

June 24, 2026

WHEREAS, the City of Dallas ("City") recognizes the importance of its role in local economic development and the public purposes of fostering economic growth; and

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

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

WHEREAS, on May 26, 2021, the City Council adopted an Economic Development Policy 2022-2032 ("Policy") by Resolution No. 21-0927, which was revised on January 25, 2023 by Resolution No. 23-0220 and on December 10, 2025 by Resolution No. 25-1895; and

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

WHEREAS, on January 8, 2025, the City Council reauthorized the Incentive Policy effective for the period January 1, 2025 through December 31, 2026 by Resolution No. 25-0162 and as amended; and

WHEREAS, Texas Local Government Code Chapter 378.002 requires that the creation of a neighborhood empowerment zone promotes: (1) the creation or rehabilitation of affordable housing in the zone, or (2) an increase in economic development in the zone, or (3) an increase in the quality of social services, education or public safety provided to the residents of the zone; and

WHEREAS, Texas Local Government Code Chapter 378 empowers municipalities to enter into agreements abating municipal property taxes on property in the zone subject to the duration limits of the Property Redevelopment and Tax Abatement Act Section 312.204; and

WHEREAS, the City finds that the creation of the City of Dallas Neighborhood Empowerment Zone No. 24 ("NEZ No. 24") as depicted on the map attached as **Exhibit A** will promote an increase in economic development in NEZ No. 24, will benefit the public, and is for the public purpose of increasing the public health, safety, and welfare of the persons in the City of Dallas; and

WHEREAS, the City finds that the creation of the City of Dallas Neighborhood Empowerment Zone No. 25 ("NEZ No. 25") as depicted on the map attached as **Exhibit B** will promote an increase in economic development in NEZ No. 25, will benefit the public, and is for the public purpose of increasing the public health, safety, and welfare of the persons in the city of Dallas; and

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WHEREAS, the City finds that the designation of NEZ No. 24 and NEZ No. 25 satisfies the requirements of the Property Redevelopment and Tax Abatement Act, Section 312.202 in that the creation and designation of NEZ No. 24 and NEZ No. 25 is reasonably likely to attract major investment in NEZ No. 24 and NEZ No. 25 that would be a benefit to the property and contribute to the economic development of the city of Dallas; and

WHEREAS, the Incentive Policy includes guidelines and criteria for tax abatements and an economic development program pursuant to Chapter 380 of the Texas Local Government Code for making economic development loans and grants of public funding for qualified business development projects that promote economic development, stimulate private sector investment, encourage job creation, and/or grow the tax base in the City; and

WHEREAS, Morgan Stanley Services Group Inc. and/or an affiliate (“Morgan Stanley” or “Company” or “Grantee/BPP Owner”) is a leading global financial services firm providing a wide range of investment banking, securities, wealth management and investment management services; and

WHEREAS, with offices in 42 countries, Morgan Stanley serves clients worldwide including corporations, governments, institutions and individuals; and

WHEREAS, Morgan Stanley’s global headquarters is located in New York, and the Company is currently focused on establishing a new U.S. operational hub to continue to grow its services; and

WHEREAS, for the past several months, staff has been coordinating with Morgan Stanley representatives as the Company has been looking across the United States for a location for a new large-scale operational hub; and

WHEREAS, within the city of Dallas, Morgan Stanley has identified two sites for a phased approach to establishing the new large-scale operational hub; and

WHEREAS, the first location at 1445 Ross Avenue (Fountain Place) would be a temporary location (“Temporary Location”) while the permanent location at 2401 McKinney Avenue, 2421 McKinney Avenue, 2425 McKinney Avenue, 2507 Fairmount Street, and 2515 Fairmount Street (“Permanent Location”) is constructed; and

WHEREAS, in the first phase (“Phase I”), Morgan Stanley would execute a short-term lease (approximately 52 months) for approximately 255,000 square feet of office space at the Temporary Location to occupy while construction of an approximately 708,000 square foot build-to-suit office building at the Permanent Location is being completed; and

WHEREAS, in the second phase (“Phase II”), Morgan Stanley would execute a long-term lease (approximately 16 years) in a new building at the Permanent Location (with occupancy anticipated to begin in 2031); and

