326, DALLAS, COUNTY, TEXAS, AND BEING A PART OF ADDISON AIRPORT, AN ADDITION TO THE TOWN OF ADDISON, TEXAS, AS RECORDED IN VOLUME 2005131, PAGE 82 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS (O.P.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1 INCH BRASS CAP STAMPED "SPARR SURVEYS" FOUND FOR THE SOUTHEAST CORNER OF AIRPORT PROPERTY 0750, BEING A POINT ON THE NORTH LINE OF EDDIE RICKENBACKER DR, A 50 FEET WIDE INGRESS/EGRESS EASEMENT AS RECORDED IN INSTRUMENT NO. 20140011045 (O.P.R.D.C.T.);

THENCE, OVER AND ACROSS SAID ADDISON AIRPORT THE FOLLOWING COURSES AND DISTANCES:

NORTH 21 DEGREES 15 MINUTES 21 SECONDS WEST, A DISTANCE OF 226.56 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

NORTH 68 DEGREES 25 MINUTES 18 SECONDS EAST, A DISTANCE OF 213.39 FEET TO A MAG NAIL WITH WASHER STAMPED "WHITEHAWK" SET;

SOUTH 21 DEGREES 07 MINUTES 19 SECONDS EAST, A DISTANCE OF 158.39 FEET TO A MAG NAIL WITH WASHER STAMPED "WHITEHAWK" SET;

NORTH 69 DEGREES 01 MINUTES 28 SECONDS EAST, A DISTANCE OF 240.17 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

SOUTH 01 DEGREES 46 MINUTES 01 SECONDS WEST, PASSING AT A DISTANCE OF 6.05 FEET, A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND FOR THE NORTHWEST CORNER OF AIRPORT PROPERTY 0932 (ADDISON POLICE STATION), AND CONTINUING FOR A TOTAL DISTANCE OF 125.69 FEET TO A CHISELED "X" CUT FOUND;

SOUTH 64 DEGREES 37 MINUTES 40 SECONDS WEST, A DISTANCE OF 54.26 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WHITEHAWK 10191200" SET ON THE NORTH LINE OF SAID EDDIE RICKENBACKER DR, AND BEING A POINT ON A CURVE TO THE LEFT;

THENCE, CONTINUING ALONG SAID NORTH LINE OF EDDIE RICKENBACKER DR, AND SAID CURVE TO THE LEFT, HAVING A RADIUS OF 113.35 FEET, A DELTA ANGLE OF 59° 27' 25", A CHORD BEARING AND DISTANCE OF NORTH 82 DEGREES 15 MINUTES 17 SECONDS WEST, A DISTANCE OF 112.42 FEET, AND AN ARC LENGTH OF 117.63 FEET TO A 1 INCH BRASS DISC FOUND STAMPED "SPARR SURVEYS";

THENCE, ALONG SAID NORTH LINE OF EDDIE RICKENBACKER DR, SOUTH 68 DEGREES 01 MINUTES 50 SECONDS WEST, A DISTANCE OF 251.60 FEET TO THE POINT OF BEGINNING CONTAINING 1.559 ACRES OF LAND MORE OR LESS.

PROPERTY #0160 TRACT 2
METES AND BOUNDS DESCRIPTION

BEING A 0.785 ACRE (34,234 SQUARE FOOT) TRACT OF LAND SITUATED IN THE EDWARD COOK SURVEY, ABSTRACT NO. 326, DALLAS, COUNTY, TEXAS, AND BEING A PART OF ADDISON AIRPORT, AN ADDITION TO THE TOWN OF ADDISON, TEXAS, AS RECORDED IN VOLUME 2005131, PAGE 82 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS (O.P.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON ROD CAP STAMPED "SPARR SURVEYS" FOUND FOR THE NORTHEAST CORNER OF AIRPORT PROPERTY 800, AND A POINT ON THE SOUTH LINE OF EDDIE RICKENBACKER DR, A 50 FOOT WIDE INGRESS/EGRESS EASEMENT AS RECORDED IN INSTRUMENT NO. 20140011045 (O.P.R.D.C.T.);

THENCE, ALONG SAID SOUTH LINE OF EDDIE RICKENBACKER DR, NORTH 68 DEGREES 01 MINUTES 01 SECONDS EAST, A DISTANCE OF 141.67 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND, AND THE BEGINNING OF A CURVE TO THE RIGHT;

THENCE, CONTINUING ALONG SAID SOUTH LINE OF EDDIE RICKENBACKER DR, AND SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 63.35 FEET, A DELTA ANGLE OF 84° 21' 17", A CHORD BEARING AND DISTANCE OF SOUTH 69 DEGREES 48 MINUTES 12 SECONDS EAST, A DISTANCE OF 85.07 FEET, AND AN ARC LENGTH OF 93.27 FEET TO A 1 INCH BRASS DISC STAMPED "SPARR SURVEYS" FOUND;

THENCE, CONTINUING ALONG SAID SOUTH LINE OF EDDIE RICKENBACKER DR. SOUTH 27 DEGREES 37 MINUTES 26 SECONDS EAST, A DISTANCE OF 89.22 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WHITEHAWK 10191200" SET AT THE INTERSECTION OF THE NORTH LINE OF AIRPORT PARKWAY, A 60 FEET WIDE INGRESS/EGRESS EASEMENT AS RECORDED IN INSTRUMENT NO. 20140011045 (O.P.R.D.C.T.), AND THE SOUTH LINE OF SAID EDDIE RICKENBACKER DR;

THENCE, DEPARTING SAID SOUTH LINE OF SAID EDDIE RICKENBACKER DR, ALONG SAID NORTH LINE OF AIRPORT PARKWAY, AND SAID CURVE TO THE LEFT, HAVING A RADIUS OF 359.95 FEET, A DELTA ANGLE OF 24° 09' 09", A CHORD BEARING AND DISTANCE OF SOUTH 46 DEGREES 58 MINUTES 51 SECONDS WEST, A DISTANCE OF 150.61 FEET, AND AN ARC LENGTH OF 151.73 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

THENCE DEPARTING SAID NORTH LINE OF AIRPORT PARKWAY, AND CONTINUING OVER AND ACROSS SAID ADDISON AIRPORT THE FOLLOWING COURSES AND DISTANCES:

NORTH 61 DEGREES 28 MINUTES 49 SECONDS WEST, A DISTANCE OF 28.32 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

NORTH 81 DEGREES 05 MINUTES 52 SECONDS WEST, A DISTANCE OF 66.79 FEET TO A 5/8 INCH IRON ROD FOUND;

NORTH 21 DEGREES 01 MINUTES 00 SECONDS WEST, A DISTANCE OF 143.86 FEET TO THE POINT OF BEGINNING CONTAINING 0.785 ACRES OF LAND MORE OR LESS.

WHITE HAWK ENGINEERING
©COPYRIGHT 2025
450 Century Parkway, Suite 190
Allen, TX 75002 PH: (469) 342-6844
TBPLS FIRM NO. 10191200

Property #0160 ALP #S2
PART OF ADDISON AIRPORT
TRACT 1 (1.559 ACRES)
TRACT 2 (0.785 ACRES)

EDWARD COOK SURVEY, ABSTRACT NO. 326
TOWN OF ADDISON, DALLAS COUNTY, TEXAS

DRAWN BY: AB
CHECKED BY: JJK
DATE: 8/25/25
SCALE: 1"= 50'
1 OF 1

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Exhibit 3
Legal Description of Demised Premises

Property #0160 Tract 1
Metes and Bounds Description

Being a 1.559 acre (67,948 square foot) tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas, County, Texas, and being a part of Addison Airport, an Addition to the Town of Addison, Texas, as recorded in Volume 2005131, Page 82 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING at a 1 inch brass cap stamped "SPARR SURVEYS" found for the southeast corner of Airport property 0750, being a point on the north line of Eddie Rickenbacker Dr, a 50 feet wide Ingress/Egress Easement as recorded in Instrument No. 201400110455 (O.P.R.D.C.T.);

Thence, over and across said Addison Airport the following courses and distances:

North 21 degrees 15 minutes 21 seconds West, a distance of 226.56 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found;

North 68 degrees 25 minutes 18 seconds East, a distance of 213.39 feet to a mag nail with washer stamped "WHITEHAWK" set;

South 21 degrees 07 minutes 19 seconds East, a distance of 158.39 feet to a mag nail with washer stamped "WHITEHAWK" set;

North 69 degrees 01 minutes 28 seconds East, a distance of 240.17 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found;

South 01 degrees 46 minutes 01 seconds West, passing at a distance of 6.05 feet, a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found for the northwest corner of Airport property 0932 (Addison Police Station), and continuing for a total distance of 125.69 feet to a chiseled "X" cut found;

South 64 degrees 37 minutes 40 seconds West, a distance of 54.26 feet to a 5/8 inch iron rod with yellow plastic cap stamped "WHITEHAWK 10191200" set on the north line of said Eddie Rickenbacker Dr, and being a point on a curve to the left;

Thence, continuing along said north line of Eddie Rickenbacker Dr, and said curve to the left, having a radius of 113.35 feet, a delta angle of 59° 27' 25", a chord bearing and distance of North 82 degrees 15 minutes 17 seconds West, a distance of 112.42 feet, and an arc length of 117.63 feet to a 1 inch brass disc found stamped "SPARR SURVEYS";

Thence, along said north line of Eddie Rickenbacker Dr, South 68 degrees 01 minutes 50 seconds West, a distance of 251.60 feet to the POINT OF BEGINNING containing 1.559 acres of land more or less.

Property #0160 Tract 2
Metes and Bounds Description

Being a 0.785 acre (34,234 square foot) tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas, County, Texas, and being a part of Addison Airport, an Addition to the Town of Addison, Texas, as recorded in Volume 2005131, Page 82 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod cap stamped "SPARR SURVEYS" found for the northeast corner of Airport property 800, and a point on the south line of Eddie Rickenbacker Dr, a 50 foot wide Ingress/Egress Easement as recorded in Instrument No. 201400110455 (O.P.R.D.C.T.);

Thence, along said south line of Eddie Rickenbacker Dr, North 68 degrees 01 minutes 01 seconds East, a distance of 141.67 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found, and the beginning of a curve to the right;

Thence, continuing along said south line of Eddie Rickenbacker Dr, and said curve to the right, having a radius of 63.35 feet, a delta angle of 84° 21' 17", a chord bearing and distance of South 69 degrees 48 minutes 12 seconds East, a distance of 85.07 feet, and an arc length of 93.27 feet to a 1 inch brass disc stamped "SPARR SURVEYS" found;

Thence, continuing along said south line of Eddie Rickenbacker Dr. South 27 degrees 37 minutes 26 seconds East, a distance of 89.22 feet to a 5/8 inch iron rod with yellow plastic cap stamped "WHITEHAWK 10191200" set at the intersection of the north line of Airport Parkway, a 60 feet wide Ingress/Egress Easement as recorded in Instrument No. 201400110455 (O.P.R.D.C.T.), and the south line of said Eddie Rickenbacker Dr;

Thence, departing said south line of said Eddie Rickenbacker Dr, along said north line of Airport Parkway, and said curve to the left, having a radius of 359.95 feet, a delta angle of 24° 09' 09", a chord bearing and distance of South 46 degrees 58 minutes 51 seconds West, a distance of 150.61 feet, and an arc length of 151.73 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found;

Thence departing said north line of Airport Parkway, and continuing over and across said Addison Airport the following courses and distances:

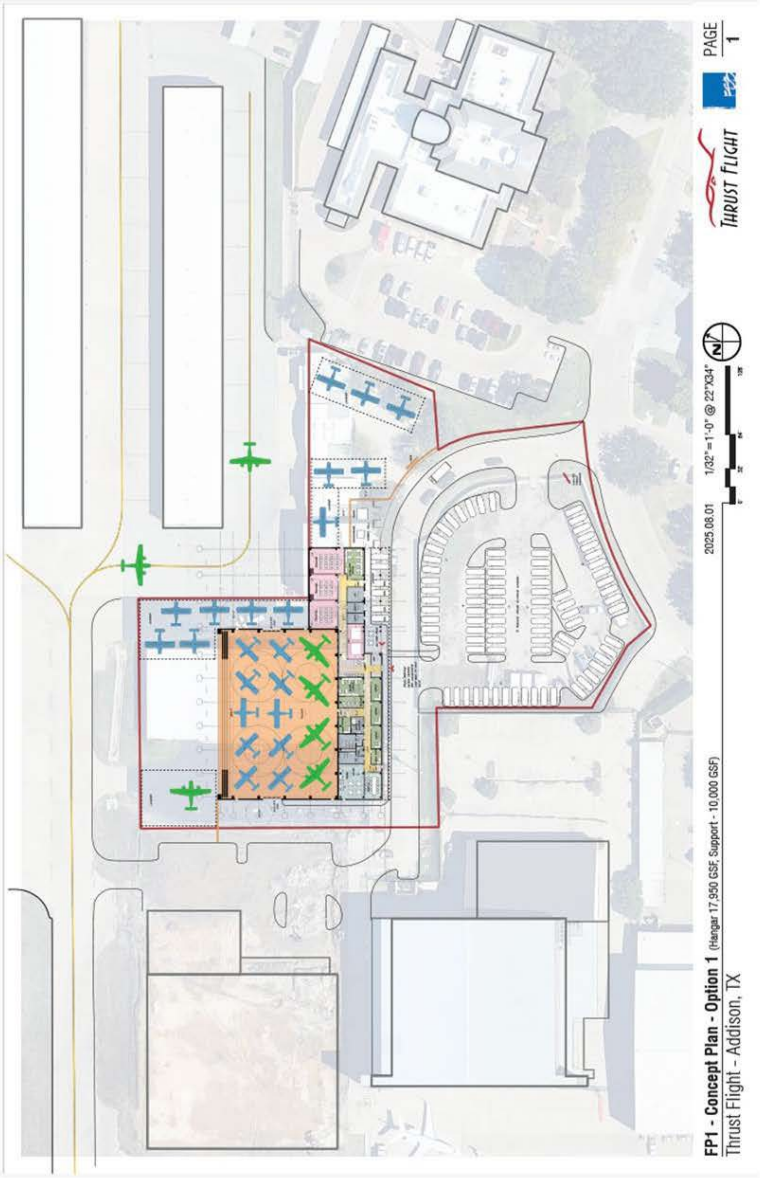
North 61 degrees 28 minutes 49 seconds West, a distance of 28.32 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found;

North 81 degrees 05 minutes 52 seconds West, a distance of 66.79 feet to a 5/8 inch iron rod found;

North 21 degrees 01 minutes 00 seconds West, a distance of 143.86 feet to the POINT OF BEGINNING containing 0.785 acres of land more or less.

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Exhibit 4
Description of New Building Improvements and Proposed Site Plan



This Exhibit 4 hereby includes by reference the complete set of Design Plans approved by the Town of Addison for the New Building Improvements, including, but not limited to, all architectural, civil, mechanical, and electrical and landscape drawings and specifications, together with all change orders and as-built modifications, warranties, and guaranties procured by Tenant.

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

Exhibit 5
Form of Irrevocable Standby Letter of Credit

THIS IS A SAMPLE AGREEMENT – NOT FOR EXECUTION

[Lender Letterhead]

_____, 202_

Town of Addison, Texas
C/o City Manager
5300 Belt Line Road
Dallas, Texas 75254
Email: wpierson@addisontx.gov

Dear [Name of City Manager]:

At the request of _____[TENANT]_____, we have established in your favor the enclosed Irrevocable Standby Letter of Credit #_____, in an amount not to exceed _____ and ___/100 Dollars ($_____.00).

Please examine this instrument carefully. If you are unable to comply with the terms and conditions, please communicate with the applicant to arrange for an amendment.

All drawings under this credit must be accompanied by the original Letter of Credit for endorsement.

If we can be of further assistance, please do not hesitate to call us at _____.

