

**Dallas Area Rapid Transit
COMMITTEE-OF-THE-WHOLE
Tuesday, January 27, 2026, 2:30 P.M. – Board Room
1401 Pacific Ave., Dallas, Texas 75202**

General Items:

1. This item will be discussed at the Board Meeting only.
2. Approval of Minutes: January 13, 2026
3. Items of Interest
4. This item will be discussed at the Board Meeting only.
5. Public Comments – Agenda Item Specific

Consent Items: 6 – 22 will be discussed at the Board Meeting only.**Individual Items:****Development & Innovation:**

23. Approval of a Lease with Gateway Community Soccer, LLC, for Property Located at 816 Sabine Street in the City of Dallas, Texas (Patrick J. Kennedy/Dee Leggett)
[5 minutes – presentation; 5 minutes – Q&A]
24. This item will be discussed at the Board Meeting only.

Administration:

25. +Approval of Contract for Palo Alto Security Platforms and Services
(Gary Slagel/Jamie Adelman)
[5 minutes – presentation; 5 minutes – Q&A]
26. +Approval of Contract for Security Platform and Firewall Engineering and Management Services
(Gary Slagel/Jamie Adelman)
[0 minutes – presentation; 0 minutes – Q&A]
27. +Approval of Contract Modification for Strategic Communications Services
(Gary Slagel/Jeamy Molina)
[5 minutes – presentation; 10 minutes – Q&A]
28. *Briefing on DART Business Programs (Gary Slagel/Gene Gamez)
[5 minutes – presentation; 10 minutes – Q&A]
29. *Briefing on Status of City and Regional Discussions Related to Governance, Funding, and Service (Randall B. Bryant)
[20 minutes – presentation; 100 minutes – Q&A]

Other Items:

30. This item will be discussed at the Board Meeting only.
31. Adjournment

* indicates a Briefing Item Only

+ indicates a Same-Date Item that has not previously been presented to the Board

The Dallas Area Rapid Transit Committee of the Whole may go into Closed Session under the Texas Open Meetings Act, Section 551.071, Consultation with Attorney, for any legal issues, under Section 551.072, Deliberation Regarding Real Property for real estate issues, or under Section 551.074 for Personnel matters, or under Section 551.076 or 551.089 for Deliberation Regarding deployment or implementation of Security Personnel or devices arising or regarding any item listed on this Agenda. This facility is wheelchair accessible. For accommodations for the hearing impaired, sign interpretation is available. Please contact Community Engagement at 214-749-2721, 48 hours in advance.

**MINUTES
DALLAS AREA RAPID TRANSIT
COMMITTEE-OF-THE-WHOLE
Tuesday, January 13, 2026**

The Dallas Area Rapid Transit **Committee-of-the-Whole** meeting convened on **Tuesday, January 13, 2026, at 3:05 p.m.**, at DART Headquarters, 1401 Pacific Avenue, Dallas, Texas, with Chair Bryant presiding.

These minutes provide a brief overview and are not a transcript. For complete details, please visit the following link: [DART.org/about/public-access-information/board-meetings-information](https://www.dart.org/about/public-access-information/board-meetings-information).

City of Dallas

Randall B. Bryant– **Board Chair**

Carmen Garcia – **Secretary**

Patrick J. Kennedy

Roy C. Lopez

Maureen Milligan

Maurice A. West

Michele Wong Krause

City of Garland

Marc C. Abraham - **Board Vice Chair**

City of Irving

Rick H. Stopfer

City of Plano

Anthony Ricciardelli

Cities of Carrollton and Irving

Doug S. Hrbacek

Cities of Cockrell Hill and Dallas

Enrique A. MacGregor

Cities of Farmers Branch and Plano

M. Nathan Barbera

Cities of Garland, Rowlett, and Glenn Heights

Mark C. Enoch – **Assistant Secretary**

Cities of Richardson and University Park; Towns of Addison and Highland Park

Gary A. Slagel

Patrick J Kennedy was absent.

General Items

1. **Approval of Minutes:** December 9, 2025

Director Slagel made a motion to adopt the December 9, 2025, Committee-of-the-Whole as written.

Director MacGregor seconded, and the Minutes were adopted as written.

2. **Items of Interest**

These items were presented.

3. **Public Comments – Agenda Item Specific**

Speaker Name	City, State, or Employee	Topic
Cheryl Spivey	N/A	Item 4

Consent Items: 4-18

Director MacGregor made a motion to approve Consent items 4 through 18.

Administration:

4. **Approval of DART's Annual Public Transportation Agency Safety Plan**

Moved to approve this draft resolution to the Board of Directors, stating that:

Section 1: DART's Annual Public Transportation Agency Safety Plan as shown in Exhibit 1 to the Resolution is approved.

Section 2: DART's Sr. Vice President and Chief Safety Officer, President & Chief Executive Officer, and Board Chair are authorized to sign the Annual Public Transportation Agency Safety Plan prior to submission of the Plan to the Texas Department of Transportation.

5. **Authorization to Delegate Contracting Officer Authority**

Moved to approve this draft resolution to the Board of Directors, stating the President & Chief Executive Officer or her designee is authorized to delegate contracting officer authority to Contract Specialists Justin Norman and Gloire Emmarfilis, Procurement Specialist, Efriem Demeke and Buyer Jane Zheng.

6. **Approval of Contract for Leave of Absence Program Service**

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to award a Leave of Absence Program Services contract in the total amount of \$11,581,086 to:

Section 1: Sedgwick Claims Management Services, Inc., for Family Medical Leave Act (FMLA), Americans with Disabilities Act (ADA/ADAA), and Short-Term Disability (STD) program services for five years, for an amount not to exceed \$2,504,620, to include the execution of two one-year contract options to be approved upon satisfactory performance by Sedgwick and at the discretion of

the President & Chief Executive Officer, or her designee [Contract No. C-2089496-01].

Section 2: American United Life Insurance Company, d/b/a OneAmerica, for Long-Term Disability Insurance (LTD) program services for five years, for an amount not to exceed \$9,076,466 with no renewable contract options [Contract No. C-2089496-02].

7. Approval of a Second Interlocal Agreement between Dallas Area Rapid Transit and Trinity Metro for GoPass® Application Licensing

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to execute an interlocal agreement, substantially in the form shown as Exhibit 1 to the Resolution and subject to legal review, with Trinity Metro for licensing of the GoPass® mobile app for a base term of three years with two one-year options.

8. Approval of Contract for Data Center Hosting

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to award a five-year contract with one five-year option to Flexential Corp for Data Center Hosting [Contract No. C-2090771-01], for a total authorized amount not to exceed \$1,998,000.

Development & Innovation:

9. Approval of a Site-Specific Shuttle Agreement with McKinney Avenue Transit Authority

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to execute a two-year, site-specific shuttle agreement with the McKinney Avenue Transit Authority (MATA), substantially in the form shown as Exhibit 1 to the Resolution, subject to legal review, in a base amount not to exceed \$400,000 annually for two years, plus an amount not to exceed \$80,000 annually for emergency response maintenance assistance, and 70% equivalent of the federal formula funds generated from MATA National Transit Database (NTD) reporting.

10. Approval of Contract Modification to Exercise a One-Year Option for General Planning Consultant Services VIII Contract

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to exercise a one-year option for General Planning Consultant (GPC) VIII services [Contract No. C-2073218-01], with AECOM Technical Services, Inc., to provide a range of general planning services and technical support.

11. Approval of Contract for Bus Lot Scrubbers and Sweeper Equipment

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to award a 180-day contract with no options for five diesel Tennant M30 ride-on sweeper-scrubbers and one Tennant T1581 ride-on scrubber to American Material Handling [Contract No. C-2091829-01], for a total

amount not to exceed \$578,625, plus a contingency for unanticipated costs in the amount of \$28,245, for a total authorized amount not to exceed \$606,870.

12. Approval of Contract for DART Light Rail Vehicle Brake Disc and Hardware Kits

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to award a two-year contract to Wabtec Passenger Transit [C-2091416-01] for the purchase of Light Rail Vehicle (LRV) Brake Disc and Hardware Kits, for a total authorized amount not to exceed \$2,183,712.