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WHEREAS, Morgan Stanley plans the following investment and job relocation/creation activities with Phase I at the Temporary Location (“Phase I Project”): (i) investment of approximately \$96.9 million in real estate and business personal property improvements at the Temporary Location in 2026 and 2027, and (ii) relocation (from outside of Dallas) and/or new creation of approximately 1,500 jobs at the Temporary Location between 2027 and 2031; and

WHEREAS, Morgan Stanley plans the following investment activities with Phase II at the Permanent Location (“Phase II Project”): investment of approximately \$684.2 million in real estate and business personal property improvements at the Permanent Location by the end of 2031 (note: an additional approximately \$650 million will be expended by developer/landlord to deliver the core and shell building at the Permanent Location for Morgan Stanley); and

WHEREAS, Morgan Stanley plans the following job relocation/creation activities with the Phase II Project: (i) upon the opening of the Permanent Location, Morgan Stanley will relocate 1,500 jobs from the Temporary Location (and 115 other jobs from the Dallas market) and continue to relocate (from outside of Dallas) and/or newly create an additional 2,200 jobs before the end of 2035 (for a total of 3,800 jobs at the Permanent Location), and (ii) Morgan Stanley has also indicated the possibility of relocating (from outside of Dallas) and/or newly creating an additional 1,000 jobs at the Permanent Location by the end 2039 (for a total of 4,800 jobs at the Permanent Location); and

WHEREAS, Morgan Stanley’s Phase I Project and the Phase II Project are collectively the “Project”); and

WHEREAS, Morgan Stanley is also considering Alpharetta, Georgia for this Project; and

WHEREAS, City Council has previously passed Ordinance No. 30376 electing to participate in the Texas Enterprise Zone (“TEZ”) Program; and the local incentives offered under this resolution are the same on this date as were outlined in Ordinance No. 30376; and

WHEREAS, the Office of the Governor Economic Development and Tourism, through the Texas Economic Development Bank, will consider Morgan Stanley’s Phase I Project at the Temporary Location as an enterprise project pursuant to a nomination made by the City and an application made by Morgan Stanley; and

WHEREAS, the Office of the Governor Economic Development and Tourism, through the Texas Economic Development Bank, will consider Morgan Stanley’s Phase II Project at the Permanent Location as a triple jumbo enterprise project pursuant to a nomination made by the City and an application made by Morgan Stanley; and

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WHEREAS, the City desires to pursue the creation of the proper economic and social environment in order to induce the investment of private resources in productive business enterprises located in the City and to provide employment and local health care services to residents of enterprise zones and to other economically disadvantaged individuals; and

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Texas Enterprise Zone Act, Texas Government Code ("Act"), Morgan Stanley has applied to the City for designation as an enterprise project for the Temporary Location and for designation as a triple jumbo enterprise project for the Permanent Location; and

WHEREAS, the City finds that Morgan Stanley's Phase I Project and Phase II Project meet the criteria for designation as an enterprise project under the Act on the following grounds:

- A. Morgan Stanley's Phase I Project at the Temporary Location is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site within the governing body's jurisdiction located outside of an enterprise zone and at least thirty-five percent (35.0%) of the business' new employees will be residents of an enterprise zone, economically disadvantaged individuals, or veterans; and
- B. Morgan Stanley's Phase II Project at the Permanent Location is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site within the governing body's jurisdiction located outside of an enterprise zone and at least thirty-five percent (35.0%) of the business' new employees will be residents of an enterprise zone, economically disadvantaged individuals, or veterans; and
- C. There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities within the area; and
- D. The designation of the Temporary Location at 1445 Ross Avenue, Dallas, Texas as the qualified site for an enterprise project will contribute significantly to the achievement of the plans of the City for development of the area; and
- E. The designation of the Permanent Location at 2401 McKinney Avenue, 2421 McKinney Avenue, 2425 McKinney Avenue, 2507 Fairmount Street, and 2515 Fairmount Street, Dallas, Texas as the qualified site for a triple jumbo enterprise project will contribute significantly to the achievement of the plans of the City for development of the area; and

WHEREAS, the City finds that Morgan Stanley's Phase I Project and the Phase II Project will not be undertaken within the city without an offer of economic development incentives from the City; and

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WHEREAS, the City finds that Morgan Stanley's Phase I Project meets the criteria for tax relief and other incentives adopted by the City and nominates the Temporary Location as the qualified site for enterprise project status on the grounds that it will be located at the qualified business site, will create a higher level of employment, economic activity, and stability; and