Sincerely,

_____[LENDER]_____

By:
Name:_____
Title:

Enclosure

cc: [TENANT]

[Lender Letterhead]

THIS IS A SAMPLE AGREEMENT – NOT FOR EXECUTION

IRREVOCABLE LETTER OF CREDIT #_____

Date: _____, 202_

Beneficiary:

Town of Addison, Texas
C/o City Manager
5300 Belt Line Road
Dallas, Texas 75254
Email: wpierson@addisontx.gov

Applicant:

[TENANT]

Attention:_____

Gentlemen:

We hereby issue our Irrevocable Standby Letter of Credit #_____ in favor of Beneficiary (as defined hereunder). This Letter of Credit is effective up to the aggregate amount of _____ and No/100 Dollars ($_____.00) available by draft drawn on Issuer at sight, marked "Drawn under Irrevocable Standby Letter of Credit #_____" accompanied by the following:

1. Beneficiary's written statement purportedly signed by its authorized representative reading as follows: "The undersigned is authorized to make the following statement on behalf of Town of Addison, Texas ("Beneficiary"). Beneficiary hereby certifies that an event of default has occurred under that certain Lease Agreement dated _____, 20__, between Beneficiary and Applicant (the "Lease") with respect to the construction of the [New/Existing] Building Improvements, as defined therein, and that such default is ongoing. The amount of the draft presented represents the amount known by me to be required to complete construction of the [New/Existing] Building Improvements under the Lease."

2. This original Letter of Credit and any amendments thereto (if any). In the event of a partial drawing the original Letter of Credit will be endorsed and returned to you unless the Letter of Credit has expired or the amount available is reduced to zero.

Special Conditions:

1. Partial drawings are permitted under this Letter of Credit.

2. Other than Beneficiary's statement required above, the Lender shall require no further substantiation of the occurrence of such an event of default, consent of Applicant, or proof of the necessity of the draw.

3. This Letter of Credit sets forth in full the terms of our undertaking and such undertaking shall not in any way by modified, amended or amplified by reference to any document, instrument or agreement referred to herein or to which this Letter of Credit relates, and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement.

4. Except as expressly stated herein, this undertaking is not subject to any agreement, condition, or qualification.

We hereby engage with you that documents drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented for payment to [LENDER], at _____, Attention: _____, prior to 5:00 pm on or before _____, 202___.

This Letter of Credit is subject to and governed by the Uniform Customs and Practice for Documentary credits of the International Chamber of Commerce (Publication 600, 2007 Revision).

[LENDER]

By:
Name:_____
Title:

Exhibit 6
Form of Memorandum of Lease

THIS IS A SAMPLE AGREEMENT – NOT FOR EXECUTION

AFTER RECORDING RETURN TO:
Addison Airport Management
c/o Real Estate Manager
4545 Jimmy Doolittle Road, Suite 200
Addison, Texas 75001

MEMORANDUM OF LEASE

This Memorandum of Lease is dated as of _____, 20__, and executed by and between the Town of Addison, Texas, a home-rule municipality ("Landlord") and _____, a (*state and type of entity formed)* ("Tenant").

WITNESSETH THAT:

In consideration of the premises and of the mutual covenants and agreements set forth in that certain Ground Lease Agreement dated as of _____, 20__ (the "Ground Lease"), by and between Landlord and Tenant, Landlord has leased to Tenant, and Tenant has leased from Landlord, a certain parcel of land located at and within Addison Airport ("Airport") that is more particularly described in Exhibit A attached hereto and made a part hereof, for a term of four hundred eighty (480) months following the Commencement Date (as defined in the Ground Lease), subject to all of the terms, provisions and conditions of the Ground Lease.

This Memorandum of Lease is solely for recording and notice purposes and shall not be construed to alter, modify, expand, diminish, or supplement the provisions of the Ground Lease. In the event of any inconsistency between the provisions of this Memorandum of Lease and the provisions of the Ground Lease, the provisions of the Ground Lease shall govern. Reference should be made to the Ground Lease for the full description of the rights and duties of Landlord and Tenant, and this Memorandum of Lease shall in no way affect the terms and conditions of the Ground Lease or the interpretation of the rights and duties of Landlord and Tenant thereunder.

Upon the expiration or earlier termination of the above-described Ground Lease, Landlord and Tenant agree that they shall execute and record a termination of this Memorandum of Lease.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum of Lease to be executed on the day and year first above written.

IN WITNESS WHEREOF, the undersigned parties execute this Memorandum of Lease this _____ day of _____, 202_.

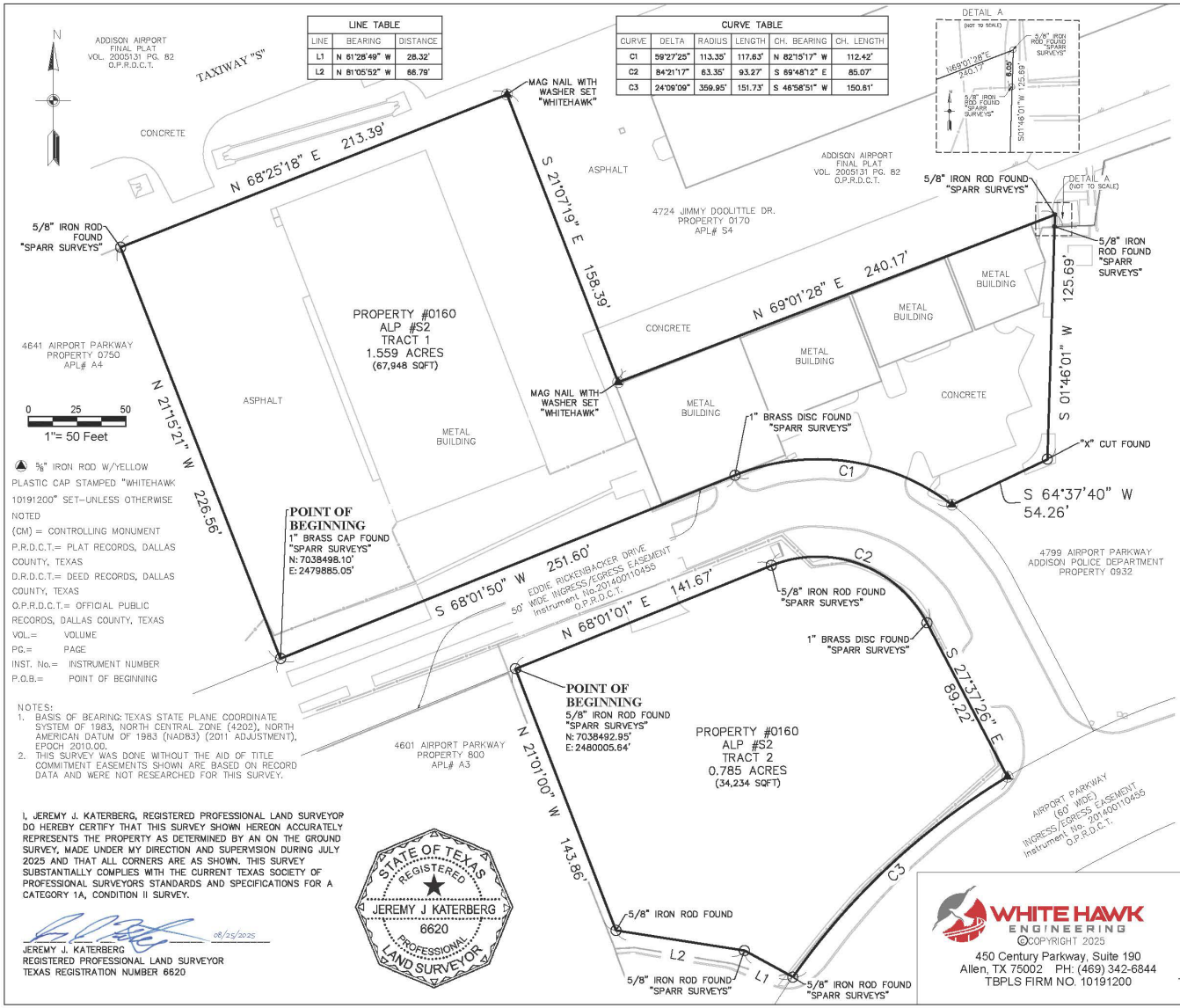
TENANT:	**LANDLORD:**
THRUST PROPERTIES, LLC	**TOWN OF ADDISON, TEXAS**
By:_____ _____	By:_____ _____, City Manager

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9CD2FC34BD7

EXHIBIT A

PROPERTY SURVEY AND LEGAL DESCRIPTION OF DEMISED PREMISES

Docusign Envelope ID: C17C5BF4-03B4-41E5-9850-E9DD2FC34BD7



LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 61°28'49" W	28.32'
L2	N 81°05'52" W	66.79'

CURVE TABLE					
CURVE	DELTA	RADIUS	LENGTH	CH. BEARING	CH. LENGTH
C1	59°27'25"	113.35'	117.63'	N 82°15'17" W	112.42'
C2	84°21'17"	63.35'	93.27'	S 89°48'12" E	85.07'
C3	24°09'09"	359.95'	151.73'	S 46°58'51" W	150.61'

▲ ⅝" IRON ROD W/YELLOW PLASTIC CAP STAMPED "WHITEHAWK 10191200" SET–UNLESS OTHERWISE NOTED

(CM) = CONTROLLING MONUMENT

P.R.D.C.T.= PLAT RECORDS, DALLAS COUNTY, TEXAS

D.R.D.C.T.= DEED RECORDS, DALLAS COUNTY, TEXAS

O.P.R.D.C.T.= OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS

VOL.= VOLUME

PG.= PAGE

INST. No.= INSTRUMENT NUMBER

P.O.B.= POINT OF BEGINNING

NOTES:
1. BASIS OF BEARING: TEXAS STATE PLANE COORDINATE SYSTEM OF 1983, NORTH CENTRAL ZONE (4202), NORTH AMERICAN DATUM OF 1983 (NAD83) (2011 ADJUSTMENT), EPOCH 2010.00.
2. THIS SURVEY WAS DONE WITHOUT THE AID OF TITLE COMMITMENT EASEMENTS SHOWN ARE BASED ON RECORD DATA AND WERE NOT RESEARCHED FOR THIS SURVEY.

I, JEREMY J. KATERBERG, REGISTERED PROFESSIONAL LAND SURVEYOR DO HEREBY CERTIFY THAT THIS SURVEY SHOWN HEREON ACCURATELY REPRESENTS THE PROPERTY AS DETERMINED BY AN ON THE GROUND SURVEY, MADE UNDER MY DIRECTION AND SUPERVISION DURING JULY 2025 AND THAT ALL CORNERS ARE AS SHOWN. THIS SURVEY SUBSTANTIALLY COMPLIES WITH THE CURRENT TEXAS SOCIETY OF PROFESSIONAL SURVEYORS STANDARDS AND SPECIFICATIONS FOR A CATEGORY 1A, CONDITION II SURVEY.

08/25/2025

JEREMY J. KATERBERG
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NUMBER 6620

STATE OF TEXAS REGISTERED JEREMY J KATERBERG 6620 PROFESSIONAL LAND SURVEYOR

PROPERTY #0160 TRACT 1
METES AND BOUNDS DESCRIPTION

BEING A 1.559 ACRE (67,948 SQUARE FOOT) TRACT OF LAND SITUATED IN THE EDWARD COOK SURVEY, ABSTRACT NO. 326, DALLAS, COUNTY, TEXAS, AND BEING A PART OF ADDISON AIRPORT, AN ADDITION TO THE TOWN OF ADDISON, TEXAS, AS RECORDED IN VOLUME 2005131, PAGE 82 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS (O.P.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1 INCH BRASS CAP STAMPED "SPARR SURVEYS" FOUND FOR THE SOUTHEAST CORNER OF AIRPORT PROPERTY 0750, BEING A POINT ON THE NORTH LINE OF EDDIE RICKENBACKER DR, A 50 FEET WIDE INGRESS/EGRESS EASEMENT AS RECORDED IN INSTRUMENT NO. 20140011045 (O.P.R.D.C.T.);

THENCE, OVER AND ACROSS SAID ADDISON AIRPORT THE FOLLOWING COURSES AND DISTANCES:

NORTH 21 DEGREES 15 MINUTES 21 SECONDS WEST, A DISTANCE OF 226.56 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

NORTH 68 DEGREES 25 MINUTES 18 SECONDS EAST, A DISTANCE OF 213.39 FEET TO A MAG NAIL WITH WASHER STAMPED "WHITEHAWK" SET;

SOUTH 21 DEGREES 07 MINUTES 19 SECONDS EAST, A DISTANCE OF 158.39 FEET TO A MAG NAIL WITH WASHER STAMPED "WHITEHAWK" SET;

NORTH 69 DEGREES 01 MINUTES 28 SECONDS EAST, A DISTANCE OF 240.17 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

SOUTH 01 DEGREES 46 MINUTES 01 SECONDS WEST, PASSING AT A DISTANCE OF 6.05 FEET, A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND FOR THE NORTHWEST CORNER OF AIRPORT PROPERTY 0932 (ADDISON POLICE STATION), AND CONTINUING FOR A TOTAL DISTANCE OF 125.69 FEET TO A CHISELED "X" CUT FOUND;

SOUTH 64 DEGREES 37 MINUTES 40 SECONDS WEST, A DISTANCE OF 54.26 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WHITEHAWK 10191200" SET ON THE NORTH LINE OF SAID EDDIE RICKENBACKER DR, AND BEING A POINT ON A CURVE TO THE LEFT;

THENCE, CONTINUING ALONG SAID NORTH LINE OF EDDIE RICKENBACKER DR, AND SAID CURVE TO THE LEFT, HAVING A RADIUS OF 113.35 FEET, A DELTA ANGLE OF 59° 27' 25", A CHORD BEARING AND DISTANCE OF NORTH 82 DEGREES 15 MINUTES 17 SECONDS WEST, A DISTANCE OF 112.42 FEET, AND AN ARC LENGTH OF 117.63 FEET TO A 1 INCH BRASS DISC FOUND STAMPED "SPARR SURVEYS";

THENCE, ALONG SAID NORTH LINE OF EDDIE RICKENBACKER DR, SOUTH 68 DEGREES 01 MINUTES 50 SECONDS WEST, A DISTANCE OF 251.60 FEET TO THE POINT OF BEGINNING CONTAINING 1.559 ACRES OF LAND MORE OR LESS.

PROPERTY #0160 TRACT 2
METES AND BOUNDS DESCRIPTION

BEING A 0.785 ACRE (34,234 SQUARE FOOT) TRACT OF LAND SITUATED IN THE EDWARD COOK SURVEY, ABSTRACT NO. 326, DALLAS, COUNTY, TEXAS, AND BEING A PART OF ADDISON AIRPORT, AN ADDITION TO THE TOWN OF ADDISON, TEXAS, AS RECORDED IN VOLUME 2005131, PAGE 82 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS (O.P.R.D.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON ROD CAP STAMPED "SPARR SURVEYS" FOUND FOR THE NORTHEAST CORNER OF AIRPORT PROPERTY 800, AND A POINT ON THE SOUTH LINE OF EDDIE RICKENBACKER DR, A 50 FOOT WIDE INGRESS/EGRESS EASEMENT AS RECORDED IN INSTRUMENT NO. 20140011045 (O.P.R.D.C.T.);

THENCE, ALONG SAID SOUTH LINE OF EDDIE RICKENBACKER DR, NORTH 68 DEGREES 01 MINUTES 01 SECONDS EAST, A DISTANCE OF 141.67 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND, AND THE BEGINNING OF A CURVE TO THE RIGHT;

THENCE, CONTINUING ALONG SAID SOUTH LINE OF EDDIE RICKENBACKER DR, AND SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 63.35 FEET, A DELTA ANGLE OF 84° 21' 17", A CHORD BEARING AND DISTANCE OF SOUTH 69 DEGREES 48 MINUTES 12 SECONDS EAST, A DISTANCE OF 85.07 FEET, AND AN ARC LENGTH OF 93.27 FEET TO A 1 INCH BRASS DISC STAMPED "SPARR SURVEYS" FOUND;

THENCE, CONTINUING ALONG SAID SOUTH LINE OF EDDIE RICKENBACKER DR. SOUTH 27 DEGREES 37 MINUTES 26 SECONDS EAST, A DISTANCE OF 89.22 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WHITEHAWK 10191200" SET AT THE INTERSECTION OF THE NORTH LINE OF AIRPORT PARKWAY, A 60 FEET WIDE INGRESS/EGRESS EASEMENT AS RECORDED IN INSTRUMENT NO. 20140011045 (O.P.R.D.C.T.), AND THE SOUTH LINE OF SAID EDDIE RICKENBACKER DR;

THENCE, DEPARTING SAID SOUTH LINE OF SAID EDDIE RICKENBACKER DR, ALONG SAID NORTH LINE OF AIRPORT PARKWAY, AND SAID CURVE TO THE LEFT, HAVING A RADIUS OF 359.95 FEET, A DELTA ANGLE OF 24° 09' 09", A CHORD BEARING AND DISTANCE OF SOUTH 46 DEGREES 58 MINUTES 51 SECONDS WEST, A DISTANCE OF 150.61 FEET, AND AN ARC LENGTH OF 151.73 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

THENCE DEPARTING SAID NORTH LINE OF AIRPORT PARKWAY, AND CONTINUING OVER AND ACROSS SAID ADDISON AIRPORT THE FOLLOWING COURSES AND DISTANCES:

NORTH 61 DEGREES 28 MINUTES 49 SECONDS WEST, A DISTANCE OF 28.32 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "SPARR SURVEYS" FOUND;

NORTH 81 DEGREES 05 MINUTES 52 SECONDS WEST, A DISTANCE OF 66.79 FEET TO A 5/8 INCH IRON ROD FOUND;

NORTH 21 DEGREES 01 MINUTES 00 SECONDS WEST, A DISTANCE OF 143.86 FEET TO THE POINT OF BEGINNING CONTAINING 0.785 ACRES OF LAND MORE OR LESS.