13. Approval of Contract Modification for the Non-Revenue Vehicle Fuel Management System

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to execute a contract modification with WEX Bank [Contract No. C-2063930-03], to:

Section 1: Exercise the second one-year option for the Non-Revenue Vehicle Fuel Management System.

Section 2: Increase the not-to-exceed amount by \$1,900,000, for a new total authorized amount not to exceed \$10,185,000.

14. Approval of Contract Modification for Janitorial Services for Passenger Facilities

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to execute a contract modification for Janitorial Services for Passenger Facilities with Triad Commercial Services, Ltd. [Contract No. C-2063264-01], to:

Section 1: Include janitorial services for the Silver Line passenger facilities and one additional Light Rail Station.

Section 2: Increase the not-to-exceed amount by \$1,470,000, for a new total authorized amount not to exceed \$22,700,159.

15. Approval of Contract Modification for Janitorial Services for Operating Facilities

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to execute a contract modification for Janitorial Services for Operating Facilities with CTJ Maintenance, Inc., to:

Section 1: Include janitorial services for the Silver Line maintenance and administration facilities.

Section 2: Increase the not-to-exceed amount by \$174,216, for a new total authorized amount not to exceed \$3,326,066.

16. Approval of Contract Modification for Elevator and Escalator Lift Equipment Maintenance

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to execute a contract modification for elevator and escalator lift equipment maintenance with Oracle Elevator Holdco, Inc., dba EMR Elevator, Inc. [Contract No. C-2073644-01], to:

Section 1: Add three elevators for the Silver Line stations.

Section 2: Increase the not-to-exceed amount by \$394,300 for a new contract amount not to exceed \$8,772,822 and a new total authorized amount not to exceed \$9,872,822.

17. Approval of Contract Modification to the Trinity Railway Express Operations and Maintenance Contract for Crossing Safety Improvements at Haltom Road, Beach Street and Riverside Drive

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to execute a contract modification for additional funding to the Trinity Railway Express Operations and Maintenance Contract with Herzog Transit Services, Inc., [Contract No. C-2005858-01], for a reimbursable expenditure project providing crossing safety improvements at Haltom Road, Beach Street and Riverside Drive in the amount of \$3,586,722, for a new total authorized amount not to exceed \$727,860,526.

18. Approval of Contract Modification for Armed Security Guard Services

Moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to execute a contract modification for armed security guard services for DART administrative and operating facilities, passenger stations, and for revenue agents and cleaners with Metropolitan Security Services, Inc., dba Walden Security [Contract No. C-2063659-01], to:

Section 1: Extend the performance period by six months to August 31, 2026.

Section 2: Increase the not-to-exceed amount by \$5,825,000, for a new total authorized amount not to exceed \$32,062,884.

Secretary Garcia seconded, and the Consent items were adopted unanimously.

Individual Items 19-22

Development & Innovation:

Director West entered the meeting at 3:19 p.m.

19. Approval of Contract for Modernization of Elevators

Yolanda Harrison, Assisted Vice President of Sustainability & Facility Planning, briefed the Committee.

Director MacGregor moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to award a 16-month contract with no options for the Modernization of Elevators along the Green and Orange Rail Lines [C-2093956-01], to Oracle Elevator Holdco, Inc., dba Elevated Facility Services for a total authorized amount not to exceed \$733,456, with a contingency of \$16,544, for a total authorized amount not to exceed \$750,000. Director

Director Slagel seconded, and the motion was adopted unanimously.

20. **Approval of Contract Modification to Increase Contract Value for the Silver Line Equipment Maintenance Facility Construction to Include Supplemental Wi-Fi at the Vehicle Yard**

Trey Walker, Vice President of Capital Programs, briefed the Committee.

Director MacGregor moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to execute a contract modification to increase the value of the contract for the Silver Line Equipment Maintenance Facility (EMF) Project with Stacy and Witbeck, Inc., to include supplemental Wi-Fi at the vehicle yard in an amount not to exceed \$168,236, to be funded from contingency for a new contract value not to exceed \$69,424,170, and no change to the total Board-authorized amount not to exceed \$74,360,000.

Director Garcia seconded, and the motion was adopted unanimously.

Director Milligan entered the meeting at 3:39 p.m.

21. **Approval of a Call for Public Hearing for Potential May 2026 Service Changes**

Rob Smith, Vice President of Service Planning & Scheduling, briefed the committee.

Director MacGregor moved to approve this draft resolution to the Board of Directors, stating that the President & Chief Executive Officer or her designee is authorized to call a Public Hearing on or about March 24, 2026, to receive public comments on proposed service modifications, as shown in Exhibit 1 to the Resolution.

Assistant Secretary Enoch seconded the motion.

During discussion, Mayor Stopfer requested ridership information on buses 225 and 255.

Andrew Kramer, Vice President of Finance, Jeamy Molina, Executive Vice President and Chief Communications Officer, and Dee Leggett, Executive Vice President & Chief Development Officer, responded to questions made by the Committee and Board members.

Director Ricciardelli moved to amend this item to provide any information about alternative transit services provided by member cities that have called pull-out elections to be included in the public hearing and in any materials or information provided by DART.

Director Hrbacek seconded the amended motion.

Chair Bryant ruled the amended motion out of order.

During discussion, Chair Bryant requested clarification on whether DART can contract with any city that owes DART debt.

After discussion, Chair Bryant redirected the committee to take action on the main motion made by Director MacGregor and seconded by Assistant Secretary Enoch.

Motion was adopted with Directors Barbera, Ricciardelli, and Hrbacek opposing and Mayor Stopfer abstaining.

22. ***Briefing on DART Services for FIFA World Cup 2026**

Jing Xu, Assistant Vice President of Service Planning & Scheduling, briefed the committee.

Jeamy Molina, Executive Vice President and Chief Communications Officer, and Charles Cato, Chief of Police Emergency Management, responded to questions made by the Committee and Board members.

Chair Bryant left the meeting at 5:25 p.m., delegating the Presiding Officer duties to Vice Chair Abraham.

Other Items

23. Adjournment

There being no further business to discuss, the meeting adjourned at 5:26 p.m.



**Briana Campbell,
Secretary of the Board**

/bc



Agenda Report

Committee-of-the-Whole ☒
Board Meeting ☒

Attachments: 1. Draft MOU 2. Letter of Intent 3. Letter of Support 4. Raul Estrada-Marcero Bio	Voting Requirements: Majority
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DATE: January 27, 2026

SUBJECT: Approval of a Lease with Gateway Community Soccer, LLC, for Property Located at 816 Sabine Street in the City of Dallas, Texas

RECOMMENDATION

Approval of a resolution authorizing the President & Chief Executive Officer or her designee to execute a lease with Gateway Community Soccer, LLC, for property located at 816 Sabine Street in the City of Dallas, Texas, as depicted in Exhibit 1 to the resolution, subject to legal review.

FINANCIAL CONSIDERATIONS

- Approval of this lease will generate revenue for the agency.

BUSINESS PURPOSE

- Approval of a lease with Gateway Community Soccer, LLC, will assist DART in achieving Agency Strategic Goal 5: Fantastic Spaces - Create fantastic spaces that add value to our communities, enhance the rider experience, and foster a sustainable and thriving region; and Strategic Goal 6: Strategic Relationships - Position DART as a collaborative leader and recognized regional economic and mobility asset.
- **Lease Property.** The property at issue, located at 816 Sabine Street in the City of Dallas, is 96,022 square feet (2.204 acres) and consists of a fenced and lighted vacant surface parking lot. The proposed lease property is surplus to DART's operational needs and has routinely been licensed to third parties for parking to generate revenue for the agency.
- **Future Development Opportunity.** The subject property sits adjacent to DART's Oak Cliff Operating Facility, also commonly referred to as the Non-Revenue Shop, located at 1200 E. Jefferson Boulevard, Dallas. DART's Oak Cliff Operating Facility is currently utilized to maintain and repair the agency's non-revenue vehicle fleet. The entire site (816 Sabine Street and the Oak Cliff Operating Facility property) is a total of 364,082 square feet (8.36 acres).
- Through DART's 2025 Bus Operating Facilities Master Plan, the agency identified the opportunity to relocate the Non-Revenue Shop to another site to improve operational efficiencies and allow the comprehensive redevelopment of the Oak Cliff Operating Facility site and vacant 816 Sabine Street. A capital project is in the approved FY 2026 capital budget that provides funding for preliminary steps to relocate the Non-Revenue Shop. DART staff anticipates issuing

a solicitation for the redevelopment of the Oak Cliff Facility site in the coming years, when the relocation of the Non-Revenue Shop has advanced sufficiently.