WHEREAS, the City finds that Morgan Stanley's Phase II Project meets the criteria for tax relief and other incentives adopted by the City and nominates the Permanent Location as the qualified site for triple jumbo enterprise project status on the grounds that it will be located at the qualified business site, will create a higher level of employment, economic activity, and stability; and

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

WHEREAS, on June 17, 2026, the City Council was briefed in an executive session regarding this Project; and

WHEREAS, NEZ No. 24 and NEZ No. 25 are being designated by the City with the desired goal to produce a vibrant economic environment by inducing the investment of private resources in new business enterprises located within the city of Dallas; and

WHEREAS, the City desires to enter into an economic development incentive agreement with Morgan Stanley to include: (a) a business personal property ("BPP") tax abatement for a period of five years in an amount equal to the City taxes assessed on ninety percent (90%) of the added taxable value of the business personal property resulting from Morgan Stanley's Phase I Project; (b) a business personal property tax abatement for a period of ten years in an amount equal to the City taxes assessed on ninety percent (90%) of the added taxable value of the business personal property resulting from the Morgan Stanley's Phase II Project; (c) a Chapter 380 economic development grant in an amount not to exceed \$18,500,000.00 consisting of: (i) an amount not to exceed \$10,000,000.00 for job relocation and/or creation; (ii) an amount not to exceed \$7,500,000.00 in lieu of a real property tax abatement; and (iii) an amount not to exceed \$1,000,000.00 to reimburse actual permitting, inspections, and development fees, in consideration of the job relocation/creation and investment associated with Morgan Stanley's establishment and operation of a new temporary regional office at 1445 Ross Avenue in NEZ No. 24 ("Phase I Project") and a new permanent regional office at 2401 McKinney Avenue, 2421 McKinney Avenue, 2425 McKinney Avenue, 2507 Fairmount Street, and 2515 Fairmount Street in NEZ No. 25 ("Phase II Project"); and (3) the City's nomination of Morgan Stanley's Phase I Project for designation as an Enterprise Zone project and the City's nomination of Morgan Stanley's Phase II Project for designation as a triple jumbo Enterprise Zone project under the Texas Enterprise Zone Act, as amended by the Office of the Governor, Economic Development and Tourism division, through the Texas Economic Development Bank; in accordance with the City's Economic Development Incentive Policy; and

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WHEREAS, the City finds that it is in the best interest of the City to nominate the Phase I Project at the Temporary Location as an enterprise project and the Phase II Project at the Permanent Location as a triple jumbo enterprise project pursuant to the Act.

Now, Therefore,

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

SECTION 1. That the City hereby designates the property currently addressed as 1445 Ross Avenue in Dallas, Texas (approximately 4.43 acres of real property and as further depicted on the map attached as **Exhibit A**) as a neighborhood empowerment zone pursuant to Chapter 378 of the Texas Local Government Code to be known as City of Dallas Neighborhood Empowerment Zone No. 24 (“NEZ No. 24”) to promote an increase in economic development in the zone, establish the boundaries of the zone, and provide for an effective date.

SECTION 2. That the City hereby designates the properties currently addressed as 2401 McKinney Avenue, 2421 McKinney Avenue, 2425 McKinney Avenue, 2507 Fairmount Street, and 2515 Fairmount Street in Dallas, Texas (approximately 2.26 acres of real property and as further depicted on the map attached as **Exhibit B**) as a neighborhood empowerment zone pursuant to Chapter 378 of the Texas Local Government Code to be known as City of Dallas Neighborhood Empowerment Zone No. 25 (“NEZ No. 25”) to promote an increase in economic development in the zone, establish the boundaries of the zone, and provide for an effective date.