WHITE HAWK ENGINEERING
©COPYRIGHT 2025
450 Century Parkway, Suite 190
Allen, TX 75002 PH: (469) 342-6844
TBPLS FIRM NO. 10191200

Property #0160 ALP #S2
PART OF ADDISON AIRPORT
TRACT 1 (1.559 ACRES)
TRACT 2 (0.785 ACRES)

EDWARD COOK SURVEY, ABSTRACT NO. 326
TOWN OF ADDISON, DALLAS COUNTY, TEXAS

DRAWN BY: AB
CHECKED BY: JJK
DATE: 8/25/25
SCALE: 1"= 50'
1 OF 1

Property #0160 Tract 1
Metes and Bounds Description

Being a 1.559 acre (67,948 square foot) tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas, County, Texas, and being a part of Addison Airport, an Addition to the Town of Addison, Texas, as recorded in Volume 2005131, Page 82 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING at a 1 inch brass cap stamped "SPARR SURVEYS" found for the southeast corner of Airport property 0750, being a point on the north line of Eddie Rickenbacker Dr, a 50 feet wide Ingress/Egress Easement as recorded in Instrument No. 201400110455 (O.P.R.D.C.T.);

Thence, over and across said Addison Airport the following courses and distances:

North 21 degrees 15 minutes 21 seconds West, a distance of 226.56 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found;

North 68 degrees 25 minutes 18 seconds East, a distance of 213.39 feet to a mag nail with washer stamped "WHITEHAWK" set;

South 21 degrees 07 minutes 19 seconds East, a distance of 158.39 feet to a mag nail with washer stamped "WHITEHAWK" set;

North 69 degrees 01 minutes 28 seconds East, a distance of 240.17 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found;

South 01 degrees 46 minutes 01 seconds West, passing at a distance of 6.05 feet, a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found for the northwest corner of Airport property 0932 (Addison Police Station), and continuing for a total distance of 125.69 feet to a chiseled "X" cut found;

South 64 degrees 37 minutes 40 seconds West, a distance of 54.26 feet to a 5/8 inch iron rod with yellow plastic cap stamped "WHITEHAWK 10191200" set on the north line of said Eddie Rickenbacker Dr, and being a point on a curve to the left;

Thence, continuing along said north line of Eddie Rickenbacker Dr, and said curve to the left, having a radius of 113.35 feet, a delta angle of 59° 27' 25", a chord bearing and distance of North 82 degrees 15 minutes 17 seconds West, a distance of 112.42 feet, and an arc length of 117.63 feet to a 1 inch brass disc found stamped "SPARR SURVEYS";

Thence, along said north line of Eddie Rickenbacker Dr, South 68 degrees 01 minutes 50 seconds West, a distance of 251.60 feet to the POINT OF BEGINNING containing 1.559 acres of land more or less.

Property #0160 Tract 2
Metes and Bounds Description

Being a 0.785 acre (34,234 square foot) tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas, County, Texas, and being a part of Addison Airport, an Addition to the Town of Addison, Texas, as recorded in Volume 2005131, Page 82 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod cap stamped "SPARR SURVEYS" found for the northeast corner of Airport property 800, and a point on the south line of Eddie Rickenbacker Dr, a 50 foot wide Ingress/Egress Easement as recorded in Instrument No. 201400110455 (O.P.R.D.C.T.);

Thence, along said south line of Eddie Rickenbacker Dr, North 68 degrees 01 minutes 01 seconds East, a distance of 141.67 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found, and the beginning of a curve to the right;

Thence, continuing along said south line of Eddie Rickenbacker Dr, and said curve to the right, having a radius of 63.35 feet, a delta angle of 84° 21' 17", a chord bearing and distance of South 69 degrees 48 minutes 12 seconds East, a distance of 85.07 feet, and an arc length of 93.27 feet to a 1 inch brass disc stamped "SPARR SURVEYS" found;

Thence, continuing along said south line of Eddie Rickenbacker Dr. South 27 degrees 37 minutes 26 seconds East, a distance of 89.22 feet to a 5/8 inch iron rod with yellow plastic cap stamped "WHITEHAWK 10191200" set at the intersection of the north line of Airport Parkway, a 60 feet wide Ingress/Egress Easement as recorded in Instrument No. 201400110455 (O.P.R.D.C.T.), and the south line of said Eddie Rickenbacker Dr;

Thence, departing said south line of said Eddie Rickenbacker Dr, along said north line of Airport Parkway, and said curve to the left, having a radius of 359.95 feet, a delta angle of 24° 09' 09", a chord bearing and distance of South 46 degrees 58 minutes 51 seconds West, a distance of 150.61 feet, and an arc length of 151.73 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found;

Thence departing said north line of Airport Parkway, and continuing over and across said Addison Airport the following courses and distances:

North 61 degrees 28 minutes 49 seconds West, a distance of 28.32 feet to a 5/8 inch iron rod with cap stamped "SPARR SURVEYS" found;

North 81 degrees 05 minutes 52 seconds West, a distance of 66.79 feet to a 5/8 inch iron rod found;

North 21 degrees 01 minutes 00 seconds West, a distance of 143.86 feet to the POINT OF BEGINNING containing 0.785 acres of land more or less.

Exhibit 7

Master Landlord Sublease Consent
(See Section 9.B of Ground Lease)

MASTER LANDLORD'S CONSENT TO SUBLEASE

Rider to Sublease Agreement

GROUND LEASE TENANT & MASTER LEASE INFORMATION

Name of Tenant **as "Tenant"**		
Primary Contact		
Legal Notice Address:		
Telephone:		**Ground Lease No:** _____
E-mail Address:		**Effective Date of Ground Lease:** _____ ***("Master Lease Effective Date")***

SUBLEASE AGREEMENT (the "Sublease")

Sublease Agreement Date:	**Commencement Date:**	**Expiration Date:**
Address of Subleased Premises:		
Describe Renewal Options (if applicable):		

Subtenant Name: **as "Subtenant"**		**"State"** of Registration (if applicable)
Entity Type		
DBA:		
Primary Contact:		Title:
Legal Notice Address:		
Telephone:		E-mail:
Website:		

ON-SITE CONTACT INFORMATION

Name:		Title:
Telephone:		E-mail

EMERGENCY / *AFTER HOURS CONTACT INFORMATION*

Name:		Title:
Telephone:		E-mail

BASED AIRCRAFT REGISTRATION (use an additional sheet if needed)

N #	Make	Model	Year

(Underlined terms are defined as first given above)

The Town of Addison, Texas (the "Master Landlord") is the sole Landlord under that certain Ground Lease/Lease Agreement dated as of the Master Lease Effective Date wherein by way of any assignment, amendment, modification or other act, the above-named Tenant is the Tenant of the Ground Lease/Lease Agreement described above. Together with any and all assignments, modifications and amendments thereto, if any, the Ground Lease/Lease Agreement is hereinafter referred to as the "Master Lease," by the terms of which Tenant leased from Master Landlord certain property referred to as the "Demised Premises," "Leased Premises," or "Premises" (or such similar term) in the Master Lease (referred to herein as the "Demised Premises") located at Addison Airport within the Town of Addison, Texas, said property being more particularly described in said Master Lease. Tenant is hereby seeking Master Landlord's consent to the sublease ("Consent to Sublease") by Tenant of all or a part of the Demised Premises, which part is described in the Sublease, to the Subtenant so named above, pursuant to that Sublease Agreement described above (the "Sublease"), on the following terms and conditions:

Based on Tenant's representations, Master Landlord hereby consents to the Sublease on the following terms and conditions:

1. Tenant shall remain fully liable for the performance of each and every term, provision, covenant, duty and obligation of the Tenant under the Master Lease including, without limitation, the duty to make any and all payments of rent. This Consent to Sublease shall in no way release Tenant from any of its covenants, agreements, liabilities and duties under the Master Lease. Upon written demand by Master Landlord, Tenant and/or Subtenant shall deliver a true and correct copy of the Sublease as it may be amended or modified from time to time. This Consent to Sublease does not constitute approval by Master Landlord of the terms of the Sublease. Nothing herein contained shall be deemed a waiver or release of any of the Master Landlord's rights under the Master Lease.

2. Subtenant's use and occupancy of the Demised Premises shall be subject to all of the terms and conditions of the Master Lease to the extent applicable, Subtenant agrees to be bound by the terms and provisions of the Master Lease and in the event of any conflict between the terms of the Master Lease and the terms of the Sublease, the terms of the Master Lease shall control (and, without limiting the foregoing, the Demised Premises shall never be used for any purpose other than as permitted by the Master Lease, and this Consent to Sublease does not constitute and is not consent to any use on or within the Demised Premises which is not permitted by the Master Lease).

3. Subtenant shall be obligated to obtain Master Landlord's consent to any action as to which Tenant is obligated to obtain such consent under the Master Lease.

4. Tenant shall be fully liable for any violation by Subtenant of any of the terms and conditions of the Master Lease.

5. Master Landlord shall have no obligation for the performance by Tenant of its obligations under the Sublease. Neither this Consent to Sublease, the exercise by Master Landlord of its rights hereunder, nor the Sublease or any other instrument shall give Subtenant any rights directly or indirectly against Master Landlord or create or impose any obligation, duty, responsibility, or liability of Master Landlord in favor of or for the benefit of Subtenant.

6. In the event of the occurrence of an event of default under the Master Lease by Tenant while the Sublease is in effect, Master Landlord, in addition to any other rights or remedies provided in the Master Lease or by law, in equity, or otherwise, may at Master Landlord's option, collect directly from the Subtenant all rents becoming due under the Sublease and apply such rent against any sums due to Master Landlord. No direct collection by Master Landlord from Subtenant shall release Tenant from the payment or performance of Tenant's obligations under the Master Lease; provided that if Master Landlord collects any rents directly from Subtenant pursuant to this paragraph, Subtenant shall be released from its obligations to pay such rents to Tenant.

7. Tenant and Subtenant each hereby represent and warrant to Master Landlord that other than the Sublease, there are no agreements or understandings, whether written or oral between Tenant and Subtenant with respect to Subtenant's use and occupancy of the Demised Premises or any property of Tenant located therein.

8. Tenant and Subtenant each hereby covenants and agrees with Master Landlord that Tenant and Subtenant shall **defend, indemnify and hold harmless** Master Landlord, its elected officials, its officers, employees, representatives and agents from and against any and all claims, liabilities and obligations to any broker or agent in connection with the Sublease, including, without limitation, any reasonable attorneys' fees and costs incurred by Master Landlord in connection therewith.

9. If Subtenant is to operate as a commercial aeronautical service provider pursuant to the Sublease Agreement, Tenant hereby warrants and represents to Master Landlord that Tenant has delivered to Subtenant a complete copy of the prevailing *Addison Airport Minimum Standards and Requirements for Commercial Aeronautical Service Providers* and the *Addison Airport Rules and Regulations,* each of which may be amended and, or modified by the Master Landlord from time to time, and Subtenant hereby acknowledges and warrants and represents to Master Landlord that Subtenant has received the same and shall comply with the requirements set forth therein.

10. Tenant and Subtenant attest, warrant and represent to Master Landlord that all information given herein is true and correct.

This Master Landlord's Consent to Sublease may be executed in multiple counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement; the signatures of all the parties need not appear on the same counterpart, and delivery of an executed counterpart signature page by facsimile (e.g., telecopier, scanned PDF by email, or electronic signature) is as effective as executing and delivering this Agreement in the presence of the other parties to this Agreement.

ACKNOWLEDGED AND AGREED TO this _____ day of _____, 20__.

TENANT:	**SUBTENANT:**
_____	_____
By: _____	By: _____
Title: _____	Title: _____

MASTER LANDLORD
TOWN OF ADDISON, TEXAS

By: _____

Title: _____
Authorized Officer on Behalf of Master Landlord

Date: _____
Effective Date of Landlord's Consent

Exhibit 8

Schedule of Environmental Reports

Landlord has delivered, and Tenant hereby acknowledges receipt of, copies of the following environmental and soil reports in satisfaction of Section 22.A of the Lease:

1. Phase 1 Environmental Site Assessment, Addison Airport; Camp, Dresser & McKee (CDM), 1998
2. Phase 1 Environmental Site Assessment, Appendix J Site Photographs Addison Airport (CDM) 1998
3. Phase 1 Environmental Site Assessment Update, Addison Airport (CDM, 2001)
4. Phase 1 Environmental Site Assessment of Piedmont Hawthorne Aviation Hangar 4545 Eddie Rickenbacker Street (Terranext, 2005)
5. Limited Phase II Environment of Piedmont Hawthorne Aviation Hangar 4545 Eddie Rickenbacker Street (Terranext, 2005)

Note that the Town of Addison also provided documentation for several underground storage tank (UST) removal activities at sites located at various locations at Addison Airport property including the Addison Airport Storage Facility, Addison Express Facility, Encore FBO, and Mercury Air Facility.

Tenant Delivered to Landlord the following Environmental Report:

1. Phase I Environmental Site Assessment Addison Airport Property (Parcels #016A, #016B, #0216) Eddie Rickenbacker Drive, Addison, Texas; Bullock, Bennett & Associates, LLC July 9, 2024.

LEASE ADDENDUM #1

TENANT'S LEASEHOLD MINIMUM MAINTENANCE AND REPAIR STANDARDS AND PRACTICES

Note: Capitalized terms used herein are the same as defined in the Lease or any Addendum attached and made a part of the Lease unless otherwise expressly provided for. This Lease Addendum #1 is made a part of and hereby incorporated into the Lease by reference.

I. ***Purpose***: Pursuant to Section 11 (or elsewhere as provided for) of the Lease[1] the Tenant is required to maintain the Demised Premises and all improvements, fixtures, equipment and personal property thereto in "good repair and in a first class condition" and in accordance with all applicable ordinances, codes, rules and regulations of or adopted by the Town of Addison, the State of Texas, or any regulating agency with oversight of any or all portions of the Demised Premises throughout the Term as it may be extended or otherwise amended, so long as they are in compliance with applicable law. Additionally, Section 28 titled Title to Improvements provides that, among other things, Tenant shall own and hold title to any Buildings Improvements constructed on the Demised Premises by or for Tenant, shall be owned by Tenant for the duration of the Term, as the Term may be amended or modified. Upon the expiration or early termination of the Lease Term, the ownership of said Building Improvements, shall merge with the title of the Demised Premises and become the property of the Landlord. Landlord may, at Landlord's sole discretion, elect for Tenant to: (i) deliver to Landlord the Demised Premises clean and free of trash and in good repair and condition in accordance with these *Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices* together with all fixtures and equipment situated in the Demised Premises with reasonable wear and tear excepted; or (ii) upon written notice to tenant no later than sixty (60) months prior to the expiration of the Term, Landlord may elect to require Tenant to demolish and remove, or cause to be removed, any or all Building Improvements made to the Demised Premises, whether below, on or above the ground by Tenant or others, including, but not limited to, foundations, structures, buildings, utility lines, transformer vaults and all other service facilities constructed or installed upon the Demised Premises; and Tenant shall immediately restore, quit and peacefully surrender possession of the Demised Premises to Landlord and leave the land free of debris in a level, graded condition, with no excavations, holes, hollows, hills or humps. Tenant shall perform and complete such removal and restoration in a good and workmanlike manner, in accordance with all applicable ordinances, codes, rules, and regulations within six (6) months of the expiration or termination of the Term. Such demolition and removal shall be performed at Tenant's sole cost and risk in accordance with all prevailing ordinances, codes, rules, and regulations governing same.