- **Proposed Tenant.** Raul Estrada, principal of the Marcer Group, has approached DART to lease 816 Sabine Street on a short-term basis for youth soccer activities programmed by Puede Network, a nonprofit youth mentorship organization located nearby at 1113 E. Jefferson Blvd, Dallas. Mr. Estrada proposes installing synthetic grass (i.e., artificial turf) soccer fields, portable restrooms, mobile concession kiosks or food trucks, and other related non-permanent improvements to temporarily activate the site for youth soccer. The proposed improvements, which would align with the 2026 FIFA Legacy program, would all be temporary and mobile in nature to facilitate quick installation and easy relocation to another site in the future.
- Mr. Estrada anticipates partially financing the proposed improvements through the FIFA Legacy program. For the 2026 FIFA games in Dallas-Fort Worth, the North Texas FIFA World Cup Organizing Committee (NTFWCOC) has identified the installation of mini pitches as the primary focus for its FIFA grant funding. Additional funding for the proposed improvements and lease costs would be provided by the Marcer Group, charitable contributions by third parties, and concession sales (discussed further below).
- **Term of Lease and Termination Options.** The proposed lease agreement (“Lease”) would be between DART and Gateway Community Soccer, LLC (Gateway), a limited liability company that will be created by Mr. Estrada for the sole purpose of holding the lease. Gateway will be formed upon Board approval of this item and prior to execution of the Lease. The Lease would be for a three (3) year initial term. DART may terminate the Lease during the initial term with one (1) year's notice, without fault, if the DART Board approves a resolution determining that the property is necessary for DART’s transit operations. If, at the conclusion of the initial period, the Board has approved extending the Lease and neither party has given notice to terminate the Lease, the Lease will continue into an extension term. Either party may terminate the Lease with one (1) year's notice at any time during the extension term. Additionally, DART may, with 180 days’ notice, require Gateway to relocate the improvements from 816 Sabine Street to another mutually acceptable DART-owned property at any time during the extension term. This flexibility will allow DART to redevelop the entire 8.36-acre site (Oak Cliff Facility and 816 Sabine Street) comprehensively upon relocation of the Non-Revenue Shop or to repurpose 816 Sabine Street for operations should the need arise.
- **Limited Use of Lease Property.** The Lease would only allow use of 816 Sabine Street by: 1) Puede Network for youth soccer programming in accordance with its charter and operating agreement with Gateway (“Operating Agreement”); and 2) Gateway for concession sales (food and drinks, excluding alcohol). The Operating Agreement, which will be attached to the Lease as an exhibit, will require proceeds from concession sales by Gateway to be applied first to the payment of rent and other expenses under the lease, and then any additional funds would be donated to Puede Network to support its nonprofit activities. Termination of the Operating Agreement or amendment without DART’s prior approval will result in the revocation of these permitted uses under the Lease. In short, the Lease will require that the property is used exclusively by Puede Network and Gateway and solely for charitable purposes.
- **Rent, Signage, Security, Parking.** The Board has been provided with a confidential packet under separate cover outlining the financial details of the proposed transaction. The Lease will allow DART to erect marketing materials at the site, as well as signage alerting the public of the short-term nature of these soccer facilities. Gateway will be required to ensure the safety and security of the site and direct all emergency calls to the City of Dallas Police Department or other appropriate emergency provider. Gateway will also be required to maintain sufficient parking spaces at the site to accommodate soccer participants and visitors to the site.

- **Materials included with this Agenda Report:**
 - Attachment 1: Draft Memorandum of Understanding for Operating Agreement between Puede Network and Gateway Community Soccer, LLC
 - Attachment 2: Letter of Support from Puede Network
 - Attachment 3: Letter of Support from City of Dallas Councilmember Chad West
 - Attachment 4: Raul Estrada Bio
 - Exhibit 1 to Resolution: Lease Agreement
- **Outstanding Items.** Gateway will be required to provide the following items prior to execution of the Lease:
 - Executed Operating Agreement between Puede Network and Gateway Community Soccer, LLC
 - Financial Guaranty for three years of rent and other requested information to demonstrate Gateway's financial capacity to pay rent and satisfy its other obligations under the Lease
 - Formation documents for Gateway Community Soccer, LLC

LEGAL CONSIDERATIONS

Section 452.054 of the Texas Transportation Code authorizes DART to exercise all powers necessary or convenient to carry out the purposes or the provisions of the statute.

MEMORANDUM OF UNDERSTANDING REGARDING PROPOSED SITE OPERATING AGREEMENT

Between Gateway Community Soccer, LLC
and Puede Network (501(c)(3))

1. Purpose and Intent

The proposed Operating Agreement ("Agreement") establishes the terms under which Gateway Community Soccer, LLC ("Gateway"), as lessee, and Puede Network, a Texas nonprofit corporation recognized as a 501(c)(3) ("Puede Network") will allocate responsibility for the site and coordination of the operations at the DART 816 Sabine site (the "Site").

2. Independent Legal Status

Gateway and Puede Network are separate and independent legal entities. Nothing in this Agreement shall be construed to create a partnership, joint venture, agency, or fiduciary relationship between the parties.

3. Gateway Responsibilities

Gateway is a single-purpose entity formed to hold the DART Lease and to pay and perform the monetary and other obligation under the DART Lease. Gateway, at its sole cost, shall:

- pay all rent and other sums owing under the DART Lease
- perform all non-monetary lease covenants
- construct and install the Soccer Facilities and other improvements in accordance with the DART Lease
- clean, repair, replace, and maintain the Soccer Facilities and other improvements in good repair and condition
- maintain site security

4. Puede Network Responsibilities

Puede Network's role is to provide its charitable programming consistent with its mission, including youth development, education, mentoring, leadership, and community services.

- Puede Network shall not:
 - Hold or guarantee the lease
 - Borrow funds or guarantee debt
 - Fund construction or capital improvements
 - Assume financial or operational risk related to the Site

5. Operating License and Program Access

Gateway shall grant Puede Network a non-exclusive operating license to access and use the Site for approved nonprofit programming.

- Revenues from social enterprises, on-site events, and related activities shall be applied
 - First, to fund costs of Puede Network's on-site programing,

- Second, if revenues exceed on-site programming costs, excess funds shall be reserved to pay costs of repair and maintenance of on-site facilities,
- Third, if sufficient reserves are established, any excess revenues will be used to pay rent under the DART Lease. Puede Network would not be liable contractually for the rent, but excess revenues from Puede Network's on-site operations would be available to pay rent; and
- Fourth, any excess would be available to support Puede Network's other charitable programs
- This Agreement does not create a sublease.
- The operating license ensures consistent access sufficient for Puede Network to deliver mission-aligned programming that directly benefits youth, families, and the surrounding community.

6. Permitted Uses

Permitted uses under this Agreement are limited to:

- Youth soccer and athletic training
- Educational, mentoring, and leadership programming
- Community nonprofit activities
- Church, school, and recreational league use

The Site shall not be used for concerts or large commercial events.

7. Financial Separation and Risk Protection

All lease payments, operating costs, and capital expenses are the sole responsibility of Gateway.

Lease payments will be fundraised specifically for that purpose.

If revenues from on-site social enterprises (e.g., non-profit food service) and on-site events (e.g., field reservation fees) exceed Puede Network's on-site programming costs, such excess funds will be reserved for on-site operations, facilities cleaning and maintenance, repairs, and improvements self-funding of Puede Network's programming

Puede Network's assets, revenues, and nonprofit status shall remain fully unencumbered and protected.