SECTION 3. That the City Manager is hereby authorized, upon approval as to form by the City Attorney, to execute an economic development incentive agreement (“Agreement”) with Morgan Stanley Services Group Inc. or an affiliate thereof (“Morgan Stanley” or “Grantee/BPP Owner”) to include: (a) a business personal property (“BPP”) tax abatement for a period of five years in an amount equal to the City taxes assessed on ninety percent (90%) of the added taxable value of the business personal property resulting from Morgan Stanley’s Phase I Project; (b) a business personal property tax abatement for a period of ten years in an amount equal to the City taxes assessed on ninety percent (90%) of the added taxable value of the business personal property resulting from the Morgan Stanley’s Phase II Project; (c) a Chapter 380 economic development grant in an amount not to exceed \$18,500,000.00 consisting of: (i) an amount not to exceed \$10,000,000.00 for job relocation and/or creation; (ii) an amount not to exceed \$7,500,000.00 in lieu of a real property tax abatement; and (iii) an amount not to exceed \$1,000,000.00 to reimburse actual permitting, inspections, and development fees, in consideration of the job relocation/creation and investment associated with Morgan Stanley’s establishment and operation of a new temporary regional office at 1445 Ross Avenue in NEZ No. 24 (“Phase I Project”) and a new permanent regional office at 2401 McKinney Avenue, 2421 McKinney Avenue, 2425 McKinney Avenue, 2507 Fairmount Street, and 2515 Fairmount Street in NEZ No. 25 (“Phase II Project”).

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SECTION 4. That the approval and execution of an economic development incentive agreement by the City is not conditional upon approval and execution of any other tax abatement agreement by any other taxing entity.

SECTION 5. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 6. That, pursuant to Section 3 of this resolution, the Chief Financial Officer is hereby authorized to disburse economic development grant funds in an amount not to exceed \$18,500,000.00 to Morgan Stanley Services Group Inc.VC0000035538 and/or its affiliates from the funding source as listed and described below:

Public/Private Partnership Fund

Fund 0352, Department ECO, Unit X293

Activity PPPF, Object 3016, Program MORGANSTLY

Encumbrance/Contract No. CX ECO-2026-00030750

\$18,500,000.00

SECTION 7. That the economic development grants shall be payable in multiple installments and subject to the following conditions:

- A. Economic Development Permitting Fee Reimbursement Grant:** The Company shall be eligible for an “Economic Development Permitting Fee Reimbursement Grant” in an amount not to exceed \$1,000,000.00 to reimburse actual City of Dallas Q-Team, permitting, inspections, or development fees incurred by Company by December 31, 2032 related to the construction of the Permanent Location. The Economic Development Permitting Reimbursement Grant shall also be contingent upon Company’s compliance with the Other Requirements and Conditions listed below.

- B. Economic Development Job Grant:** In consideration of a minimum of 3,800 permanent full-time equivalent (FTE) jobs (1) retained/moved from other locations in Dallas to the Permanent Location, (2) relocated (from outside of Dallas) and/or net newly created at the Temporary Location and moved to the Permanent Location, or (3) relocated (from outside of Dallas) and/or net newly created at the Permanent Location by the end of 2035, the Company shall be eligible for an “Economic Development Job Grant” in a total amount not to exceed \$8,000,000.00. The Economic Development Job Grant shall be earned and paid in the following three installments, and the 3,800 FTE jobs shall be maintained through December 31, 2045. An FTE job is defined as a full-time permanent employee scheduled to work at least 35 hours per week with benefits. An FTE job that has the flexibility to work from home periodically or that may be required to travel from time to time shall still count for purposes of this incentive agreement so long as its primary business address, based on payroll records, is the Permanent or Temporary Location and the worker resides within the Dallas-Fort Worth-Arlington MSA.

SECTION 7 (continued)

- Job Grant Installment No. 1: Upon the first 2,000 FTE jobs based either at the Permanent Location or at the Temporary Location by December 31, 2032, the Company shall earn a first grant payment of \$4,000,000.00
- Job Grant Installment No. 2: Upon an additional 1,000 FTE jobs (for a cumulative total of 3,000 FTE jobs) based at the Permanent Location by December 31, 2034, the Company shall earn a second grant payment of \$2,000,000.00
- Job Grant Installment No. 3: Upon an additional 800 FTE jobs (for a cumulative total of 3,800 FTE jobs) based at the Permanent Location by December 31, 2035, the Company shall earn a third grant payment of \$2,000,000.00

The FTE jobs created pursuant to Job Grant Installments No. 1, No. 2 and No. 3 described above shall collectively be known as the “Minimum Job Creation Requirement.”