Therefore, unless otherwise provided by law, these *Tenant's Leasehold Minimum Maintenance and Repair Standards and Practices* ("Maintenance Standards") hereby set forth in general the minimum level of standard of maintenance and repair or practice the Landlord expects of Tenant

[1] All capitalized terms used in these Tenant's Minimum Leasehold Maintenance Standards and Procedures are as used and defined in the underlying Lease unless otherwise defined herein.

and Tenant (or any of its successors and or assigns) agrees to be obliged in order to comply with the terms and conditions of the Lease.

II. ***Governing Standard or Practice***: Section 8.A. of the Lease states the Tenant agrees to comply with all laws, ordinances, rules, regulations, directives, permits, policies or standards of any governmental authority, entity, or agency affecting the use of the Demised Premises; and any "Construction/Maintenance Standards and Specifications" published by Landlord or its Airport Manager governing such matters at the Airport, including the provisions of Section 11.B.

III. ***Terminology Used***: Unless otherwise provided herein, the definition and/or the description of certain terms used or referred to below shall be the same as defined in the Lease or ASTM International Standard E2018-15[2] (as it may be amended or modified from time to time or its equivalence as generally accepted by the United States commercial real estate industry at the time).

For the purpose herein the standard of being in "*good repair and in first-class condition*" generally means when the building component or system is serving its designed function, is of working condition and operating well, shows evidence of being well taken care of and does not require immediate or short-term repairs above its *de minimis* threshold or does not evidence a material physical deficiency.

Building System – Interacting or independent components or assemblies, which form single integrated units that comprise a building and its site work, such as pavement and flatwork, structural frame, roofing, exterior walls, plumbing, HVAC, electrical, etc. (ASTM E2018-15).

Component – A portion of a building system, piece of equipment, or building element (ASTM E2018-15).

Deferred Maintenance – Physical deficiencies that could have been remedied with routine maintenance, normal operating maintenance, etc., excluding *de minimus* conditions that generally do not present a material physical deficiency to the subject property (ASTM E2018-15).

Effective Age – The estimated age of a building component that considers actual age as affected by maintenance history, location, weather conditions, and other factors. Effective Age may be more or less than actual age (ASTM E2018-15).

Engineer: Designation reserved by law for a person professionally qualified, examined, and licensed by the appropriate governmental board having jurisdiction, to perform engineering services (ASTM E2018-15).

Expected Useful Life – The average amount of time in years that an item, component or system is estimated to function without material repair when installed new and assuming routine maintenance is practiced (ASTM E2018-15).

Fair Condition – To be found in working condition but may require immediate or short-term repairs above the *de minimis* threshold of not evidencing a material physical deficiency (ASTM E2018-15).

[2] ASTM Designation E2018-15; November 2015ASTM International, 100 Barr Harbor Drive, PO Box C700, West Conshohocken PA 19428-2929, United States

Normal Wear and Tear - Defined as deterioration that results from the intended use of the commercial premises, including breakage or malfunction due to age or deteriorated condition, but the term does not include deterioration that results from negligence, carelessness, accident or abuse of the premises, equipment or chattels by the Tenant, by a guest or invitee of the Tenant (Section 93.006[b]); Chapter 93 of the Texas Property Code entitled "Commercial Tenancies"

Physical Deficiency (ies) – The presence of a conspicuous defect or defects and/or material deferred maintenance of a subject property's material systems, components, or equipment as observed. Specifically excludes deficiencies that may be remedied with routine maintenance, miscellaneous minor repairs, normal operating maintenance, etc. (ASTM E2018-15).

Poor Condition – Found not to be in working condition or requires immediate or short-term repairs substantially above the *de minimis* threshold of not evidencing a material physical deficiency (ASTM E2018-15).

Routine Maintenance - Repair that does not require specialized equipment, professional services, or licensed contractors but, rather can be corrected within the budget and skill set of typical property maintenance staff (ASTM E2018-15).

IV. ***Baseline Property Condition Assessment:*** Beginning on or about the tenth (10^{th}) anniversary but no later than the twelfth (12^{th}) anniversary of the Term, Tenant shall procure, at the sole cost of Tenant, a Property Condition Assessment baseline report (PCA) to be prepared, written and signed by a licensed professional engineer qualified to assess the condition of the Demised Premises and all Building Improvements, fixtures and equipment made a part thereto pursuant to the then-operative version of ASTM International Standard Designation E2018 as of the date the PCA is performed. If at that time, for any reason, ASTM International no longer publishes standards for conducting property condition assessments for commercial real estate in the United States, Landlord and Tenant shall mutually agree to adopt another similar standard of practice to be performed by qualified third parties recognized and accepted by the commercial real estate industry in the United States.

For any portion of the Demised Premises designed and constructed with the intent to be used for the storage and movement of aircraft, the PCA shall also include an aircraft pavement condition assessment performed for such areas in accordance with FAA Advisory Circular 150/5380-7A "*Airport Pavement Management Program*" and ASTM Standard Designation D5340 "*Standard Test Method for Airport Pavement Condition Index Surveys*" (or their respective operative standard in effect at the time of the PCA report date) (the "Pavement Standards"). If no such standard exists at the time, the pavement condition assessment shall be performed based on prevailing industry standards as of the date of the assessment.

A. Within thirty (30) calendar days of the published date of the PCA report Tenant shall deliver to Landlord a complete signed original copy of the PCA report together with the aircraft pavement condition assessment, if any, together with:

(1.) "**Tenant's Remedy Plan**", a written plan prepared by Tenant itemizing and given in sufficient detail Tenant's plan to remedy and cure, at Tenant's sole cost and expense, any and all physical deficiencies and, or Deferred Maintenance matters identified and communicated in the PCA report. Tenant's Remedy Plan shall indicate, among other things, that all work will be completed in a good and workman like condition pursuant to all local building codes and ordinances as required by the Lease within one hundred and eighty (180) calendar days from the date of the PCA's published report date (the "Remedy Period") unless otherwise agreed to in writing by Landlord.

(a.) If the pavement condition index (PCI), as defined in the Pavement Standards, reflects a score less than 70 (or its equivalence) the Tenant's Remedy Plan shall set forth in sufficient detail Tenant's intended remedy and cost estimate necessary to increase the aircraft pavement PCI score to a minimum of 70 within the Remedy Period.

(b.) In the event the PCA recommends supplemental testing or evaluation of any building component including, but not limited to, structural, building envelope, roofing, HVAC, plumbing, electrical, fire alarm and suppression, elevator, hangar door and/or door operators, environmental, pavement and ADA, Tenant's Remedy Plan shall reflect Tenant's plan to complete such supplemental investigations as recommended within the Remedy Period.

(2.) "**Tenant's Facility Maintenance and Repair Plan**" (or "Maintenance Plan") which sets forth in sufficient detail Tenant's stated itemized objectives to maintain and keep all building components and systems, pavement and landscaped areas in good condition and repair together with any planned capital repairs, including those cited in the PCA report and any capital improvements planned within the next ten (10) years following the PCA published report date. Additionally, the Maintenance Plan should include but not be limited to the following:

(a.) Tenant's schedule and checklist for periodic self-inspection of all major building components and systems on annualized basis.

(b) Tenant shall periodically update the Maintenance Plan to reflect scheduled repairs made together with itemized repair costs given, new conditions found as a result of Tenant's periodic self-inspections and Tenant's plan to maintain or repair said condition.

B. If Tenant fails to deliver to Landlord a complete signed original Baseline PCA Report, Tenant's Remedy Plan and Tenant's Facility Maintenance and Repair Plan as required herein. Landlord may provide written notice thereof to Tenant. Tenant shall have sixty (60) business days after receipt of such notice to provide such report or plan. Tenant's failure to provide the documentation required herein shall be considered an event of default of the Lease. Tenant's failure to promptly remedy any physical deficiency (ies) identified and communicated in any PCA report as required herein is also considered an event of default under the Lease. In the event of such default(s), in addition to all other rights and remedies available to Landlord under the Lease

and by law, Landlord may, but not be obligated to, cause such reports and plans to be prepared and implemented as deemed commercially reasonable; and all reasonable costs therefore expended by Landlord plus interest thereon as provided for in Section 39 of the Lease shall be paid by Tenant upon demand.

V. Requirement for Subsequent Baseline Property Condition Report Updates, Tenant Remedy Plan Updates and Tenant's Facility Maintenance and Repair Plan Updates:

A. Upon each ten (10) year anniversary of the Term (but not later than two (2) years after each 10-year anniversary) Tenant shall procure, at its sole cost and expense, a PCA update (including aircraft pavement condition assessment) with the subsequent PCA report being of similar form and scope as the initial baseline PCA outlined above. Consideration should be given to the age of all building components and whether any special assessments might be warranted. Within thirty (30) business days of the published date of the subsequent PCA report, Tenant shall deliver to Landlord a complete signed original of the subsequent PCA report together with the aircraft pavement condition assessment findings. Simultaneously, Tenant shall deliver to Landlord its Tenant Remedy Plan setting forth Tenant's itemized and detailed plan for remedying and curing all physical deficiencies and/or Deferred Maintenance matters identified and communicated in the subsequent PCA report. Similarly, Tenant shall also deliver to Landlord Tenant's Facility Maintenance and Repair Plan updated to reflect the most recent subsequent PCA report findings and recommendations.

B. With no less sixty (60) months remaining until the Lease Expiration Date, Landlord shall give written notice to Tenant whether to:

1. Procure, at Tenant's sole cost and expense, a final PCA report (including aircraft pavement condition assessment) with the final PCA report being of similar form and scope as the initial baseline PCA outlined above (the "Final PCA Report"). Consideration should be given to the age of all building components and whether any special assessments might be warranted. Within thirty (30) business days of the published date of the Final PCA Report, Tenant shall deliver to Landlord a complete signed original of the Final PCA Report together with the aircraft pavement condition assessment findings. Simultaneously, Tenant shall deliver to Landlord its Tenant Remedy Plan setting forth Tenant's itemized and detailed plan for remedying and curing all Physical Deficiencies and/or Deferred Maintenance matters identified and communicated in the Final PCA Report. Similarly, Tenant shall also deliver to Landlord Tenant's Facility Maintenance and Repair Plan updated to reflect the Final PCA Report findings and recommendations. which are to be implemented through the Lease Expiration Date.

or,

2. Plan for, prepare and implement the demolition and removal of the Building Improvements as set forth in Section 28.C. of the Lease.

VI. ***Qualification of Property Condition Reviewer***: The qualifications of a third-party consultant performing or overseeing the PCA shall be:

1. Licensed in the state of Texas as a professional architecture or engineer;
2. Demonstrated experience working with general aviation type properties;
3. Having working knowledge of relevant FAA Advisory Circulars and ASTM Standards relating to facility and pavement maintenance and survey standards affecting the subject property type and scope (size and complexity, etc.); and
4. Experience preparing property condition reports.

VII. ***Record Retention***: Throughout the Term Tenant shall diligently gather and retain in an orderly manner all documentation affecting and relating to the Building Improvements and any fixtures or equipment made a part of the Demised Premises. To the extent possible the Tenant shall retain digital copies of all such documentation, which can be easily reviewed, inspected and sourced. All such documents are to be made available to each consultant assigned to perform the property condition assessment and pavement condition analyses.
Such documents to be retained should include but not be limited to:

1. Site plan – updated as necessary.
2. Property Survey – updated as necessary to reflect any changes to the leased premises.
3. Construction and "as-built" drawings together with written building specifications.
4. Certificate of Occupancy and building permits.
5. Building Owner's Manual received from the General Contractor.
6. Pavement Condition Assessment Reports (aircraft apron and other).
7. Insurance casualty claims and adjustment reports affecting the Building Improvements.
8. Description of future/planned material improvement or repairs.
9. Outstanding notices and citations for building, fire, and zoning code and ADA violations.
10. Previously prepared, if any, Property Condition Assessment reports or engineering testing and surveys pertaining to any aspect of the subject property's physical condition.
11. Lease listing literature, listing for sale, marketing/promotional literature such as photographs, descriptive information, reduced floor plans, etc.
12. Periodic inspection reports (self or third-party) and supporting documentation.
13. Irrigation plans updated as needed.
14. Operating manuals, instructions, parts lists.

VIII. ***Reversionary Process (at Lease Expiration or Early Termination):*** Provided Landlord has not already given written notice to Tenant that Landlord has elected to require Tenant to demolish and remove any or all of the Building Improvements from the Demised Premises as set forth in Section 28.C of the Lease; pursuant to the terms and conditions of the Lease, unless otherwise amended or modified the Lease is due to expire at the end of the Lease Expiration Date

at which time any and all Building Improvements and any subsequent improvements and alterations made thereto as defined in the Lease revert and become under the ownership of the Landlord. If Tenant is not then in default of the Lease, Tenant shall have the right to remove all personal property and trade fixtures owned by the Tenant from the Demised Premises, but Tenant shall be required to repair any damage to the Demised Premises caused by such removal, which work shall be conducted in a good and workmanlike manner and at Tenant's sole cost and expense.

Accordingly, in order to facilitate an orderly transfer of all the ownership interests of the Demised Premises, Tenant shall deliver or cause to be delivered to Landlord all of the following on or before the Expiration Date, or earlier termination of the Lease:

Tenant's Representations: Tenant shall certify and attest in writing, in a form acceptable to Landlord:

1. Tenant conveys to Landlord in good and indefeasible title all the Building Improvements free and clear of any and all liens, assessments, security interests and other monetary encumbrances; and
2. There are no lessees or sub-lessees in possession of any portion of the Building Improvements, tenants at sufferance or trespassers; and
3. There are no mechanic's liens, Uniform Commercial Code liens or unrecorded liens against the Building Improvements, and all obligations of Tenant arising from the ownership and operation of the Demised Premises and any business operated on the Building Improvements including but not limited to taxes, leasing commissions, salaries, contracts, and similar agreements, have been paid or will be paid before the Expiration Date; and
4. There is no pending or threatened litigation, condemnation, or assessment affecting the Building Improvements; and
5. Tenant has disclosed to Landlord any and all known conditions of a material nature with respect to the Building Improvements which may affect the health or safety of any occupant of the Demised Premises; and
6. Except as otherwise disclosed in writing by Tenant to Landlord, the Building Improvements do not contain, to Tenant's actual knowledge, any known Hazardous Materials other than lawful quantities properly stored in containers in compliance with applicable laws. For the purpose herein, "Hazardous Materials" means any pollutants, toxic substances, oils, hazardous wastes, hazardous materials or hazardous substances as defined in or pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended, the Clean Water Act, as amended, or any other federal, state or local environmental law, ordinance, rule, or regulation, whether existing or subsequently enacted during the Term; and
7. Any Rent and monies due under the Lease unless paid in full; and
8. A Bill of Sale conveying personal property remaining or left on the Demised Premises, if any, free and clear of liens, security interest and encumbrances; and
9. All plans, drawings and specifications respecting the Building Improvements, including as-built plans and specifications, landscape plans, building system plans (HVAC,

Telecom/Data, Security System, plumbing) air-conditioning in Tenant's possession or control; and

10. Inventory with corresponding descriptions and identification of all keys, lock combinations, access codes and other such devices or means to access every securable portion, compartment, cabinet, panel, closet, gate or point of entry within the Demised Premises; and
11. All soil reports, engineering and architectural studies, grading plans, topographical maps, feasibility studies and similar information in Tenant's possession or control relating to the Demised Premises; and.
12. A list and complete copies of all current service contracts, maintenance contracts, management contracts, warranties, licenses, permits, operating agreements, reciprocal easement agreements, maps, if any, applicable to the Demised Premises, certificate of occupancy, building inspection approvals and covenants, and conditions and restrictions respecting the Demised Premises; and
13. Copies of all utility bills (electric, water/sewer and gas) and similar records respecting the Building Improvements for the past three (3) months; and
14. A schedule of all service contracts, agreements and other documents not expressly referenced herein relating to the Demised Premises.

