

April 23, 2025

A RESOLUTION DETERMINING UPON THE NECESSITY OF ACQUIRING REAL PROPERTY AND AUTHORIZING ITS PURCHASE FOR PUBLIC USE.

DEFINITIONS: For the purposes of this resolution, the following definitions of terms shall apply:

"CITY": The City of Dallas

"PROPERTY": Approximately 185,941 square feet of land located in Dallas County, Texas, and being the same property more particularly described in "Exhibit A", attached hereto and made a part hereof for all purposes, and any and all improvements, rights and appurtenances appertaining thereto.

"PROJECT": Kay Bailey Hutchinson Convention Center Dallas (KBHCCD) Project

"USE": The construction, use, and maintenance of the KBHCCD Expansion facilities as may be necessary, provided however, to the extent fee title to the PROPERTY is acquired, such title and the PROPERTY shall not be limited to or otherwise deemed restricted to the USE herein provided. .

"PROPERTY INTEREST": Fee Simple Title with closing conditions to include all improvements, subject to the exception, reservations, covenants, conditions and/or interests, if any, provided in the conveyance instrument approved as to form by the City Attorney and such other usual and customary documents necessary, appropriate and convenient to consummating this transaction.

"OWNER": Charter DMN Holdings, LP, provided, however, that the term "OWNER" as used in this resolution means all persons having an ownership interest, regardless of whether those persons are actually named herein.

"PURCHASE AMOUNT": \$45,000,000.00

"CLOSING COSTS AND TITLE EXPENSES": Not to exceed \$120,000.00

"AUTHORIZED AMOUNT": Not to exceed \$45,120,000.00

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

SECTION 1. That the USE of the PROPERTY for the PROJECT is a public use.

SECTION 2. That public necessity requires that CITY acquire the PROPERTY INTEREST in the PROPERTY for the PROJECT.

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SECTION 3. That the City Manager, and/or the City Manager's designees, is hereby authorized and directed to consummate and accept the purchase, grant, and conveyance to CITY of the PROPERTY INTEREST in and to the PROPERTY pursuant to the conveyancing instrument substantially in the form described in Exhibit "B", attached hereto and made a part hereof for all purposes, and approved as to form by the City Attorney and to execute, deliver and receive such other usual and customary documents necessary, appropriate and convenient to consummating this transaction.

SECTION 4. That to the extent the PROPERTY is being purchased wholly or partly with bond proceeds CITY has obtained an independent appraisal of the PROPERTY'S market value.

SECTION 5. That OWNER has been provided with a copy of the Landowner's Bill of Rights as contemplated by applicable state statute.

SECTION 6. That OWNER shall grant to City a right of first refusal to purchase (ROFR) that portion of OWNER's adjacent remainder parcel of approximately 2.77 acres of land, which currently includes the commercial building known as the "Rock of Truth" building and is not encumbered with any ground leases (the "Remainder Parcel") and being the same property more particularly described in "Exhibit C", attached hereto and made a part hereof for all purposes, and any and all improvements, rights and appurtenances appertaining thereto, at the price per square foot value of this transaction. The City shall have 10 days, following the date Owner has delivered in writing to the City Manager and the Director of Facilities and Real Estate Management notice of an offer including an executed copy of the offer with all details, to exercise the ROFR, and City shall have 60 days thereafter to consummate the purchase transaction. In the event, the City passes on the ROFR and OWNER also does not consummate the sale with the unrelated third party offeror, the ROFR shall be reinstated and survive as a continuing right, until City has exercised it, it expires due to a subsequent bonafide sale, or City has explicitly waived the ROFR in favor of OWNER..

SECTION 7. That OWNER shall impose a deed restriction in a form approved by the City Attorney on the Remainder Parcel described above in SECTION 6. This restriction will (i) prohibit the use of the Remainder Parcel for operation of a data center or similar use and (ii) restrict use and development of the Remainder Parcel to a hotel or another use that is compatible with the adjacent convention center expansion project, subject to approval by the City Manager.

SECTION 8. That Owner shall release the reciprocal easement and operating agreement dated October 1, 2008 and filed of public record under 20080330754 affecting the PROPERTY.

SECTION 9. Prior to closing, Owner shall provide City with evidence of OWNER'S release from affected parties under any pending purchase contracts for the PROPERTY, the Remainder Parcel, or OWNER'S other adjacent land consisting of approximately .8 acres and encumbered with a ground lease to BELO CORP., a Delaware corporation and TEXAS CABLE NEWS, INC., a Delaware Corporation.

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SECTION 10. Contingent upon OWNER'S development of the Remainder Parcel as described in SECTION 7 above and subject to the completion of the convention center expansion project, the City shall lease to OWNER up to 100 parking spaces within the convention center parking areas, for a 39-year term and at fair market rental value for, OWNER'S use to support the Remainder Parcel development, approved as to form by the City Attorney.

SECTION 11. That in the event this acquisition closes, the Chief Financial Officer is authorized and directed to draw a warrant in favor of the OWNER, or the then current owner of record, or the title company closing the transaction described herein in the PURCHASE AMOUNT and CLOSING COSTS AND TITLE EXPENSES payable out of Convention Center Construction Fund, Fund 0082 , Department CCT, Unit W433, Program PBC00032, Object 4210, Encumbrance/Contract No. CCT-2025-00027056 The PURCHASE AMOUNT, CLOSING COSTS and TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

SECTION 12. That CITY is to have possession and/or use, as applicable, of the PROPERTY at closing; and CITY will pay any title expenses and closing costs. All costs and expenses described in this section shall be paid from the previously described funds.

SECTION 13. 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,

APPROVED AS TO FORM:

TAMMY L. PALOMINO,

City Attorney

BY

Assistant City Attorney