In addition to Job Grant Installments No. 1, No. 2 and No. 3, the Company shall be eligible for two additional Economic Development Job Grant installments as follows if job relocation/creation exceeds the Minimum Job Creation Requirement:

- Job Grant Installment No. 4: Upon an additional 500 FTE jobs (for a cumulative total of 4,300 FTE jobs) based at the Permanent Location by December 31, 2037, the Company shall earn a fourth grant payment of \$1,000,000.00
- Job Grant Installment No. 5: Upon an additional 500 FTE jobs (for a cumulative total of 4,800 FTE jobs) based at the Permanent Location by December 31, 2039, the Company shall earn a fifth grant payment of \$1,000,000.00

All FTE jobs created pursuant to the Economic Development Job Grant (Job Grant Installments No. 1 through No. 5) shall be maintained through December 31, 2045. The Economic Development Job Grant shall also be contingent upon the Company’s compliance with the Other Requirements and Conditions listed below.

SECTION 7 (continued)

- C. Economic Development Grant (In Lieu of Real Property Tax Abatement):** The Company shall be eligible for an "Economic Development Grant" (in lieu of a real property tax abatement) of \$1,500,000.00 once each year over a five year period (for a cumulative total of \$7,500,000.00). The Economic Development Grant's first annual payment, contingent upon the Company's compliance with the Other Requirements and Conditions listed below, shall be paid in the first quarter of the year specifically following the Company's submission of detailed documentation evidencing compliance with the Phase II Minimum Investment Requirement (described below), with subsequent payments to follow in the first quarter for each of the next four years, provided the Company remains in compliance with all Other Requirements and Conditions.

SECTION 8. That the BPP tax abatement for the Temporary Location shall be for a period of five (5) years in an amount equal to the City taxes assessed on ninety percent (90%) of the added taxable value of Grantee/BPP Owner's business personal property resulting from the Phase I Project. The added taxable value of Grantee/BPP Owner's business personal property is the amount of the difference between the appraised value of the real property as shown on the tax rolls of the Dallas Central Appraisal District as of January 1 of the year that the Agreement is executed and the appraised value of the business personal property as shown on such tax rolls as of January 1 of the year of calculation during the term of the BPP abatement. The value of the business personal property shall be as finally determined by Dallas Central Appraisal District ("DCAD").

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

SECTION 9. That the business personal property subject to the BPP tax abatement at the Temporary Location shall be located wholly on real property within the area designated as NEZ No. 24 as illustrated on the attached map (**Exhibit A**).

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SECTION 10. That the BPP tax abatement for the Permanent Location shall be for a period of ten (10) years in an amount equal to the City taxes assessed on ninety percent (90%) of the added taxable value of Grantee/BPP Owner's business personal property resulting from the Phase II Project. The added taxable value of Grantee/BPP Owner's business personal property is the amount of the difference between the appraised value of the real property as shown on the tax rolls of the Dallas Central Appraisal District as of January 1 of the year that the Agreement is executed and the appraised value of the business personal property as shown on such tax rolls as of January 1 of the year of calculation during the term of the BPP abatement. The value of the business personal property shall be as finally determined by Dallas Central Appraisal District ("DCAD").

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

SECTION 11. That the business personal property subject to the BPP tax abatement at the Permanent Location shall be located wholly on real property within the area designated as NEZ No. 25 as illustrated on the attached map (**Exhibit B**).

SECTION 12. That the Agreement shall include the following specific terms and conditions ("Other Requirements and Conditions"):

A. Phase I Project at Temporary Location

1. Construction Completion: The Company shall complete construction of leasehold improvements (as evidenced by a final Certificate of Occupancy) on a minimum 200,000 square foot office space at the Temporary Location on or before December 31, 2028.
2. Lease and Occupancy: The Company shall execute a minimum 48-month lease for a minimum of 200,000 square feet of office space at the Temporary Location no later than December 31, 2026. The Company shall begin to occupy the Temporary Location no later than December 31, 2028, and shall continuously operate in the leased space until December 31, 2032, or until the Company moves into the Permanent Location (whichever occurs first).

SECTION 12 (continued)

3. Minimum Investment Requirement: The Company shall directly incur and document, to the satisfaction of the Director of the Office of Economic Development, a total minimum capital investment of \$40 million at the Temporary Location by December 31, 2028 in any combination of leasehold improvements (hard and soft costs) (real property improvements), furniture, fixtures and equipment, and information technology (business personal property) expenditures.