~End~

LEASE ADDENDUM #2
EXISTING IMPROVEMENTS; DEMOLITION AND SITE PREPARATION

Note: Capitalized terms used herein are the same as defined in the Lease or any Addendum or other attached and made a part of the Lease unless otherwise expressly provided for. This Lease Addendum #2 is made a part of and hereby incorporated into the Lease by reference.

1. General Conditions: As of the Effective Date of this Lease there are certain building improvements existing upon the airport property comprising the Demised Premises pursuant to Section 1 of the Lease in its as-is, where-is condition as set forth in the Lease, which said building improvements are generally described as follows:

a. 13,600 square foot hangar and office facility comprised of metal clad siding over steel frame, metal roof, and partial brick façade, asphalt and concrete off-street parking (~20 spcs.) together with approximately 20,000 square feet of asphalt aircraft apron in fair to good condition

b. Three-bay executive T-hangar cluster totaling approximately 4,500 square feet, one 6,500 square foot conventional box hangar, off-street parking, and treed landscaping. The T-hangar cluster is constructed of metal-clad siding over steel frame, metal panel roofing covered with a DuraLast membrane system. Each unit is approximately 1,500 square feet with bi-fold hangar doors and private office/shop. The box hangar is of metal-clad siding over steel framing, a metal roof covered with a DuraLast membrane system and bi-fold hangar door.

2. TENANT AGREES TO INDEMNIFY AND HOLD HARMLESS THE TOWN, ITS OFFICIALS, OFFICERS, EMPLOYEES, CONTRACTORS, AND AGENTS, FROM ANY LOSS, INJURY, DAMAGE, CLAIM, LIEN, COST OR EXPENSE, INCLUDING ATTORNEYS' FEES AND COSTS, ARISING OUT OF TENANT'S EXERCISE OF ITS RIGHTS OF ACCESS OR ARISING OUT OF OR RELATED TO A BREACH OF THE COVENANTS CONTAINED IN THIS LEASE ADDENDUM #2INCLUDING, TENANT'S ACCESS TO, ENTRY UPON, INSPECTION, AND/OR TESTING OF THE PROPERTY. THE TERMS AND PROVISIONS OF THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS LEASE ADDENDUM #2.

3. Environmental Investigation: Landlord has delivered Tenant the Environmental Reports pursuant to Section 22.A of the Lease.

4. Except as otherwise agreed to in writing between the Parties, Tenant shall retain full interest in, right to, and ownership of all assessments, studies, reports, appraisals, surveys, and other documentation related to the due diligence which Tenant has commissioned or has conducted on its behalf ("Tenant's Inspection Reports"). Tenant shall make Tenant's Inspection Reports available to the Landlord for its review upon written

request; however, the Landlord may only utilize the content of Tenant's Inspection Reports for the Landlord's own knowledge and information, unless otherwise authorized by Tenant in advance and in writing.

5. Town Due Diligence: Up to and until the Town's issuance of a Build Permit to construct the New Building Improvements, the Town may request, and Tenant shall timely remit to the Town, such documentation and information the Town deems necessary and appropriate for it to determine Tenant and its guarantors', if any, creditworthiness, financial condition, organizational structure, and governance suitability and capacity to perform under the terms and conditions of this Lease Addendum #2. If the Town is dissatisfied, at its sole discretion, with its due diligence findings, the Town has the right to terminate the Lease.

6. Demolition of Existing Improvements. If demolition of existing improvements has not already occurred upon Tenant's taking physical possession of the Demised Premises pursuant to Section 1 of the Lease, Tenant shall then, at Tenant's sole cost and expense, demolish or cause to be demolished all the Existing Building Improvements required by the Design Plan (as defined in Lease Addendum #3) following a Demolition Plan (as defined hereunder), which shall be (i) prepared by a licensed engineer; (ii) approved in advance and in writing by the Landlord; and (iii) determined by the Town of Addison's building official to be complete and approved for use for the issuance of all Town of Addison permits necessary for the demolition and removal of the Existing Improvements (the "Demolition Plan").

7. **Commencement of Demolition.** Demolition of the Existing Building Improvements shall not commence until the Landlord issues to Tenant its written Notice to Proceed, which shall be subject, but not limited to, Landlord's receipt and acceptance of the following:

a. Copy of a valid Demolition Permit issued by the Town of Addison; and

b. FAA Letter of Determination (Form 7460-1, Notice of Proposed Construction or Alteration) as described in Section A.6 of Lease Addendum #3 of the Lease; and

c. Valid certificates of insurance as required under Section 12 below; and

d. Delivery of a copy of a Payment and Performance Bond satisfying the requirements of Section 13 below.

8. Completion of Demolition Plan. Except for instances of delays covered by Force Majeure in conformance with Section 42 of the Lease or those delays caused by Landlord, Tenant's failure to cause substantial completion of the approved Demolition Plan within six (6) full calendar months following Landlord's Delivery of the Demised Premises as described in Section 1 of the Lease ("Demolition Deadline") shall be the Default of Tenant pursuant to Section 23 of the Lease. For this sub-section, 'substantial completion' shall mean: (i) the substantial completion of the Demolition Plan has occurred; and (ii) the Town of Addison has conducted and completed a final inspection of the completed demolition work. The Parties agree to exercise good faith efforts to work towards carrying

out the Demolition Plan, including entering any written extensions of the Demolition Deadline, as necessary.

9. Insurance: During any period of demolition, Tenant or Tenant's general contractor shall obtain at Tenant's or Tenant's general contractor's sole cost and expense and keep in force and effect:

a. Commercial General Liability insurance in conformance with Section 13 of the Lease; and

b. Statutory limits of workers' compensation insurance in conformance with Section 13 of the Lease.

c. Such other insurance in such amounts and against other insurable hazards, which are commonly obtained within the construction industry for similar types of property and risks.

d. All insurance policies comply with the following and are endorsed explicitly as follows:

i. The Town of Addison shall be named as additional insureds, or loss payees, as the case may be, except with respect to professional liability and workers' compensation insurance, if any.

ii. All liability insurance policies that name the Town of Addison as additional insured must be endorsed to read as primary coverage and non-contributory, regardless of the application of other insurance.

iii. A waiver of subrogation in favor of the Town of Addison

10. Payment and Performance Bond Requirement: Tenant or Tenant's demolition general contractor shall provide the following bonds to Landlord before demolition work commences:

a. Tenant shall cause its contractors to provide a payment bond in an amount equal to the construction costs of the Tenant Improvements ("Payment Bond") to ensure that materials and labor are paid for. Upon completion of the work, Tenant shall record a release of the Payment Bond and provide Landlord with a copy.

b. Tenant shall cause its contractors to provide a performance bond in an amount equal to the total cost of the Tenant Improvements ("Performance Bond") to ensure that the work is completed according to the Construction Documents approved by Landlord. Upon completion of the work, Tenant shall record a release of the Performance Bond and provide Landlord with a copy.

c. Tenant shall provide copies of the Payment Bond and Performance Bond to Landlord prior to the start of any work. Each Bond shall name Tenant and Landlord as "obliges".

d. The surety company providing the Payment Bond and the Performance Bond shall have an A.M. Best rating of B+ VI or better for the past four (4) calendar quarters.

All contracts for the demolition of the Existing Improvements shall include provisions of insurance and suretyship satisfactory to Landlord for the protection of Landlord; Tenant's laborers, suppliers, and subcontractors; and the public.

11. Other rights: Should Tenant be in default of the Lease after any applicable cure period pursuant to Section 23 of the Lease prior to substantial completion of the Demolition Plan, Landlord shall, in addition to and without waiving any other remedies available to Landlord under Section 24 of the Lease, be entitled to the following:

a. If Tenant has commenced work on the approved Demolition Plan but has not achieved substantial completion at the time Landlord delivers its written notice of such default under Section 23 of the Lease, Landlord shall have the right to re-enter the Demised Premises to complete or cause the completion of the demolition work in accordance with the approved Demolition Plan, which said costs of completion by Landlord shall be at Tenant's sole costs and expense. Tenant shall promptly reimburse Landlord within thirty (30) days of Tenant's receipt of Landlord's final invoice for said demolition work. Provided Tenant timely reimburses Landlord for the remainder of the demolition work, the Lease shall be declared null and void with no further obligation of one party to the other except where the Survivability of Rights and Remedies are provided for in Section 52 of the Lease.

b. Tenant's failure to timely reimburse Landlord under Paragraph 14(a) above shall be a default under the Lease and shall be eligible, without exception, for recovery by Landlord under the Payment and Performance Bonds required of Tenant under Paragraph 5 above.

c. In the event Tenant is required to surrender possession of the Demised Premises under this Paragraph 14, Tenant shall deliver the Demised Premises to Landlord in a commercially reasonable and safe condition. Notwithstanding the foregoing, in the event Tenant does not deliver the Demised Premises in a commercially reasonable or safe condition, Landlord shall provide Tenant written notice allowing Tenant fourteen (14) days to restore the Demised Premises to a commercially reasonable safe and clean condition. If Tenant fails to restore the premises to a commercially reasonable and safe condition, Landlord may without waiving any other of its rights and remedies available to it under the Lease and restore the Demised Premises to a commercially reasonable safe and clean condition at Tenant's sole cost and expense. Tenant shall promptly reimburse Landlord within thirty (30) days of Tenant's receipt of Landlord's final invoice for said demolition work. Provided Tenant vacates the Demised Premises as required herein and timely reimburses Landlord for the demolition work, this Lease shall be declared null and void with no further obligation of one party to the other except where the Survivability of Rights and Remedies are provided for in Section 52 of the Lease.

12. Time is of the Essence: The parties hereby agree and acknowledge time is of the essence with respect to the obligations of the parties under this Lease Amendment #2. Landlord and Tenant agree to collectively cooperate and coordinate with one another as necessary to facilitate the demolition work contemplated herein. The parties acknowledge that, due to the nature of the work contemplated in this Lease Addendum #2, unknown circumstances may arise that result in a material effect upon the timelines set forth herein

that may not constitute an Event of Force Majeure under Section 42 of the Lease. In the event of such a circumstance and provided each party is diligently pursuing their respective duties and obligations herein, the parties may, upon mutual written agreement, amend or modify the timeline(s) to better suit the overall objective and outcome of the affected work.

~ End ~

LEASE ADDENDUM #3

CONSTRUCTION OF NEW BUILDING IMPROVEMENTS

Note: Capitalized terms used herein are the same as defined in the Lease or any Addendum other attached and made a part of the Lease unless otherwise expressly provided for. This Lease Addendum #3 is made a part of and hereby incorporated into the Lease by reference.

A. New Building Improvements.

1. As a condition for Landlord to lease the Demised Premises to Tenant pursuant to the terms and conditions of this Lease, Tenant shall construct or cause to be constructed on the Demised Premises, at Tenant's sole cost, expense and risk, certain buildings and other improvements more fully described in **Exhibit 4** of the Lease, which is incorporated herein by reference (the "New Building Improvements").

2. The New Building Improvements are to be constructed in accordance with plans and specifications prepared by a state licensed architect and/or engineer retained by Tenant (the "Design Plan"), which said Design Plan shall be submitted to Landlord for approval evidenced by the issuance of a building permit necessary to construct the New Building Improvements. Landlord's approval of the Design Plan or any other plans and/or specifications does not impose on Landlord any responsibility whatsoever, including, without limitation, any responsibility for the conformance of the plans and specifications with any governmental regulations, building codes, and the like, for which Tenant and its contractors shall have full and complete responsibility. Landlord agrees its approval of the Design Plan shall not be unreasonably withheld, conditioned, or delayed.

3. The construction cost or value (separate and apart from the cost of design) of the New Building Improvements shall exceed Ten Million U.S. Dollars ($10,000,000.00) (the "Construction Value"), and Tenant shall submit to Landlord upon request all commercially reasonable evidence of such Construction Value in a form acceptable to Landlord (the "Construction Value Evidence"). For purposes hereof, reasonable evidence of Construction Value would be satisfied by the American Institute of Architects (AIA) G702 Application for Payment certified by the Tenant, owner, architect or engineer and, Tenant's general contractor to be true and correct to their best knowledge (or the equivalent thereof).

4. If Tenant fails to submit the Design Plan to the City for application of a building permit to construct the New Building Improvements within six (6) full calendar months following the Effective Date of the Lease, then such failure shall constitute a default of the Lease by Tenant, whereupon Landlord may, among its other remedies and at its sole discretion, terminate this Lease by giving written notice to Tenant pursuant to the Pre-Construction Termination provision in subparagraph 6 below. For clarification, such Design Plan does not have to be approved within six (6) months of submission, merely submitted. If any amendments are required by Landlord to the Design Plan, submission of such amendments will not be required within the time limits set forth in this Paragraph.

5. FAA Determination and Conditions Precedent to Notice to Proceed:

a. Prior to Landlord's issuance of a Notice to Proceed with Construction for any Tenant Improvements or New Construction (as applicable under this Lease), Tenant shall, at its sole cost and expense, obtain a final Letter of Determination from the Federal Aviation Administration (FAA) pursuant to 14 C.F.R. Part 77 (or any successor regulation) confirming that the proposed construction does not constitute a hazard to navigable airspace. Tenant shall provide Landlord with a copy of such FAA Letter of Determination promptly upon receipt.

b. Tenant further covenants and agrees that it has or will obligate itself to undertake and complete, at its sole cost and expense, all actions and satisfy all conditions identified in the FAA Letter of Determination that are within Tenant's commercially reasonable control. For the purposes of this provision, "commercially reasonable control" shall include, but not be limited to, modifications to the design, materials, or construction methods of the Tenant Improvements or New Construction, and the implementation of any marking or lighting requirements specified in the FAA Letter of Determination that are feasible and proportionate to the benefit achieved, taking into account the nature of Tenant's intended use of the Premises.

c. Landlord's issuance of a Notice to Proceed with Construction shall be contingent upon Tenant's delivery of the aforementioned FAA Letter of Determination and Tenant's demonstration, to Landlord's reasonable satisfaction, that it has the present ability and legal obligation to comply with all conditions within its commercially reasonable control as outlined in the FAA Letter of Determination. Landlord reserves the right to withhold the Notice to Proceed if, in its reasonable judgment, Tenant has not adequately addressed or obligated itself to address such conditions.

6. Construction of the New Building Improvements shall commence within One Hundred Twenty (120) calendar days following Landlord's acceptance of all Tenant's pre-construction permits and approvals required in subsection 6.a-e below. However, if the Construction Commencement Date does not occur within twenty-four (24) calendar months after the Effective Date of the Lease, then such failure shall constitute an Event of Default, subject to the notice and cure provisions under Section 23. In the event Landlord terminates the Lease pursuant to Section 24, the Lease shall be and become null and void and, except for the obligation to pay any accrued but unpaid Rent, any provisions of this Lease regarding the condition of the Demised Premises (including all improvements thereon) upon the expiration or termination of this Lease, and any provisions of this Lease regarding any obligations or provisions that survive the Lease expiration or termination (including obligations regarding indemnity and environmental matters), neither party to this Agreement shall have any further rights one against the other, except that Landlord shall return to Tenant, if any, any deposits made by Tenant within five (5) business days following such termination.

7. The Construction Commencement Date shall be deemed to have occurred after all of the following events has occurred ("Construction Commencement Date"):

a. Approval of the Design Plan by Landlord;

b. Tenant has been issued the required building permit(s) or licenses necessary to construct the New Building Improvements on the Demised Premises;

c. Tenant shall have received (and shall have provided a true and correct copy to the Landlord) FAA's determination to Tenant's filing of Form 7460 Notice of Proposed Construction or Alteration pursuant to sub-paragraph 6 above;

d. Execution of a contract with a qualified general contractor, proof of required insurance and, the Letter of Credit as required in Section B, below; and

e. Landlord delivers to Tenant its written Notice to Proceed affirming each of the foregoing items has occurred, been received or acknowledged, and sets forth the Construction Commencement Date for the purpose of this Lease.