8. Term and Continuity

This Agreement is intended to support long-term community benefit. Gateway has identified a project sponsor committed to continuity of lease obligations during fundraising and ramp-up periods to prevent disruption to Puede Network programming.

9. Compliance and Charitable Use

Both parties agree to operate in compliance with applicable laws and regulations and to ensure that Site use remains consistent with charitable, educational, and community-serving purposes.

10. Draft and Non-Binding Status

This document reflects primary business terms to be presented of Board and stakeholder review and approval. A final operating agreement shall be executed following approval by the parties' respective boards and legal counsel. Final details may vary from this Memorandum of Understanding.

Gateway Community Soccer, LLC

Name: _____

Title: _____

Date: _____

Puede Network, a 501(c)(3) non-profit corporation

Name: _____

Title: _____

Date: _____



PUEDE NETWORK

Empowering Youth. Strengthening Families. Building Community.
Dallas, Texas

January 7, 2026

To Whom It May Concern,

On behalf of Puede Network, a Texas-based nonprofit organization recognized as a 501(c)(3), this letter confirms our pending commitment, to utilize the property located at 816 Sabine for youth soccer and related community programming, in coordination with Gateway Community Soccer, LLC.

Acknowledgment of Short-Term Use

Puede Network explicitly acknowledges and understands that any use of the property would be short-term in nature, contingent upon board approval, regulatory alignment, and the execution of appropriate operating or license agreements. Puede Network does not seek ownership, leasehold interest, or long-term control of the site and fully respects the temporary and conditional nature of this opportunity.

About Puede Network

Founded in Dallas more than a decade ago, Puede Network exists to empower youth and families through education, leadership development, and sport. Since its founding, Puede Network has served more than 5,000 youth and families, maintains a 98% annual retention rate, and engages families for an average of ten years. Our programs generate nearly 14,000 community service hours annually.

Our integrated model combines academics, athletics, mentoring, and family engagement, using soccer as a tool to build discipline, teamwork, and leadership while reinforcing educational success.

Connection to the Site

The 816 Sabine site represents an opportunity to deliver structured, supervised, and mission-aligned youth soccer programming that advances community benefit. Programming would include youth soccer training, leadership development through sport, educational and mentoring activities, and community-based nonprofit use.

Institutional Partnerships

Puede Network has a proven history of responsible partnerships with major institutions, including AT&T, NASA, and UNT Dallas. These partnerships demonstrate our capacity to operate with accountability, transparency, and alignment with institutional standards.

Commitment to Responsible Use

If approved, Puede Network commits to using the site solely for approved youth, educational, and community purposes; operating under a license or operating agreement, not a lease; maintaining clear separation from financial or capital obligations; and acting as a responsible steward of public-interest assets.

Closing

We approach this opportunity with humility and clarity, recognizing its short-term nature while remaining confident in our ability to deliver meaningful benefit to youth and families during the period of use. This letter reflects intent only and is subject to formal board approval.

Respectfully,

A handwritten signature in dark ink, appearing to read 'Adan Gonzalez', with a stylized flourish at the end.

Adan Gonzalez
Executive Director
Puede Network (501(c)(3))



PUEDE NETWORK

2025 Impact At A Glance

Overall Reach

13,905 Hours

Puede Network families contribute nearly 14,000 service hours annually.



5,000 Served

Puede Network has served more than 5,000 youth and families.



10 Years Retention

We maintain a family across our programs for an average of 10 years.

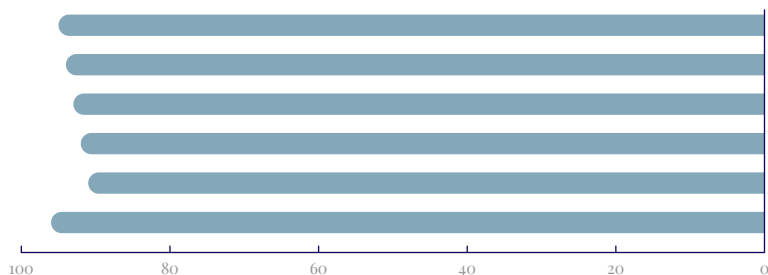


98% Retention

We maintain a 98% annual retention rate across our programs.



Student Growth & Development



grew in core social-emotional learning.
improved work and study habits.
increased accountability and responsibility.
strengthened attendance and engagement.
reduced or avoided risky behaviors.
increased leadership interest and ability.

Consistent Participation

100% of enrolled Puede Scholars are consistently engaged, participating in an average of 10 to 12 distinct activities per month.

85% of programming showed SEL + cognitive growth.



Family & Caregiver Impact



95% of caregivers strengthened supportive caregiving practices.



93% of parents increased school-based engagement.

What This Means

Students become leaders.
Families become partners.
Communities become stronger.

All impact outcomes are evaluated using nationally validated tools, including Search Institute (DAP & Family Measures), Panorama Education SEL Survey, and Hello Insight Youth Leadership Assessments.



January 13, 2026

Ms. Nadine Lee
President & Chief Executive Officer
Dallas Area Rapid Transit (DART)

Re: Support for DART Gateway Soccer Project – 816 Sabine Site

Dear Ms. Lee and Members of the DART Board:

I am writing to express my support for the proposed DART Gateway Soccer Project at the 816 Sabine site within District 1.

As the Councilmember for this area, I am mindful that the proposed Gateway Soccer project will be located on an approximately two-acre portion of DART's eight-acre real tract. Any long-term redevelopment for this eight-acre tract must be approached thoughtfully. It is my view that an essential part of any future residential or other development along this corridor should include meaningful community-serving amenities that contribute to neighborhood vitality and livability.

The Gateway Soccer Project represents a thoughtful interim activation of approximately two acres of DART's eight-acre tract. The proposed use of the two-acre portion of DART's property would contribute greatly to our regional efforts host the World Cup later this year and beyond. This project presents a unique opportunity to bring the World Cup experience to part of our community that might otherwise be overlooked.

Moreover, the project would seem to help both DART and the City initiate jump-start revitalization on an underutilized piece of land while preserving DART's long-term flexibility and development opportunities. The project is structured so as to enable future development of a recreational open space that could be integrated into DART's long-range development plans evolve or relocated after proof of the concept.

From a district perspective, this initiative has the potential to function as a community anchor that complements future mixed-use or transit-oriented development rather than competing with it. It introduces youth engagement, education, and consistent positive activity at a dormant site, all without transferring financial or operational risk to DART.

I am encouraged by the project team's willingness to work collaboratively with DART to address governance, security, parking, and use limitations. As the project continues to take shape, I have also indicated my willingness to explore appropriate City tools, including potential Gateway TIF district resources, should such mechanisms responsibly help bridge funding gaps and further

DALLAS CITY COUNCIL | 1500 MARILLA, DALLAS, TEXAS 75201



align the project with broader community objectives. Any such consideration would follow established City processes and approvals.

Given the proximity of the 2026 FIFA World Cup, timing is an important consideration. The value of this project lies in its ability to leverage that unique moment to deliver lasting community benefit. Advancing this interim activation in a timely manner would allow the project to fully realize that opportunity while remaining consistent with DART's planning framework.