B. Phase II Project at Permanent Location

1. Construction Completion: The Company shall complete construction of leasehold improvements (as evidenced by a final Certificate of Occupancy) on a minimum 700,000 square foot office space at the Permanent Location on or before December 31, 2032.
2. Lease and Occupancy: The Company shall execute a minimum 15-year lease for a minimum of 700,000 square feet of office space at the Permanent Location no later than December 31, 2028. The Company shall begin to occupy the

Permanent Location office space no later than December 31, 2032, and shall continuously operate in the leased space throughout the remaining term of the Agreement.
3. Minimum Investment Requirement: The Company shall directly incur and document, to the satisfaction of the Director of the Office of Economic Development, a total minimum capital investment of \$500 million at the Permanent Location by December 31, 2032 in any combination of leasehold improvements (hard and soft costs) (real property improvements), furniture, fixtures and equipment, and information technology (business personal property) expenditures.
4. Small Business Inclusion in Construction: The Company shall make a good faith effort to comply with the City's Developing Regional & Inclusive Vendor Enterprises (DRIVE) Policy goal of 33% participation by certified Small Business Enterprises (SBE) for all hard construction expenditures associated with Company's leasehold improvements and meet all process and reporting requirements of the DRIVE Policy as administered by the City's Office of Procurement Services (OPS). DRIVE reporting requirements and forms will be incorporated into the Agreement, and compliance shall be coordinated with OPS.

C. General Requirements Applicable to Temporary Location and Permanent Location

SECTION 12 (continued)

1. Average Annual Wage: For the total amount of permanent full-time equivalent (FTE) jobs relocated (from outside of Dallas) and/or net newly created by the Company pursuant to the Economic Development Job Grant, the average annual wage shall be no lower than \$110,000 across all positions excluding benefits and as reported on the employee's W-2 Form. Any bonus payment made that is not captured on the W-2 Form does not count toward the average annual wage. Compliance with the average annual wage requirement shall be maintained through the term of the Agreement.
2. Minimum Wage: For the total amount of permanent full-time equivalent (FTE) jobs relocated (from outside of Dallas) and/or net newly created by the Company pursuant to the Economic Development Job Grant, the minimum wage shall be equal to or greater than the then-current living wage for an individual in Dallas County as determined by the Massachusetts Institute of Technology's Living Wage Calculator (figure may be adjusted throughout the term of the Agreement). The living wage rate in Dallas County is currently \$23.31 per hour (excluding overtime, bonuses, and benefits), and notice of the rate shall be provided to the Company by the Office of Economic Development annually for each upcoming year. Compliance with the minimum wage requirement shall be maintained through the term of the Agreement.
3. Minimum Local Hiring: For the total amount of permanent full-time equivalent (FTE) jobs relocated (from outside of Dallas) and/or net newly created by the Company pursuant to the Economic Development Job Grant, a minimum of 25% shall be filled by residents of the city of Dallas (as determined by a new employee's address at the time they are hired). However, the Company shall provide annual employment information that includes both the employee's city of residence when hired and current city of residence. Additionally, the Company shall submit to the Director no later than December 31, 2027 a written plan ("Local Hiring Plan") describing how the Company shall use and document commercially reasonable efforts to achieve a goal of 40% filled by residents of the city of Dallas. At a minimum, the Local Hiring Plan shall describe how the Company will target local recruitment through local advertisement, community outreach, local engagement, participation in local job fairs, coordination with local colleges and universities, and coordination with local workforce development and employment resources. The Local Hiring Plan shall be subject to approval by the Director, which approval shall not be unreasonably withheld, to ensure that commercially reasonable efforts are made by the Company to promote the hiring of Dallas residents. Within thirty calendar days of the City's receipt of the Local Hiring Plan, the Director shall either (i) approve the Local Hiring Plan or (ii) in the event the Director disapproves the Local Hiring Plan, provide written notification to the Company of the Director's disapproval, specifying the reasons for such disapproval. Compliance with the minimum local hiring requirement shall be maintained through the term of the Agreement. Specifically, in the instance of an

SECTION 12 (continued)

event of default of the minimum local hiring requirement, the cure period shall be six months to allow time for any necessary hiring cycle or process.

4. Workforce Program Initiatives:

- To further the public goals of workforce development and the creation of workforce pipelines in Dallas, the Company shall engage with Dallas College and serve as an employer partner to offer internship or apprenticeship opportunities for Dallas College students similar to the Workforce Scholars program or other comparable, mutually-agreed upon program that will offer students opportunities to apply for work-based activities, including but not limited to, paid internships, pre-apprenticeships, and registered and non-registered apprenticeships for youth and adults and other work-based learning opportunities.