8. Any architect or engineer of Tenant shall be duly licensed to practice architecture or engineering, as the case may be, in the State of Texas. Such construction shall be performed in a good and workmanlike manner and in compliance with all applicable building codes, standards, and ordinances, as set out in more detail, below. Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages (including incidental, special, and consequential damages) or injury (including, without limitation, claims for personal injury or death, or property damage or destruction, or economic loss), liens and any and all other liabilities and obligations which arise in connection with such construction, or, in the case of genuine dispute of such claim, lien, or potential liability or obligation, Tenant agrees to promptly bond around or take such actions to remove such claim, lien, liability, or obligation. In any event, Tenant **SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS LANDLORD AND MANAGER, AND THEIR RESPECTIVE OFFICIALS, OFFICERS, EMPLOYEES, AND AGENTS (IN BOTH THEIR OFFICIAL AND PRIVATE CAPACITIES) (THE "INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL SUCH COSTS, EXPENSES, CLAIMS, DAMAGES, PENALTIES, FINES, LIENS, LIABILITIES, AND OBLIGATIONS (TOGETHER, FOR PURPOSES OF THIS SUBSECTION, THE "DAMAGES"), INCLUDING SUCH COSTS, EXPENSES, CLAIMS, DAMAGES, PENALTIES, FINES, LIENS LIABILITIES, AND OBLIGATIONS WHICH ARE ALLEGED OR FOUND TO HAVE BEEN CAUSED BY OR RESULT FROM, IN WHOLE OR IN PART, THE NEGLIGENCE OF ANY OF THE INDEMNIFIED PARTIES (BUT NOT THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE INDEMNIFIED PARTIES), OR CONDUCT BY THE INDEMNIFIED PERSONS THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND, OR THE VIOLATION OF ANY TERM OF THE LEASE WITHOUT LIMITATION. HOWEVER, TO THE EXTENT GROSS NEGLIGENCE AND/OR WILLFUL MISCONDUCT ARE ALLEGED SIMULTANEOUSLY WITH CLAIMS REQUIRING DEFENSE AND INDEMNITY HEREIN, TENANT SHALL DEFEND ALL CLAIMS ALLEGED AGAINST THE INDEMNIFIED PARTIES. TENANT'S LIABILITY UNDER THIS INDEMNITY OBLIGATION SHALL BE REDUCED BY THAT PORTION OF THE TOTAL AMOUNT OF THE DAMAGES (EXCLUDING DEFENSE FEES AND COSTS) EQUAL TO THE INDEMNIFIED PARTIES' PROPORTIONATE SHARE OF THE NEGLIGENCE, OR CONDUCT THAT**

WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND, THAT CAUSED THE DAMAGES. LIKEWISE, TENANT'S LIABILITY FOR THE INDEMNIFIED PARTIES' DEFENSE COSTS AND ATTORNEYS' FEES SHALL BE REDUCED BY A PORTION OF THE DEFENSE COSTS AND ATTORNEYS' FEES EQUAL TO THE INDEMNIFIED PARTIES' PROPORTIONATE SHARE OF THE NEGLIGENCE, OR CONDUCT THAT WOULD GIVE RISE TO THE STRICT LIABILITY OF ANY KIND, THAT CAUSED THE DAMAGES.

9. It is expressly understood and agreed that Tenant's construction of the Building Improvements shall include the finish-out in accordance with the plans and specifications for the New Building Improvements as submitted by Tenant to Landlord and approved in writing by Landlord, such approval not to be unreasonably withheld, delayed or conditioned.

10. Landlord's approval of the Design Plan or any other plans and/or specifications does not impose on Landlord any responsibility whatsoever, including, without limitation, any responsibility for the conformance of the plans and specifications with any governmental regulations, building codes, and the like, for which Tenant and its contractors shall have full and complete responsibility.

11. After the Construction Commencement Date, Tenant shall complete construction of the New Building Improvements with reasonable diligence, without material deviation from the Design Plan, and any material deviation from the Design Plan shall be subject to the review and approval of Landlord. If (i) construction of the New Building Improvements is not Substantially Complete ("Substantial Completion" as defined herein) on or before twenty-four (24) full calendar months after the Construction Commencement Date (the "Substantial Completion Date") [save and except for force majeure as described in Section 42.B. and provided, further, if construction of the New Building Improvements is seventy-five percent (75%) or more complete based on Construction Value (i.e., if the costs incurred and paid by Tenant to construct the New Building Improvements equals or exceeds $7,500,000.00) as of the Substantial Completion Date as substantiated by Construction Value Evidence presented by Tenant to Landlord, then the Substantial Completion Date shall be extended for up to an additional six (6) months, or longer if agreed upon in writing, so long as Tenant is diligently and continuously pursuing completion of construction], or if construction of the New Building Improvements is not Finally Complete ("Final Completion" as defined herein) no later than ninety (90) days after the Substantial Completion Date (save and except for force majeure as described in Section 42.B. and the extension of the Substantial Completion Date as aforesaid) then:

Landlord shall have the right to give written notice to Tenant of the following:

a. Tenant shall pay Landlord One Hundred Dollars ($100.00) as additional Rent for each and every day thereafter until such completion (whether "Substantial" of "Final" as contemplated by the preceding Paragraph) is achieved. Such additional Rent shall be invoiced by Landlord in arrears monthly, which said

amount shall become due and payable by Tenant within ten (10) days following Tenant's date of receipt of said invoice; and

b. Landlord may terminate this Lease by providing thirty (30) days written notice to Tenant as an opportunity to cure. If Tenant fails to cure, the Lease shall be deemed terminated and the same shall become null and void and, except for the obligation to pay any accrued but unpaid Rent, any provisions of this Lease regarding the condition of the Demised Premises (including all improvements thereon) upon the expiration or termination of this Lease, and any provisions of this Lease regarding any obligations or provisions that survive the Lease expiration or termination (including obligations regarding indemnity and environmental matters), neither party to this Agreement shall have any further rights one against the other, except that Landlord shall return to Tenant any deposits made by Tenant within five (5) business days following such termination and Tenant shall at Landlord's request remove any portion of the New Building Improvements requested by Landlord and the applicable provisions of Section 28.C., below, shall apply to such removal.

c. If at Final Completion, the Construction Value fails to equal or exceed TEN MILLION Dollars ($10,000,000.00), for each and every Two Hundred Thousand U.S. Dollars ($200,000.00) shortfall in total Construction Value, the Term shall be reduced by eighteen months of Term (for example, if the actual Construction Value is $400,000 less than the contractual amount, the term shall be reduced by 36 calendar months [$400,000/$= 2 x 18 calendar months = 36 months rounded to the nearest whole calendar month]. Given the above example, if the original Term provided for in the Lease is 600 months, then the adjusted Term under this provision is 564 calendar months or, 47 years and 0 months). In such event, the parties shall execute a short-form Memorandum of Lease substantially in the form of **Exhibit 6** to be recorded in the Dallas County Official Public Records affirming the true and correct Term as hereby adjusted.

12. Tenant agrees that any construction or modification of the Building Improvements or any other improvements which may be authorized in writing by Landlord on or within the Demised Premises shall be performed strictly in compliance with all Laws. Tenant recognizes that construction/maintenance standards and specifications, the Town of Addison's building and related codes and zoning requirements, and all applicable state and federal standards (including, without limitation, Title III of the Americans With Disabilities Act of 1990, any state laws governing handicapped access or architectural barriers, and all rules, regulations, and guidelines promulgated under such laws, as amended from time to time) may be modified or amended from time to time and that compliance will be measured by such standards in effect at the time of a particular construction or modification of improvements after the initial construction of the Building Improvements pursuant to the approved Design Plan.

13. With respect to Title III of the Americans With Disabilities Act of 1990, Tenant acknowledges and agrees it shall remain fully responsible and obligated over the Term to construct, alter and maintain the Building Improvements in accordance with the prevailing

ADA Act. Furthermore, Tenant shall ensure no person or groups of persons shall, on the grounds of race, color, sex, religion, national origin, age, disability, retaliation or genetic information, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the ADA Act. Tenant shall give Landlord written notice within ten (10) days of Tenant knowing or receiving written notice of any ADA Act violation or claim of violation from any governmental entity with authority on such matters or from any third party.

14. Tenant will properly and timely submit to the FAA, TxDOT, and/or any other appropriate governmental authority, entity, or agency having jurisdiction regarding the Airport, a Notice of Proposed Construction or Alteration, when and as required, and such other forms and information as may be required by the FAA, TxDOT, and/or other governmental entity or agency having jurisdiction over the Airport.

15. Tenant further agrees that the Landlord shall be authorized at all times during any project of construction to enter upon the Demised Premises and all parts thereof, during normal business hours, to observe the performance of such construction. Tenant agrees to provide the Landlord a construction schedule setting out the time of commencement, final completion, and completion of significant elements of the Building Improvements, which schedule shall be delivered to Landlord before the start of any construction project on the Demised Premises. Landlord shall coordinate access with Tenant's designated personnel before any and all site visits. Each party shall be solely responsible for complying with OSHA requirements in connection with its own activities. Tenant may deny Landlord access for any noncompliance with OSHA standards, provided such noncompliance is unrelated to any failure or contribution by Tenant.

16. A. "Substantial Completion of the New Building Improvements" or "Substantial Completion" shall be deemed to have occurred upon the issuance by Landlord of a certificate of temporary or final occupancy for any portion of the New Building Improvements, if required. "Final Completion" of the construction of the New Building Improvements shall be deemed to occur upon the issuance by Tenant's architect who designed the Building Improvements of such documentation as may be necessary to establish the final completion (closeout) of the construction of the New Building Improvements and the delivery by Tenant to Landlord of comprehensive As-Built drawings and documentation reviewed by Tenant's architect reflecting all approved changes and modifications to the Design Plan initially approved by Landlord.

B. Construction Insurance, Performance and Performance Bond or Irrevocable, Stand-by Letter of Credit:

In addition to the applicable insurance requirements set forth in Section 13 of the Lease:

1. During any period of construction, Tenant or Tenant's General Contractor shall obtain and keep in full force and effect a Builder's Risk Completed Value policy with an all-risks endorsement in an amount equal to the greater of the full-completed value or the amount of the construction contract including any amendments or change orders

thereto. The policy shall provide "All Risk" Builder's Risk Insurance (extended to include the perils of wind, collapse vandalism, malicious mischief, and theft, including theft of materials whether or not attached to any structure). The deductible shall not exceed $10,000 or deductibles imposed by carrier due to state market conditions.

2. Tenant shall cause to be issued in favor of Landlord, at Tenant's sole cost and expense, and kept in full force and effect at all times during any period of construction, an irrevocable, stand-by letter of credit to secure the faithful performance of all construction work and the payment of all obligations arising during the construction (including, without limitation, the payment of all persons performing labor or providing materials under or in connection with the Building Improvements), in the amount of one hundred percent (100%) of the construction costs (the "Letter of Credit"), such Letter of Credit to be drawn upon by site draft conditioned only upon the certification of the Landlord that an event of default has occurred under this Lease with respect to the construction of the Building Improvements and Tenant has not cured the event of default after being given notice and a reasonable opportunity to cure as provided in this Lease. The form of such Letter of Credit is attached hereto and incorporated herein as **Exhibit 5**. Tenant shall cause the original executed Letter of Credit to be delivered to Landlord not later than the Construction Commencement Date. Upon written approval by Landlord on not less than ten (10) business days written notice to Landlord from Tenant, Tenant shall have the right to reduce the amount of the Letter of Credit on a calendar quarterly basis by an amount equal to the construction costs incurred and paid by Tenant during the immediately preceding calendar quarter as demonstrated by the Construction Value Evidence submitted to Landlord.

3. Alternatively to the letter of credit as contemplated by the preceding Paragraph, Tenant must cause to be issued in favor of the Town and keep in good standing during any period of Construction, Payment and Performance Bonds guaranteeing the faithful performance of all construction work and the payment for all persons performing labor and providing materials equal to or greater than 100% of the Construction Value in a form acceptable. The bonds must be executed by a corporate surety in accordance with Chapter 2253 of the Texas Government Code and identify Landlord as an obligee.

4. After the completion of the Building Improvements contemplated by this Lease, if Tenant subsequently requests the commencement of additional construction or improvements in an amount equal to or greater than Five Hundred Thousand Dollars ($500,000), then Tenant shall provide Landlord either a Payment and Performance Bond or Letter of Credit in the same manner as articulated above.

C. Events of Default.

Failure of the Parties to observe and comply with the requirements of this Lease Addendum #3, subject to notice and cure as provided in Section 23 of the Lease, shall be an Event of Default.

~End~

LOCATION MAP – THRUST PROPERTIES, LLC GROUND LEASE

2025 City Council Regular Meeting **5. f.**

Meeting Date: 10/28/2025

Department: Public Works

Key Focus Areas: Mobility and Connectivity
Infrastructure Development and Maintenance

AGENDA CAPTION:

Present, discuss, and consider action on an Ordinance approving a Boundary Agreement between the Town of Addison and the City of Dallas and authorizing the City Manager to execute the Agreement.

BACKGROUND:

The Town of Addison and City of Dallas are working together to adjust their common boundary line in order to establish clear lines of demarcation for the most efficient development and delivery of service to the citizens in the area. In 2023, the Town requested a boundary adjustment from the City of Dallas transferring Montfort Drive from the current Dallas city limits south to Celestial Road from Dallas' jurisdiction to Addison. In 2025, City of Dallas staff accepted the boundary agreement proposal and began the process of formalizing the boundary adjustment with the Transportation and Infrastructure Committee (TIC) and Dallas City Council. The City of Dallas TIC approved a boundary adjustment from the Town of Addison involving Montfort Drive, specifically extending from the current city limits south to Celestial Road.

The City of Dallas and Town of Addison entered into an agreement authorized by the Dallas City Council in Resolution No. 25-0927 on June 11, 2025. The Town will receive a released tract of land along Montfort Drive extending from the current Dallas city limits south to Celestial Road at no cost. The Dallas City Council will consider approval of this same ordinance and legal description for the boundary adjustment in November 2025.

This agenda item follows the recent approval of Change Order #2 to the professional services agreement with Kimley-Horn for the Montfort Drive Reconstruction project design. Change Order #2 expanded the limits of the project to Celestial Road, which will incorporate the pending boundary adjustment. Change Order #2 was approved at the September 23, 2025 Regular City Council Meeting as Individual Consideration Agenda Item #5d.

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

Staff recommends approval.

Attachments

Presentation - Boundary Adjustment Agreement (City of Dallas)

Ordinance - Boundary Adjustment Agreement (City of Dallas)

Dallas Boundary Adjustment Agreement

October 28, 2025

City Council Meeting

Rebecca P. Diviney, P.E., Director of Public Works & Engineering

Background - Dallas Boundary Adjustment

Considerations and Benefits:

- No taxable land or revenue-generating property is included.
  - This is strictly about transportation infrastructure.