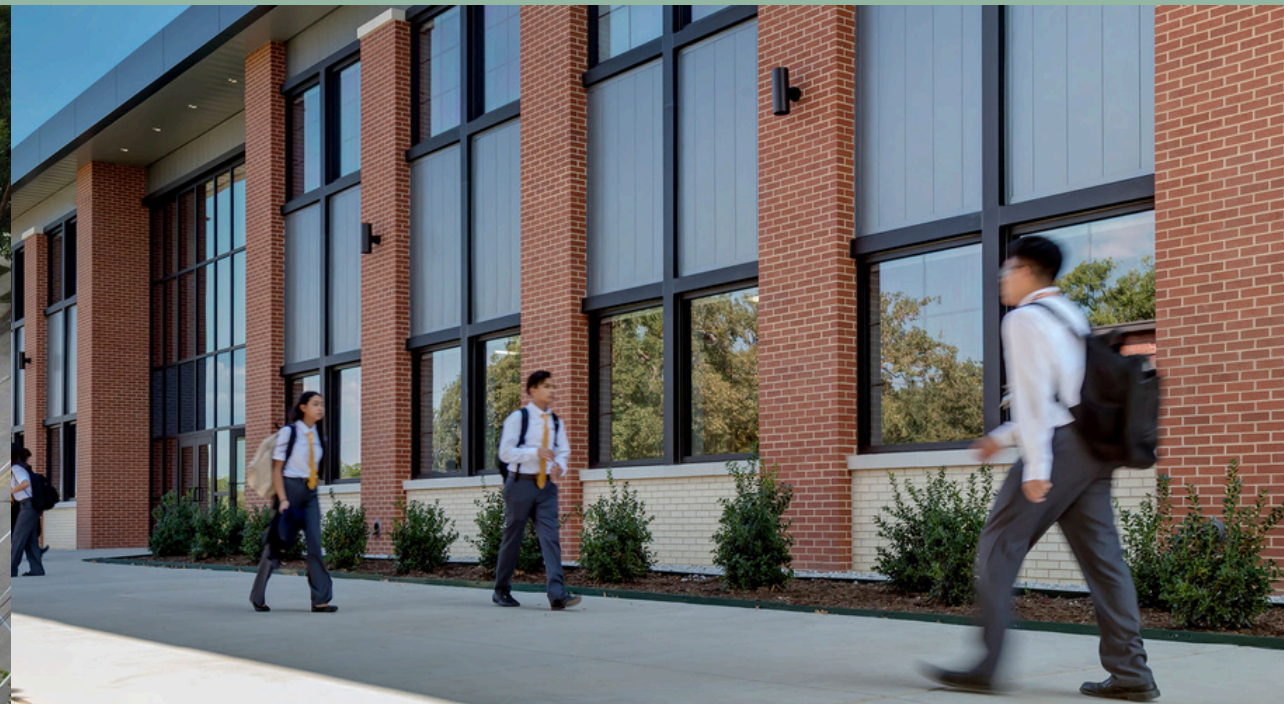
I have discussed this proposal with Director Gary Slagel and appreciate the diligence exercised by the Board in its review. I respectfully encourage continued engagement with the project team to determine whether this interim use can advance both DART's near-term objectives and long-term vision.

Thank you for your stewardship of DART's assets and for considering innovative ways to balance flexibility, community benefit, and long-range planning.

Sincerely,

A handwritten signature in black ink, appearing to read "Chad West", with a stylized flourish at the end.

Chad West
Dallas City Councilmember, District 1



\$160M+

Completed Projects

75+

Housing Units Developed

100%

Project Fulfillment Record



FAMILY AND MINORITY OWNED

Lease_Gateway Comm Soccer, LLC-BD



OVER 30 YEARS EXPERIENCE

1



RESULT AND PERFORMANCE DRIVEN

1/23/2026 9:13:50 AM

RAÚL ESTRADA

PRINCIPAL



Raúl Estrada is a Dallas based local entrepreneur and business man with a strong local presence. His restaurant operations, Las Ranitas and Los Sapitos, have been cherished mainstays for over 31 years. Raul expanded into commercial real estate development and construction through Mercer Group and Mercer Construction.

Marcer Group has developed a portfolio of commercial projects over the last 30 years that encompass a wide range of projects from commercial retail centers, and office buildings to County and City projects including Immunization Clinics, WIC Clinics, City Building Inspection Offices, Automotive Service Centers and more. Marcer has also participated in and managed construction projects for various charitable organizations including St Mary of Carmel School, Our Lady of Perpetual Help School, Saint James Parish, Cristo Rey High School, Catholic Charities Dallas, St Jude Center as well as others.

In the past 8 years, Raul has focused on housing development, collaborating closely with the City's Land Bank and Land Transfer Programs to create affordable housing opportunities across Dallas. Marcer has successfully constructed and sold nearly 100 housing units in Dallas' inner city, while also managing projects in their luxury custom-home division.

In addition to his business accomplishments, Raul is a passionate and active member of the community and has served various philanthropic and charitable organizations. He is a founding Board Member of Cristo Rey Dallas, served as a trustee of The Catholic Foundation, and was a director of Catholic Charities Dallas.

He is happily married to his wife Carmen of 34 years, and is the proud father of four children, three of whom currently work for Marcer Group.

NOTEABLE PROJECTS

RETAIL DEVELOPMENT

4611 Columbia Dallas, Texas	18,000 SQFT
2100 East Abrams Dallas, Texas	21,000 SQFT
6925 Lake June Dallas, Texas	25,000 SQFT
7819 Lake June Dallas, Texas	11,250 SQFT
1639 South Buckner Dallas, Texas	66,000 SQFT
8202 Spring Valley Dallas, Texas	18,060 SQFT
6012 Abrams Dallas, Texas	12,000 SQFT
828 S Carrier Parkway Dallas, Texas	2,000 SQFT
2851 Dairy Rd Garland, Texas	1,800 SQFT
325 E Jefferson Blvd Dallas, Texas	13,350 SQFT
2260 W Illinois Dallas, Texas	4,715 SQFT
812 S Central Expressway Richardson, TX	7,760 SQFT
4200 S Freeway, Suite 1715 Fort Worth TX	12,890 SQFT

MEDICAL DEVELOPMENT

Women Infant and Children City of Dallas	
6925 Lake June Dallas, Texas	10,000 SQFT
8202 Spring Valley Dallas, Texas	10,000 SQFT
6012 Abrams Dallas, Texas	6,000 SQFT
828 S. Carrier Parkway Dallas, Texas	5,000 SQFT
2851 Dairy Garland, Texas	6,000 SQFT
1113 E. Jefferson Dallas, Texas	6,000 SQFT
<i>Dental Offices</i>	
6909 Lake June Dallas, Texas	4,000 SQFT
<i>Dallas County Immunization Clinics</i>	
1113 E. Jefferson Dallas, Texas	3,000 SQFT
8202 Spring Valley Dallas, Texas	3,000 SQFT
Lease_Gateway Comm Soccer, LLC-BD	

EDUCATIONAL DEVELOPMENT

Cristo Rey Dallas Academic Center Dallas, Texas	30,000 SQFT
Cristo Rey Dallas Innovation Center Dallas, Texas	30,000 SQFT
OLPH Gym and Cafeteria	20,000 SQFT
St. Mary of Carmel Center and Gym	30,000 SQFT

OFFICE DEVELOPMENT

1113 East Jefferson Dallas, Texas	12,000 SQFT
8425 Forney Dallas, Texas	20,000 SQFT
2726 Coombs Creek, Dallas, Texas	14,000 SQFT
2730 Coombs Creek, Dallas, Texas	5,000 SQFT
4850 Olson Dallas, Texas	5,000 SQFT

INDUSTRIAL DEVELOPMENT

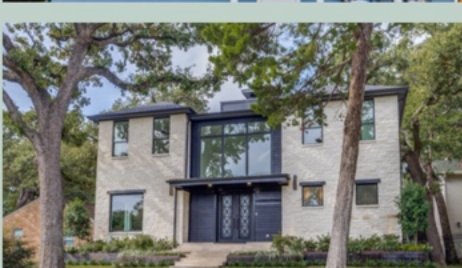
321 Northgate Dr Desoto, TX- Dallas County Automotice Service Facility	25,000 SQFT
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MAJOR COMMERCIAL REMODEL

1421 W. Mockingbird Dallas, Texas- Catholic Charities	60,000 SQFT
2920 Forest Lane Dallas, Texas- St. Jude Center	130,000 SQFT
2827 and 2843 Lapsley Dallas, Texas- Saner Center	15,000 SQFT
5821 Diamond Oaks Dr. Ft. Worth, Texas- Diamond Oaks Country Club	30,000 SQFT

RESIDENTIAL

75+ Single Family Homes Developed



DRAFT
RESOLUTION
of the
DALLAS AREA RAPID TRANSIT BOARD
(Executive Committee)