- In addition to the partnership with Dallas College, the Company shall engage with at least one of the four following educational partners to enhance the career pipeline, provide internship opportunities, and/or other career readiness opportunities as agreed to by both parties.
 - Paul Quinn College
 - University of North Texas at Dallas
 - Dallas Independent School District
 - Richardson Independent School District

- Company shall deliver to Office of Economic Development Director an agreement executed by the Company and the appropriate educational partners documenting the terms of the career readiness program no later than December 31, 2028. At a minimum, the Company shall continue this workforce program for a minimum of seven (7) years through December 31, 2035. The Company or its educational partners shall provide an annual summary regarding the status/outcomes of the workforce programs involving educational partners, including number of participants, salaries or other benefits paid to participants, and race/gender/ethnicity of participants, and a summary of the program.

5. Access to the Office: The Company shall, upon reasonable advance request, permit staff from the Office of Economic Development access to the Temporary Location and/or the Permanent Location to review all records and documents which might be kept at that location and which are related to the obligations contained herein to monitor compliance with the Agreement.

SECTION 12 (continued)

6. Annual Reporting: The Company shall provide written annual reports to the Office of Economic Development regarding compliance with the terms of the Agreement, including employment information disaggregated by residential zip code, race and ethnicity of the employee, and results of the workforce partnership program. The year-end summary report shall be due to the Office of Economic Development by April 15 of the following year in a format acceptable to the Director. As an example, the 2026 annual summary report will be due by April 15, 2027.

7. Default and Recapture Liability: The Company's recapture obligation shall be specifically tied to the Company's compliance with the applicable performance requirements associated with each individual incentive component, as set forth below:
 - **Economic Development Job Grant** Provided that the Minimum Job Creation Requirement is achieved by the Company, recapture of any Economic Development Job Grant installments shall be conditioned solely upon the Company's failure to satisfy the employment milestones and related requirements associated with that specific grant installment, including, without limitation, minimum wage, average annual wage, and local hiring requirements. In the event the Company fails to meet the performance criteria for a particular Economic Development Job Grant installment, only such grant installment shall be subject to reduction, forfeit, or recapture, as applicable. Notwithstanding the above, payments made pursuant to Job Grant Installments 1, 2 and/or 3 that were earned and paid based on verified compliance shall be subject to recapture if the Company defaults on the Average Annual Wage, Minimum Wage, Minimum Local Hiring, Workforce Program Initiatives, Access to the Office, and/or Annual Reporting requirements.

 - **Economic Development Grant (In Lieu of Real Property Tax Abatement) and Business Personal Property Tax Abatement** Recapture of benefits provided under the Economic Development Grant (In Lieu of Real Property Tax Abatement) and Business Personal Property Tax Abatement components shall be conditioned solely upon the Company's failure to satisfy the applicable Minimum Investment requirements, Small Business Inclusion in Construction requirements, and Annual Reporting requirements. In addition, performance obligations and any corresponding recapture provisions shall be applied independently on a phase-specific basis, such that incentives associated with the Phase I Project at the Temporary Location shall be evaluated based solely on Company's performance at the Temporary Location, and incentives associated with the Phase II Project at the Permanent Location shall be evaluated based solely on Company's

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SECTION 12 (continued)

performance at the Permanent Location. No cross-default or cross-recapture between phases shall apply.

Failure of Company to achieve performance requirements associated with one phase or incentive component shall not, in and of itself, constitute a default with respect to other incentive component or phases, provided that the Company remains in compliance with the applicable terms and conditions governing such other incentive components or phases.

SECTION 13. That the findings of the City and its actions approving this resolution as related to the Texas Enterprise Zone (TEZ) nominations taken at the City Council meeting are hereby approved and adopted.

SECTION 14. That be it further resolved that Morgan Stanley is a “qualified business” as defined in Section 2303.402 of the Act and meets the criteria for designation as an enterprise project, as set forth in Section 2303 of the Act.

SECTION 15. That be it further resolved that the enterprise project shall take effect on the date of designation of the enterprise project by the Office of the Governor of the State of Texas and terminate five years therefrom.

SECTION 16. That the City Manager or his or her designee is authorized to sign any and all forms required to complete the TEZ nomination process.

SECTION 17. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly resolved.