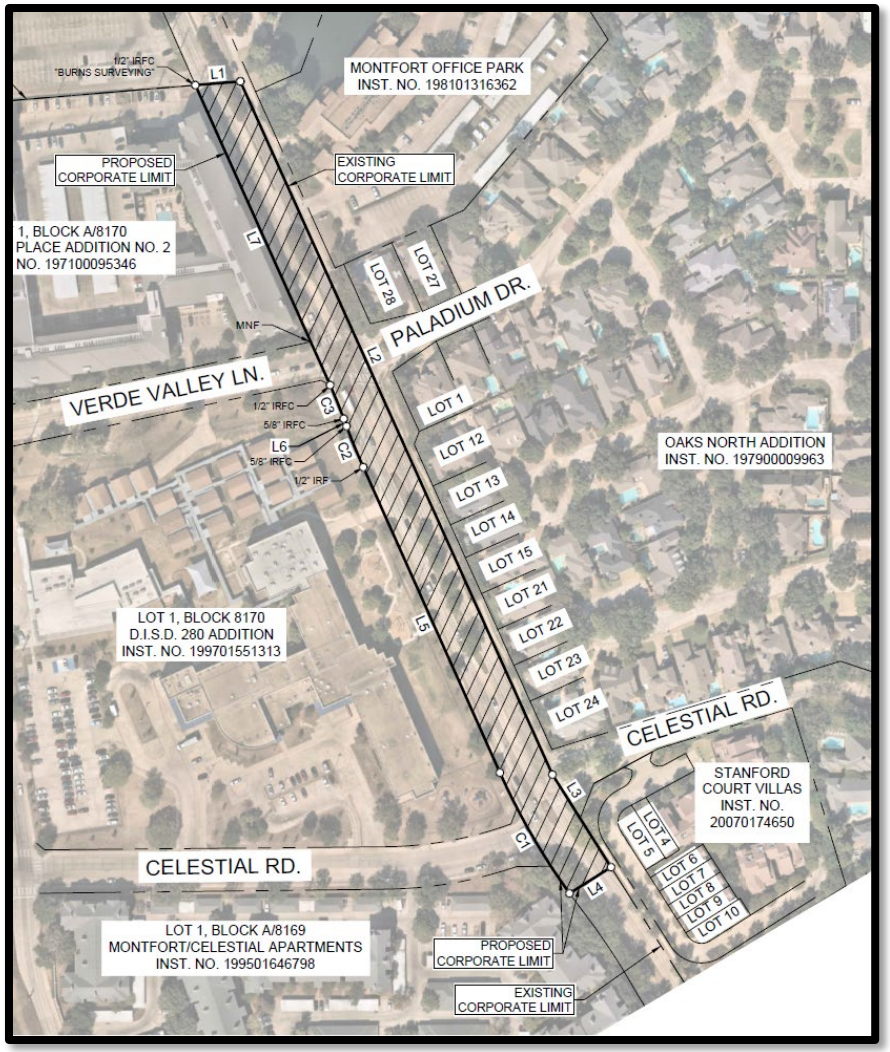
- Enhanced Infrastructure Management:
  - Includes signal upgrades, better sidewalks, buffers, underground utility replacement, and added fiber capabilities.
  - Simplifies permitting to all be within the Town instead of both Dallas and Addison.
- Enhanced Intersection Management:
  - Replaces signal infrastructure that is currently span wire and met its useful life at Paladium including MUTCD / ADA compliant installation of pedestrian crossings.
  - Improves the intersection at Celestial Drive by adding a traffic signal and pedestrian improvements.
  - Creates a safer environment for all modes of transportation in this area.
  - Adds preemption signal improvements to improve response time.

Background – Dallas Boundary Adjustment

- **October 11, 2023:** The Town requested a boundary adjustment from the City of Dallas transferring Montfort Drive from the current Dallas city limits south to Celestial Road from Dallas jurisdiction to Addison.

- **February 5, 2025:** The City of Dallas staff accepted the boundary agreement proposal and began the process of formalizing the boundary adjustment with the Transportation and Infrastructure Committee and Dallas City Council.

- **April 21, 2025:** The City of Dallas Transportation and Infrastructure Committee (TIC) approved a boundary adjustment from the Town of Addison, involving Montfort Drive, specifically extending from the current city limits south to Celestial Road.



Background - Dallas Boundary Adjustment

- **June 11, 2025:** Dallas City Council approved this boundary adjustment—explicitly stating the release of land and jurisdiction to Addison at no cost.

- **October 28, 2025**: Town of Addison City Council to consider approving the ordinance and legal description from the City of Dallas at an October City Council meeting.

- **November 2025**: Dallas City Council to consider approving the ordinance and legal description for the boundary adjustment.

Questions

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, RATIFYING AND ADOPTING AN AGREEMENT BETWEEN THE CITY OF DALLAS AND THE TOWN OF ADDISON ADJUSTING THEIR COMMON BOUNDARY LINE; ACCEPTING CERTAIN TRACTS OF LAND FROM THE CITY OF DALLAS; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILTY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, it is the desire of the City of Dallas and the Town of Addison to adjust their common boundary line in order to establish clear lines of demarcation for the most efficient development and delivery of services to the citizens in the area; and

WHEREAS, the City of Dallas and the Town of Addison, pursuant to Section 43.015 of the Local Government Code, have entered into an agreement, authorized by Dallas City Council Resolution No. 25-0927 on June 11, 2025, adjusting their common boundary line; and

WHEREAS, the City Council has determined that the approval of this Ordinance is in the best interest of the Town and its residents.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE TOWN OF ADDISON, TEXAS:

SECTION 1. That the Town of Addison does hereby ratify and adopt the agreement attached hereto and made a part of this ordinance as Exhibit A.

SECTION 2. That the City of Dallas shall release certain tracts of land, along with all extraterritorial jurisdiction pertaining thereto, now within the City of Dallas city limits and described in Exhibit A, to the Town of Addison.

SECTION 3. That the affected corporate limits of the City of Dallas shall be adjusted as set out in Exhibit A.

SECTION 4. That the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable, and if any section, paragraph, sentence, clause, or phrase of this ordinance shall be declared unconstitutional or invalid by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the city council without the incorporation in this ordinance of any such unconstitutional or invalid phrase, clause, sentence, paragraph, or section.

SECTION 5. This Ordinance shall become effective from and after its passage and publication as required by the Town Charter and by law.

DULY PASSED AND APPROVED by the City Council of the Town of Addison, Texas on this ***28th*** day of ***October***, 2025.

TOWN OF ADDISON

_____
Bruce Arfsten, Mayor

ATTEST:

_____
Valencia Garcia, City Secretary

APPROVED AS TO FORM:

_____
Whitt Wyatt, City Attorney

Exhibit A

BOUNDARY ADJUSTMENT AGREEMENT

THIS AGREEMENT is made and entered into by and between the City of Dallas, Texas, hereinafter referred to as Dallas, and the Town of Addison, Texas, hereinafter referred to as Addison.

WHEREAS, Dallas's eastern boundary is in part contiguous with the western boundary of Addison; and

WHEREAS, this existing boundary does not presently allow the efficient development and delivery of city services to the area; and

WHEREAS, the cities desire to modify their mutual boundary so as to allow more efficient development and delivery of city services to the area; and

WHEREAS, representatives of Dallas and Addison have met and agreed on a mutually acceptable boundary which is in the best interest of the citizens of each city.

WHEREAS, the Town of Addison agrees to provide concurrence for a future shuttle connection (inclusive of autonomous shuttle) from the Dallas International District to the Dallas Area Rapid Transit Knoll Trail Station using Montfort Drive; and

WHEREAS, the Town of Addison agrees to reconstruct and operate the traffic signal at Montfort Drive and Verde Valley Lane (Paladium Drive) as part of the boundary adjustment; and

WHEREAS, the Town of Addison agrees to authorize the City of Dallas to place new traffic signal poles, associated foundations, and signs and perform necessary maintenance of the traffic signal and associated infrastructure at the intersection of Arapaho Road and Southbound Dallas Parkway at the Dallas North Tollway (DNT) within the Town of Addison's right-of-way; and

WHEREAS, the City of Dallas agrees to authorize the Town of Addison to place new traffic signal poles, associated foundations, and signs and perform necessary maintenance of the traffic signal and associated infrastructure at the intersection of Montfort Drive and Celestial Road within the City of Dallas's right-of-way; and

WHEREAS, the City of Dallas agrees to coordinate with the Town of Addison for the establishment and installation of a shared use path on Quorum Drive/Verde Valley Lane beneath the DNT within the City of Dallas city limits, as well as landscaping improvements and lighting at the DNT and Arapaho Road; and

WHEREAS, the City of Dallas agrees to collaborate with the Town of Addison on pedestrian improvements and enhancements to the crossing at Belt Line Road and the DNT as

well as at Belt Line Road and Montfort Drive, which do not impact current vehicular movement; and

WHEREAS, the City of Dallas agrees to continue supporting the Town of Addison on traffic signal timing during events, with reimbursement from the Town of Addison; and

NOW, THEREFORE, for and in consideration of the mutual covenants, conditions, and promises expressed herein, Dallas and Addison agree as follows:

SECTION I.

Statement of Intent

It is the intent of Dallas and Addison to modify their respective boundaries in the following manner:

Dallas will release to Addison a tract of land along Montfort Drive, extending from the current Dallas city limits south to Celestial Road, as described in the attached exhibits, to align the boundary line for improved municipal service coordination.

SECTION II.

Release of Territory

Dallas agrees to release the following property to Addison:

A 2.1282-acre (92,704 square foot) tract of land situated in the Allen Bledsoe Survey, Abstract No. 157, and the Thomas Garvin Survey, Abstract No. 524, Dallas County, Texas, being a portion of Montfort Drive, a variable-width right-of-way, as more particularly described by metes and bounds in Attachment No. 2 to this agreement and depicted in the accompanying boundary survey.

SECTION III.

Waiver of Extraterritorial Jurisdiction

Dallas does hereby waive all of its extraterritorial jurisdiction rights existing by reason of the property described in Section II in favor Addison. It is expressly agreed and understood that this waiver shall operate only in favor of Addison, and shall not constitute a waiver of any right, including extraterritorial jurisdiction rights, which Dallas may be able to assert against any other municipality.

SECTION IV.

Service Plans

Upon ratification and adoption of this agreement by the city council of Addison, Addison does hereby agree to immediately begin implementation into the affected area of the service plan attached to and made a part of this agreement as Attachment No. 1.

SECTION V.

Other Issues

a. Addison agrees to provide concurrence for a future shuttle connection (inclusive of autonomous shuttle) from the Dallas International District to the Dallas Area Rapid Transit Knoll Trail Station using Montfort Drive.

b. Addison agrees to reconstruct and operate the traffic signal at Montfort Drive and Verde Valley Lane (Paladium Drive) as part of the boundary adjustment.

c. Addison authorizes Dallas to place new traffic signal poles, associated foundations, and signs and perform necessary maintenance of the traffic signal and associated infrastructure at the intersection of Arapaho Road and Southbound Dallas Parkway at the Dallas North Tollway (DNT) within Addison's right-of-way.

d. Dallas authorizes Addison to place new traffic signal poles, associated foundations, and signs and perform necessary maintenance of the traffic signal and associated infrastructure at the intersection of Montfort Drive and Celestial Road within Dallas's right-of-way.

e. Dallas agrees to coordinate with Addison for the establishment and installation of a shared use path on Quorum Drive/Verde Valley Lane beneath the DNT within Dallas city limits, as well as landscaping improvements and lighting at the DNT and Arapaho Road.

e. Dallas agrees to collaborate with Addison on pedestrian improvements and enhancements to the crossing at Belt Line Road and the DNT as well as at Belt Line Road and Montfort Drive, which do not impact current vehicular movement.

g. Dallas agrees to continue supporting Addison on traffic signal timing during events, with reimbursement from Addison.

SECTION VI.

Effective Date

Dallas and Addison agree that this agreement shall take effect only upon ratification and adoption by the governing bodies of each city.

SIGNED this the ____day of ____, 2025.

TOWN OF ADDISON, TEXAS

_____
City Manager

APPROVED AS TO FORM:

_____

ATTEST:

_____
City Secretary

CITY OF DALLAS, TEXAS

_____
City Manager

APPROVED AS TO FORM:
TAMMY L. PALOMINO, City Attorney

By: _____
Assistant City Attorney

ATTEST:

_____
City Secretary

ATTACHMENT NO. 1

SERVICE PLAN

As required by Texas Local Government Code Section 43.056, following is the Service Plan for the property described below and also identified on the attached map.

Property Description

As the result of a series of negotiations, the City of Dallas and the Town of Addison have agreed to a boundary adjustment covering the property described in Exhibit A, the boundary adjustment agreement.

Background of Proposed Annexation

As the result of a series of negotiations, the City of Dallas and the Town of Addison have agreed to a boundary adjustment covering the property described in Exhibit A to the boundary adjustment agreement.

This property includes the tract of land located along Montfort Drive, extending from the current Dallas city limits south to Celestial Road, as further detailed in the legal description and survey contained in Attachment 2 to Exhibit A.

Schedule of Municipal Services

A. Police Protection

Police enforcement and protection services are to be provided by the extension of patrol into the annexed area and by response from the Addison Police Department to individual requests beginning on the effective date of the annexation ordinance.

B. Fire Protection (including emergency ambulance)

1. Fire protection personnel and equipment, and emergency medical personnel and equipment shall be provided to the annexed area upon request beginning on the effective date of the annexation ordinance.

2. When able, the City of Dallas will provide the Town of Addison with preemption at the following intersections: Belt Line Road at the Dallas North Tollway (DNT), Belt Line Road at Montfort Drive, and DNT at Verde Valley Lane.

C. Solid Waste Collection

Solid waste collection service is to be provided to the annexed area in accordance with Town of Addison ordinances, resolutions, and regulations beginning on the effective date of the annexation ordinance.

D. Water and Wastewater

1. Existing Service

Existing water and wastewater service will remain under the ownership, control, and operation of the respective utility entity providing current service.

2. New Service

Provision of new water or wastewater service shall be furnished exclusively by the utility having jurisdiction within the property boundary where service is requested. In the event that the designated utility is unable to provide such service, said utility, at its discretion, may request service from the reciprocal utility entity. Any such request for service shall be governed by and subject to the terms, conditions, and obligations set forth in the Reciprocal Water and Wastewater Service Agreement, which is incorporated as Exhibit "E" to the Wholesale Treated Water Contract executed between the City of Dallas and the Town of Addison on January 6th, 2012, and all subsequent agreements, all of which above said instruments are hereby incorporated in their entirety herein as though written word for word.

E. Maintenance of Roads and Streets

1. Street maintenance and other street services are to be provided to the annexed area in accordance with Town of Addison ordinances, resolutions, and regulations beginning on the effective date of the annexation ordinance.

2. As streets are constructed in undeveloped portions of the annexed areas, the Town is to participate in the cost of construction, acceptance upon completion, maintenance, and other services in accordance with Town of Addison ordinances, resolutions, and regulations.

F. Street Lighting

The Town of Addison is to provide for the placement of street lights in accordance with practices in all other areas of the town.

G. Traffic Engineering

Necessary traffic studies are to be performed to determine the need for installation of street identification signs and proper traffic control devices within the annexed area in accordance with Town of Addison ordinances, resolutions, and regulations.

H. Planning and Zoning.

The planning and zoning jurisdiction, including the subdivision platting process, of the Town of Addison extend to the annexed area.

I. Storm Drainage (including flood plain regulations)

Studies are to be conducted to ascertain the limits of the 100-year floodplain in order to place the zoning flood plain prefix on any appropriate areas.

J. Capital Improvements

The Town of Addison will initiate the acquisition or construction of capital improvements necessary for providing services adequate to serve the area annexed as soon as reasonably possible, consistent with generally accepted local engineering and architectural standards and practices. Any necessary capital improvements will be provided no later than 4 1/2 years after the effective date of the annexation ordinance.

K. Miscellaneous

General municipal administrative and code enforcement services of the Town of Addison will be provided to residents of the annexed area, beginning on the effective date of the annexation ordinance.

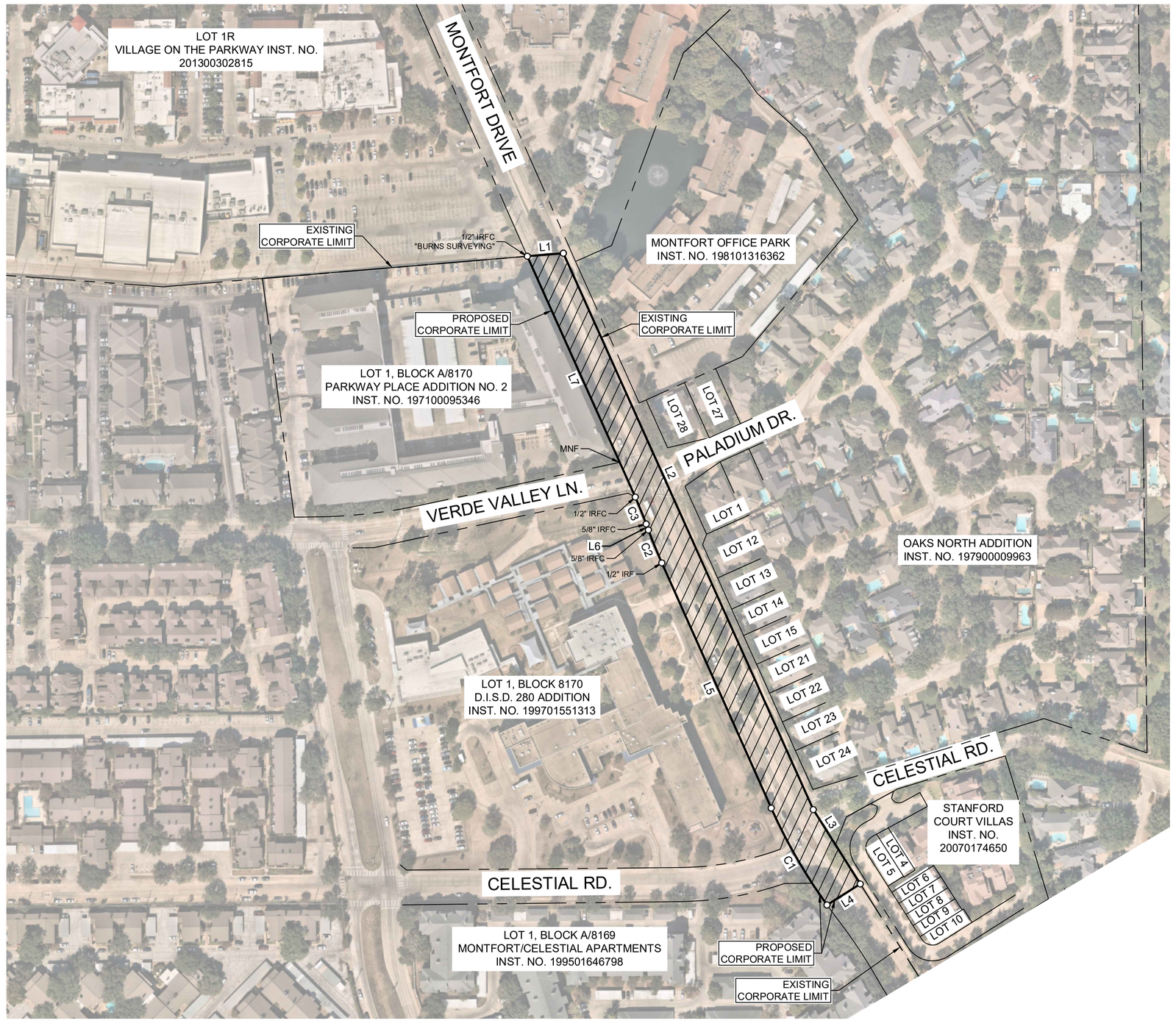
Prepared this ____ day of _____, 2025.