Approval of a Lease with Gateway Community Soccer, LLC, for Property Located at 816 Sabine Street in the City of Dallas, Texas

WHEREAS, Gateway Community Soccer, LLC, has approached DART to lease property located at 816 Sabine Street, in the City of Dallas to install mini pitches and other soccer facilities for use by Puede Network, a local nonprofit youth mentoring program; and

WHEREAS, the property at issue is 96,022 square feet (2.204 acres) and consists of a fenced and lighted empty surface parking lot adjacent to DART's Oak Cliff Operating Facility; and

WHEREAS, the property is surplus to DART's operational needs and has routinely been licensed to third parties for parking to generate revenue for the agency; and

WHEREAS, the proposed lease is for a three-year initial term, but may be extended with Board approval on a year-to-year basis if both parties desire to continue the lease; and

WHEREAS, the Board has been provided with a confidential packet under separate cover outlining the financial details of the proposed transaction; and

WHEREAS, through this short-term lease with Gateway Community Soccer, LLC, DART will activate this vacant parking lot and create a secure environment for local youth to be active, make friends, build confidence, celebrate diversity, and build community spirit.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the President & Chief Executive Officer or her designee is authorized to execute a lease with Gateway Community Soccer, LLC, for property located at 816 Sabine Street in the City of Dallas, Texas, as depicted in Exhibit 1 to the resolution, subject to legal review.

Approval of a Lease with Gateway Community Soccer, LLC, for Property Located at 816 Sabine Street in the City of Dallas, Texas

Prepared by: /s/ Dee Leggett
Dee Leggett
Executive Vice President/
Chief Development Officer

Approved as to form: /s/ Gene Gamez
Gene Gamez
General Counsel

Approved by: /s/ Nadine S. Lee
Nadine S. Lee
President & Chief Executive Officer

GROUND LEASE
Between
DALLAS AREA RAPID TRANSIT
As Landlord
and
Gateway Community Soccer, LLC
As Tenant

SCHEDULE OF EXHIBITS

Exhibit A – Property

Exhibit B – Planned Improvements

Exhibit C – Base Rent Schedule

Exhibit D – Operating Agreement between Tenant and Puede Network

GROUND LEASE

THIS GROUND LEASE (this “**Lease**”) is executed by and between DALLAS AREA RAPID TRANSIT, a regional transportation authority created and existing pursuant to Chapter 452, Texas Transportation Code (“**Landlord**”), and **GATEWAY COMMUNITY SOCCER, LLC** (“**Tenant**”), a Texas limited liability company, on ____ day of _____, 2026 (“**Effective Date**”).

RECITALS

WHEREAS, Landlord is the fee simple owner of 96,022 square feet (2.204 acres) of land located at 816 Sabine Street, in the City of Dallas, Texas (the “**Property**”), depicted in Exhibit A attached hereto; and

WHEREAS, Landlord desires to lease the Property to Tenant and Tenant desires to lease the Property from Landlord for the purpose of utilizing the Property to advance youth development and community engagement consistent with DART’s public mission and the FIFA Legacy goals; and

WHEREAS, the DART Board of Directors approved this Lease on January 27, 2026 by Resolution No. _____; and

NOW, THEREFORE, for and in consideration of the mutual agreements and covenants hereinafter set forth and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows.

ARTICLE 1 Definitions

“**Base Rent**” means the amount of base rent due to Landlord from Tenant, as provided in Section 3.2.

“**Additional Rent**” means all amounts, costs, expenses, liabilities and obligations which Tenant is required to pay pursuant to the terms of this Lease other than Base Rent, including amounts, costs, expenses, liabilities and obligations due to or incurred by Landlord as a result of or in connection with the exercise of any right of Landlord under this Lease resulting from Tenant’s failure to perform any obligation hereunder.

“**Casualty**” means damage or destruction to any Improvement by fire, windstorm, flooding, or other accident, mishap, or disaster.

“**Claims**” means any and all liabilities, obligations, claims, damages (excluding, consequential damages), losses, penalties, demands, causes of action (whether in tort or contract, in law or at equity, or otherwise), suits, judgments, liens, disbursements, charges, assessments, costs and expenses (including reasonable attorneys’ and experts’ fees and expenses) of any kind, nature or description.

“**Default Rate**” means the lesser of (i) the sum of the prime rate (as reported by the Wall Street

Journal's bank survey) plus 4%, or (ii) the maximum rate of interest which, under Texas Law, Landlord is then permitted to charge Tenant with respect to the obligation in question.

"Effective Date" means _____, 2026.

"Full Insurable Value" has the meaning provided in Section 9.1.

"Improvements" means synthetic grass soccer fields (*i.e.* artificial sports turf), portable restroom facilities, mobile concessions kiosks or carts, food trucks, parking space striping, landscaping, and any and all other temporary, easily-removable improvements approved by Landlord now or hereafter located on the Property.

"Landlord Parties" mean Landlord and Landlord's directors, officers, agents, employees, contractors, partners, and lenders.

"Leasehold" means the leasehold estate of Tenant created by this Lease.

"Legal Requirements" means all laws, statutes, codes, acts, constitutions, ordinances, judgments, decrees, injunctions, orders including court orders, resolutions, rules, regulations, permits, policies, licenses, authorizations, administrative orders, opinions, decisions, and other requirements of any local, state, or federal governmental authority with jurisdiction over or interest in the Property.

"Permitted Exceptions" means all recorded documents which are valid and subsisting and affect title to the Property as of the Effective Date.

"Property" means the land described on Exhibit A, which land also sometimes referred to as the **"Premises"** or, if Landlord exercises its Relocation Option, the **Substituted Premises**.

"Remedial Work" has the meaning set forth in Section 14.1.

"Rent Reduction Percentage" has the meaning set forth in Section 11.3.

"Taxes" means taxes, general and special assessments and other public charges of every description levied or assessed against the Property, or Improvements located on the Property (other than personal property owned by Landlord), and the Leasehold and which are attributable to the Term following the Rent Commencement Date.

"Tenant Parties" mean Tenant and Tenant's officers, directors, agents, employees, contractors, partners, invitees, and lenders of Tenant.

"Term" means the Initial Term and any Extension Term, collectively.

ARTICLE 2 Grant of Term

2.1. Grant.

For and in consideration of the mutual covenants and agreements contained herein, subject to the Permitted Exceptions, Landlord hereby grants and leases to Tenant, and Tenant hereby takes and leases from Landlord, the Property, TO HAVE AND TO HOLD the Property, together with the rights, privileges, and appurtenances thereto, exclusively unto Tenant and its successors and permitted assigns, for the Term, on the terms and conditions set forth in this Lease. Landlord will deliver actual possession of the Property under this Lease to Tenant on the Effective Date.

2.2. Term.

Initial Term. The initial term of this Lease (the “**Initial Term**”) shall commence upon the Effective Date, and shall continue, subject to all covenants and conditions set forth herein for the next thirty-six (36) full calendar months.,

Extension Term. At any time during the Lease, either Party may provide written notice to the other Party of its desire to terminate this Lease upon expiration of the Initial Term. If neither Party has provided such written notice then, upon expiration of the Initial Term, this Lease shall automatically continue (the “Extension Term”), subject to all covenants and conditions set forth herein, until terminated by either Party with one (1)-year written notice; *provided, however*, if Tenant fails to pay rent for more than thirty (30) calendar days during the Extension Term, Landlord may terminate this Lease with thirty (30) calendar days’ written notice.

Landlord Relocation Option. At any time during the Extension Term, Landlord will be entitled to deliver written notice to Tenant not less than one-hundred eighty (180) calendar days before the relocation date specified in the notice (the “**Relocation Notice**”) of Landlord’s intention to relocate the Premises to other property owned by Landlord within the City of Dallas, Texas suitable in both Landlord and Tenant’s reasonable discretion for use and operation of the Improvements (the “**Substitute Premises**”) with the Base Rental for the Substitute Premises being equitably adjusted in proportion to the fair market value of the Substitute Premises bears to the Premises as of the date the Relocation Notice is given. If Landlord and Tenant do not agree on the site for the Substitute Premises or the Base Rental for the Substitute Premises, then Tenant may give notice of its election to terminate the Lease as of the relocation date stated in the Relocation Notice. If Landlord and Tenant cannot agree on suitable Substitute Premises, Tenant’s right to terminate the Lease shall be Tenant’s only remedy and Landlord shall not bear any fault or liability for failing to provide or make available a suitable Substitute Premises. Landlord shall not be obligated to incur any costs to assist Tenant in relocating and shall not provide any relocation assistance to Tenant if Base Rent or Additional Rent is due and owing to Landlord.

2.3. “AS IS” Condition.

Tenant accepts the Property “AS IS, WHERE IS, AND WITH ALL FAULTS”. Landlord makes no representations or warranties as to the condition of the Property and Landlord expressly disclaims all such representations and warranties. Tenant represents and warrants to Landlord that it has made its own inspections and investigations of the Property and is not relying on any

representations or warranties from Landlord. Tenant's obligation to pay rent (without offset, credit, abatement or other reduction) and perform its other obligations under this Lease is not dependent upon the condition of the Property or its suitability for any particular purpose.

2.4. Reservations by Landlord for Transit Operations.

Landlord expressly reserves the right to proceed with the construction, operation and maintenance of its transit operations on any property (other than the Property) owned or used by Landlord in the vicinity of the Property. Tenant recognizes and acknowledges that the activities of Landlord may cause noise, vibrations, fumes, deposits of dust, fuel particles incident to normal operations, interference with sleep and other activities, and any other nuisance in connection with any of the foregoing. By acceptance of this Lease, Tenant RELEASES, DISCHARGES and FOREVER ACQUITS Landlord, its successors, assigns and affiliates, and their respective directors, officers, agents, contractors, successors and assigns, from all liabilities, claims, demands and causes of action now existing or that may hereafter arise for damage, loss, or injury to the Property or Improvements or to any person occupying the Property or the Improvements due to any noise, vibration, fumes, deposits of dust, fuel particles, interference with sleep and other activities, or any other nuisance in connection with any of the foregoing resulting from the use of Landlord's or any affiliate of Landlord's property for the normal operation of a public transit system (including, without limitation, for construction, installation, operation and maintenance).

2.5 Future Development of the Property.

Landlord expressly reserves the right to issue one or more solicitations for the development of Landlord's property located adjacent to the Property (approximately 6.5 acres located east of E. Jefferson Blvd. and west of Interstate Highway 35E in the City of Dallas, Dallas County, as shown in Exhibit A, hereinafter referred as the "**Adjacent Property**") alone or in combination with the Property, either during the Term or following the expiration or termination of this Lease. Tenant may, but is not obligated to, submit a proposal in response to Landlord's request(s) for proposals. Landlord shall conduct the solicitation(s) in accordance with applicable laws and regulations and in accordance with its own internal procurement processes. Landlord may, but is under no obligation to, select a proposal submitted by Tenant for development of the Property and/or the Adjacent Property. Landlord's issuance of a solicitation, selection of a third party for the development of the Property and/or Adjacent Property, and/or selection of Tenant for the development of the Property and/or Adjacent Property shall have no impact on the rights and obligation imposed under this Lease, including but not limited to Tenant's obligation to restore the Property and Landlord's right to title to the Improvements.

ARTICLE 3 Base Rent and Net Lease

3.1. Base Rent.

Base Rent shall be due in monthly installments in accordance with the Base Rent Schedule set out in Exhibit C. Base Rent shall be due and payable by ACH or wire transfer. Base Rent shall escalate each year during the Extension Period by three percent (3%).

3.2. Reserved.

3.3. Net Lease.

Base Rent shall be payable to Landlord on an absolute net basis; accordingly, Tenant agrees to pay all operating and capital expenses in connection with Tenant's operation, maintenance, repair, restoration, use or occupation of the Property including the costs, charges and assessments related to utilities, taxes, and insurance, without offset for any reason or cause whatsoever. Nothing contained in this Lease shall require Landlord to furnish to Tenant or any other occupant of the Property any water, sewer, gas, heat, electricity, light, power, or any other facilities, labor, materials, or services of any kind whatsoever.

3.4. Utilities.

From and after the Effective Date, Tenant shall pay or cause to be paid when due any and all charges for water, electricity, gas, storm sewer, sanitary sewer, sewage, waste, utility installations and connections, trash and garbage disposal, cable television, telephone, internet access and other utility services furnished to the Property.

3.5. Taxes.

Landlord shall maintain the tax-exempt status of the Land. Tenant shall pay, or cause to be paid, to the appropriate taxing authority all Taxes, if any, during the Term on Land and Improvements and operations, but Tenant will have the right to terminate the Lease if the Land becomes subject to ad valorem Taxes. Landlord shall cooperate with Tenant but will not be required to incur any out-of-pocket costs to do so, in connection with Tenant's applications for applicable state, federal and local exemptions from Taxes on Tenant's Improvements and operations. Tenant shall pay, or cause to be paid, the Taxes, or any installment thereof if permitted to be paid in installments before the day on which any interest or penalty is imposed upon such payment whether belonging to or chargeable against Landlord or Tenant. Tenant shall not be required to pay, and the term "Taxes" shall not include any margin tax, income, estate, gift, inheritance, transfer, capital levy, franchise, profits or similar tax that may be payable by Landlord or any tax measured by or based on the net income of Landlord. Landlord confirms that Landlord is not currently subject to tax under applicable state or federal laws, and Landlord shall use diligent efforts to preserve such tax status throughout the Term.

Tenant and Landlord shall act in cooperation using commercially reasonable efforts to attempt to (i) cause the Property and the Improvements to be assessed and taxed separately, and (ii) cause the bills for Taxes to be issued directly to Tenant rather than Landlord. A copy of the bill for Taxes shall be furnished by Tenant to Landlord promptly upon receipt of the same and evidence of payment in full shall be sent to Landlord at the time Tenant pays such bill to the taxing authorities. If received by Landlord, Landlord shall furnish all tax bills relating to the Property and/or the Improvements to Tenant promptly upon receipt, but in all instances, at least sixty (60) days prior to the due date. Upon Landlord's written request, Tenant shall promptly furnish to Landlord receipts indicating payment, the certification of Tenant's chief financial officer, or other reasonable proof that Taxes have been paid.

3.6. Late Payment.

If any Base Rent payment is not made when due, and if such failure continues for a period of ten (10) days after Tenant's receipt of written notice of such failure, then a late payment fee in an amount equal to two percent (2%) of the amount of such Base Rent shall be owed and paid by Tenant to Landlord together with such payment of Base Rent and such payment of Base Rent shall also bear interest, prorated on a daily basis, at the Default Rate, from the due date until paid. Late payment fees and interest shall be due on late payments without any notice and regardless of whether or not a Default or an Event of Default ever occurs with respect thereto.

ARTICLE 4 Early Termination Without Default

4.1. Early Termination by Landlord.

In the event the DART Board of Directors approves a resolution requiring use of the Property for public transit purposes, Landlord may terminate this Lease during the Initial Term by providing one (1) year advance notice to Tenant. Landlord does not, by reason of this Section 4.1, waive any right to assert a cause of action or counterclaim against Tenant for its breach of this Lease.

ARTICLE 5 Use Provisions and Maintenance

5.1. Permitted Uses.

This Lease authorizes Puede Network, a 501(c) nonprofit organization, permission to utilize the Property for youth soccer and athletic training, educational, mentoring, and leadership programming, and other community nonprofit activities consistent with its charter, subject to the conditions and covenants of this Lease and pursuant to the Operating Agreement executed between Tenant and Puede Network on ____, 2026, attached to this Lease as Exhibit D ("Operating Agreement"). This Lease further authorizes Tenant to sell concessions (food and drinks) on the Property to generate funds to support Tenant's payment of Base Rent and other costs arising under this Lease and Puede Network's authorized activities on the Property. Tenant's concession sales shall not include any alcoholic beverages. Tenant shall not permit the possession, use, sale, or distribution of any alcoholic beverages, tobacco/vaping products, weapons, or artificial noise makers on the Property. Tenant shall not permit any unlawful activity on the Property and shall promptly report any unlawful activity to the City of Dallas Police Department.