ATTACHMENT NO. 2

PROPERTY TO BE RELEASED

Attachment No. 2 Exhibit A

Exhibit A



LEGEND

IRFC = IRON ROD W/CAP FOUND
IRF = IRON ROD FOUND

LINE TABLE		
NO.	BEARING	LENGTH
L1	N85°12'22"E	68.72'
L2	S24°11'23"E	1158.82'
L3	S32°18'04"E	167.13'
L4	S57°41'56"W	74.77'
L5	N24°03'12"W	510.11'
L6	N20°20'05"W	12.17'
L7	N24°09'17"W	501.35'

CURVE TABLE					
NO.	DELTA	RADIUS	LENGTH	CHORD BEARING	CHORD
C1	11°43'26"	1040.00'	212.81'	N29°54'55"W	212.43'
C2	3°43'07"	1040.00'	67.50'	N22°11'39"W	67.49'
C3	3°17'54"	960.00'	55.27'	N21°59'02"W	55.26'

NOTES

Bearing system based on the Texas Coordinate System of 1983 (2011 adjustment), North Central Zone (4202).

This document was prepared under 22 Texas Administrative Code §138.95, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

JOSHUA D. WARGO
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6391
801 CHERRY STREET,
UNIT 11 SUITE 1300
FORT WORTH, TEXAS 76102
PH. 817-962-2193
josh.wargo@kimley-horn.com

PRELIMINARY

THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

NORTH

GRAPHIC SCALE IN FEET
150 0 75 150 300
1" = 150' @ 24X36

BOUNDARY ADJUSTMENT EXHIBIT
ALLEN BLEDSOE SURVEY
ABSTRACT No. 157
CITY OF ADDISON
CITY OF DALLAS
DALLAS COUNTY, TEXAS

Kimley»Horn
801 Cherry Street, Unit 11, # 1300
Fort Worth, Texas 76102
Tel. No. (817) 335-6511
FIRM # 10194040
www.kimley-horn.com

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 150'	CRG	JDW	3/11/2025	063543048	1 OF 1

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DWG NAME: K:\FTW_SURVEY\063543048-ADDISON BA\DWG\063543048-ADDISON BA_BT MONTFORT.DWG PLOTTED BY: GENSHEIMER, RILEY 3/11/2025 9:45 AM LAST SAVED 3/11/2025 9:42 AM

LEGAL DESCRIPTION

BEING a 2.1282 acre (92,704 square foot) tract of land situated in the Allen Bledsoe Survey, Abstract No. 157, and the Thomas Garvin Survey, Abstract No. 524, Dallas County, Texas, and being a portion of Montfort Drive, a variable width right-of-way, and being more particularly described as follows:

COMMENCING at a 1/2-inch iron rod with cap found for the northwest corner of Lot 1, Block A/8170, Parkway Place Addition No. 2, an addition to the City of Dallas, Dallas County, Texas according to the plat recorded in Instrument No. 197100095346, Deed Records, Dallas County, Texas;

THENCE North 85°12'22" East, along the north line of said Lot 1, a distance of 505.02 feet to a 1/2-inch iron rod with "BURNS SURVEYING" cap found at the **POINT OF BEGINNING**;

THENCE North 85°12'22" East, a distance of 68.72 feet to a point for corner in the existing corporate city limit line as shown on the Town of Addison Boundary Drawing prepared by Garcia & Associates, dated April 11, 1997;

THENCE South 24°11'23" East, along the said corporate city limit line, a distance of 1,158.82 feet to a point for corner;

THENCE South 32°18'04" East, continuing along the said corporate city limit line, a distance of 167.13 feet to a 5/8-inch iron rod with "KHA" cap set for corner;

THENCE South 57°41'56" West, a distance of 74.77 feet to a 5/8-inch iron rod with "KHA" cap set for corner in the west right-of-way line of said Montfort Drive, and being the beginning of a non-tangent curve to the right with a radius of 1,040.00 feet, a central angle of 11°43'26", and a chord bearing and distance of North 29°54'55" West, 212.43 feet;

THENCE along the said west right-of-way line, the following six (6) calls:

In a northwesterly direction, along said non-tangent curve to the right, an arc distance of 212.81 feet to a 5/8-inch iron rod with "KHA" cap set for corner;
North 24°03'12" West, a distance of 510.11 feet to a 1/2-inch iron rod found for corner, being the beginning of a tangent curve to the right with a radius of 1,040.00 feet, a central angle of 03°43'07", and a chord bearing and distance of North 22°11'39" West, 67.49 feet;
In a northwesterly direction, with said tangent curve to the right, an arc distance of 67.50 feet to a 5/8-inch iron rod with cap found for corner;
North 20°20'05" West, a distance of 12.17 feet to a 5/8-inch iron rod with cap found for corner, being the beginning of a tangent curve to the left with a radius of 960.00 feet, a central angle of 03°17'54", and a chord bearing and distance of North 21°59'02" West, 55.26 feet;
In a northwesterly direction, with said tangent curve to the left, an arc distance of 55.27 feet to a 1/2-inch iron rod with cap found for the northeast corner of Lot 1, Block 8170, D.I.S.D. 280 Addition, an addition to the City of Dallas according to the plat recorded in Instrument No. 199701551313, said Deed Records;
North 24°09'17" West, a distance of 501.35 feet to the **POINT OF BEGINNING** and containing 92,704 square feet or 2.1282 acres of land, more or less.

NOTES:

Bearing system based on the Texas Coordinate System of 1983 (2011 adjustment), North Central Zone (4202).

The undersigned, Registered Professional Land Surveyor, hereby certifies that the foregoing description accurately sets out the metes and bounds of the boundary adjustment tract.

JOSHUA D. WARGO
REGISTERED PROFESSIONAL
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josh.wargo@kimley-horn.com

5/30/24

BOUNDARY ADJUSTMENT EXHIBIT
MONTFORT DRIVE
ALLEN BLEDSOE SURVEY
ABSTRACT No. 157
THOMAS GARVIN SURVEY
ABSTRACT No. 524
CITY OF DALLAS
DALLAS COUNTY, TEXAS

Kimley»Horn
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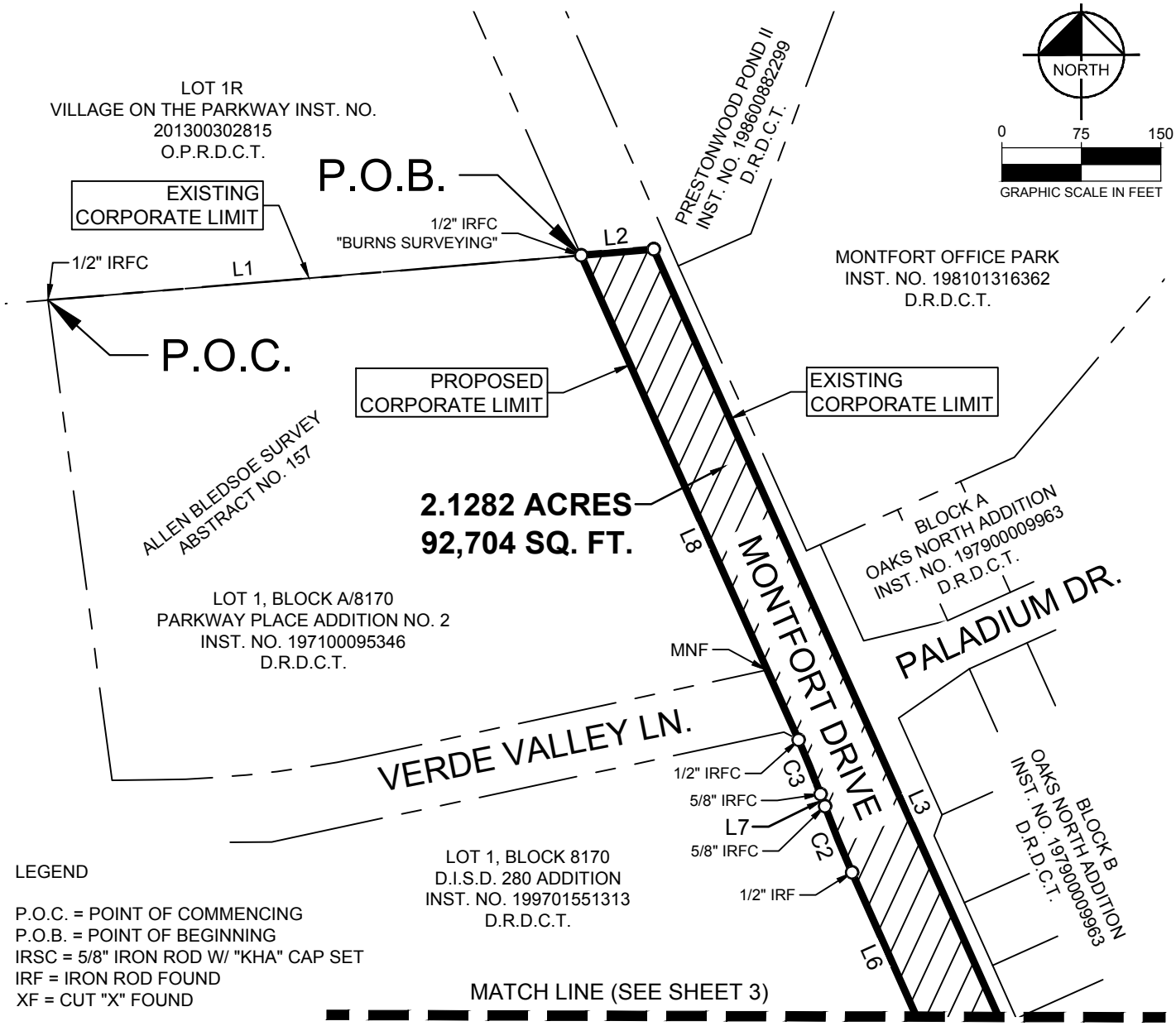
Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
N/A	CRG	JDW	5/30/2024	063543048	1 OF 3



LEGEND

P.O.C. = POINT OF COMMENCING
P.O.B. = POINT OF BEGINNING
IRSC = 5/8" IRON ROD W/ "KHA" CAP SET
IRF = IRON ROD FOUND
XF = CUT "X" FOUND

NOTES:

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The undersigned, Registered Professional Land Surveyor, hereby certifies that this survey plat accurately sets out the metes and bounds of the boundary adjustment tract.

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MONTFORT DRIVE
ALLEN BLEDSOE SURVEY
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STATE OF TEXAS
REGISTERED
JOSHUA D. WARGO
6391
PROFESSIONAL
LAND SURVEYOR

5/30/24

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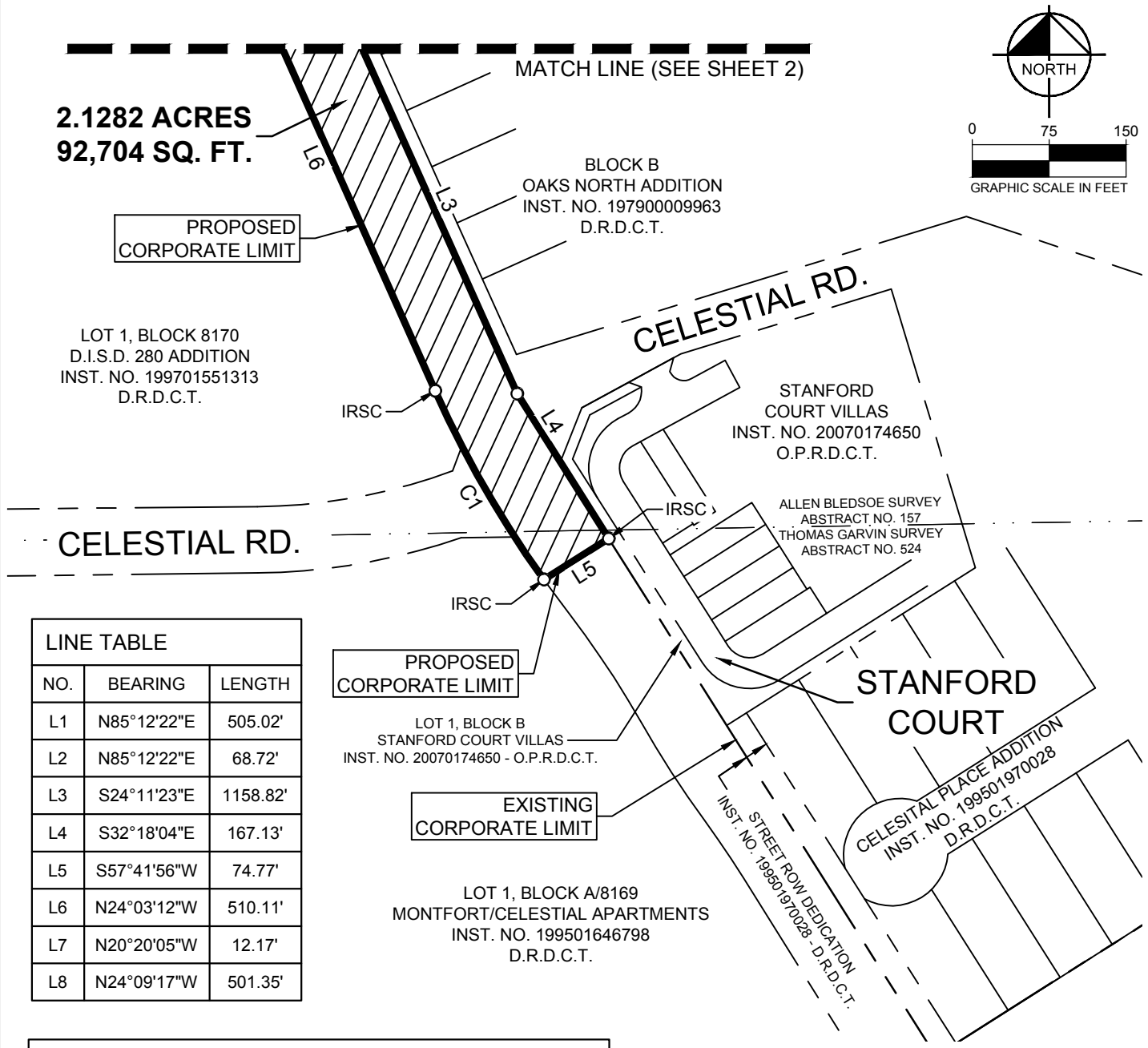
1" = 150'	CRG	JDW	5/30/2024	063543048	2 OF 3



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