No other use of the Property, except those uses expressly authorized in this Section 2.6 to Tenant and Puede Network, are permitted under this Lease. Termination of the Operating Agreement, or amendment of the Operating Agreement without DART's prior written approval, shall automatically terminate Puede Network's authorization to use the Property pursuant to this Lease.

5.2. Compliance with Legal Requirements.

Tenant shall obey, perform and comply, and shall cause all subtenants, sub-subtenants, licensees, contractors, patrons, invitees, and concessionaires to comply with any and all Legal Requirements applicable to the Property, or the use or condition thereof, including the construction, alteration, or demolition of the Improvements, or in any other way affecting this Lease. Tenant shall not permit or suffer the Property to be used in any manner which violates applicable Legal Requirements or the terms of this Lease. Tenant shall have the right to contest in good faith the validity of any such Legal Requirements. Tenant shall at its sole expense and risk obtain any and all licenses and permits necessary for the use of the Property permitted under this Lease.

Tenant shall observe, perform and comply with, and cause all subtenants, sub-subtenants, licensees, contractors, and concessionaires to comply with, and carry out the Permitted Exceptions and any covenants, restrictions or agreements affecting the Property and the Leasehold, or either, which are hereafter created by or consented to by Tenant, including the payment of any fines, assessments, expenses, or other costs.

5.3. Maintenance, Repair and Replacement Generally.

During the Term and subject to Articles 10 and 11 of this Lease, Tenant shall keep and maintain the Improvements and Property in good repair and condition, normal wear and tear and damage excepted, and keep the same in slightly condition and in compliance with applicable laws. If Tenant fails to perform maintenance or promptly make the repairs or replacements as required in this Section 5.3, and if such failure continues for thirty (30) days after Tenant's receipt of written notice of such failure, Landlord may, at Landlord's sole option, perform maintenance or make such repairs, and the actual, out of pocket cost of such maintenance or repairs will be charged to Tenant as Additional Rent and will become due and payable by Tenant within ten (10) days after demand therefor by Landlord. Tenant must maintain the Property and the Improvements in a clean, orderly, and sanitary condition and must not commit or allow any waste to be committed on any portion of the Property. Tenant shall repair, at Tenant's cost, any damage to the Property, regardless of the cause of such damage, subject to the terms of Articles 10 and 11 of this Lease.

5.4. Nondiscrimination.

Tenant shall not engage in any discrimination against or segregation of any person or group of persons on account of race, color, national origin, religion, sex, sexual orientation, age, disability, marital status, ancestry, genetic information, or veteran status in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, or any part thereof, and Tenant shall not establish or knowingly permit any such practice or practices of discrimination or segregation.

5.5 Signage.

Landlord shall have the right to display its logo and any marketing or advertising material at the Property, including on the Improvements, at Landlord's cost, subject to applicable laws and FIFA contractual requirements. Landlord may also require Tenant, at Tenant's cost, to display signage communicating the short-term nature of this Lease and the uses permitted pursuant to this Lease.

ARTICLE 6

Improvements

6.1. Tenant Responsibilities.

Tenant shall be responsible for the planning, installation, operation, and maintenance of the Improvements, including ensuring compliance with federal, state, and local laws. Tenant shall not be permitted to construct any permanent improvements on the Property pursuant to this Lease. Tenant shall be solely responsible for securing any necessary permits for use of the Property pursuant to this Lease. In the event re-zoning is necessary for Tenant's intended use of the Property, Tenant shall be solely responsible for securing the necessary zoning changes; provided, however, Landlord must consent to any re-zoning application, which consent shall not be unreasonably denied or delayed.

Parking. Tenant shall be solely responsible for ensuring adequate parking is available, at the Premises or at another nearby location permissible for parking, for Tenant's employees, representatives, contractors, patrons, invitees, and other visitors to the Premises. Tenant shall not allow parking at the Adjacent Property in connection with its use of the Premises.

Security. Tenant shall be solely responsible for implementing adequate security measures to ensure the Premises remain safe. Tenant acknowledges and agrees that Landlord's police force shall not patrol the Premises or respond to any reports of criminal activity, emergencies, other health, safety or security issues occurring on the Premises. In the event police or other emergency service is required, Tenant shall contact City of Dallas Police Department or other the responsible municipal or county emergency responder for the Premises.

6.2. Capital and Operational Expenditures.

Tenant shall be responsible for paying all expenditures related to the Improvements on the Property, including all property management, leasing, maintenance, repair, insurance and taxes, all capital expenditures for infrastructure, grounds, and facility modifications and replacements, and any incremental costs attributable to Legal Requirements enacted in the future. Tenant shall pay all costs related to all off-site and infrastructure contributions or agreements required by any governmental authority or adjoining property owner in order to construct, install, operate, and maintain the Improvements.

6.3. Landlord Inspections and Right-of-Entry.

Landlord may, at all reasonable times, inspect the Improvements (provided Landlord does not unreasonably interfere with the work being performed by Tenant, Puede Network, or any contractors or subcontractors). If Landlord shall give written notice of material deviation from the requirements of this Lease, Tenant shall promptly remedy the condition. However, neither the privilege herein granted to Landlord to make such inspections, nor the making of such inspections by Landlord, shall operate as a waiver of any rights of Landlord to keep the Improvements in a good and clean condition.

6.4. Mechanic's Liens.

Tenant shall be responsible for ensuring that the Property is free and clear of all liens. Should a lien or claim of lien be filed against the Property or any part thereof or any interest therein (other than the leasehold interest of any subtenant) or any interest of Landlord therein by any contractor, subcontractor, mechanic, laborer, materialman or any other person claiming by, through or under Tenant, Tenant shall, within thirty (30) days after notice of the existence of a lien, cause the same to be discharged of record by payment, bond or otherwise. In no event shall Tenant have any responsibility for liens arising by, through, or under Landlord.

Notwithstanding the foregoing, Tenant and other persons shall have the right to contest the amount or validity of any such lien or claim of lien by appropriate proceedings. In such event, Tenant shall, within thirty (30) days after notice of the existence of a lien from Landlord, bond or cause to be bonded such lien by a statutory bond in the manner provided by Section 53.171 of the Texas Property Code (or any comparable provision in the future) with a responsible surety company licensed to do business in Texas to prevent foreclosure against the Property or any part thereof or any interest therein (other than the leasehold interest of any Subtenant) under such lien or claim of lien. Tenant shall prosecute (or cause to be prosecuted) such proceedings with due diligence and dispatch.

Nothing in this Lease and no action or inaction by Landlord shall be deemed or construed to mean that Landlord has granted to Tenant any right, power or permission to do any act or to make any agreement which may create, give rise to, or be the foundation for, any right, interest, claim or lien in or upon the estate of Landlord in any of the Property.

6.5. Title to Improvements.

Title to any and all Improvements installed by Tenant on the Property shall be and remain in Tenant during and after the Term.

6.6. Reserved.

6.7 Restoration of the Property.

Landlord may, upon termination of this Lease, require Tenant to remove the Improvements installed by Tenant on the Property and restore the Property to the same or substantially similar condition as on the Effective Date.

ARTICLE 7 Assignments and Subleases

7.1. Landlord Consent.

Tenant shall not have the right to sublet or assign this Lease without the prior written consent of Landlord (except as permitted in Section 7.3), which consent shall not be unreasonably withheld, conditioned or delayed.

7.2. Conditions to Assignments and Subleases.

Tenant shall not have the right to assign or sublet this Lease at any time that an Event of Default has occurred and has not been cured. Further, the following requirements shall apply to all assignments and subleases:

(a) Prior to an assignment of this Lease, Tenant must deliver an instrument to Landlord in recordable form pursuant to the terms of which the assignee of Tenant's interest in this Lease assumes all of the burdens, terms, covenants, conditions and obligations of Tenant hereunder accruing from and after the effective date of such an assignment;

(b) Notwithstanding any assignment of this Lease, Tenant shall remain liable for all obligations and liabilities which have arisen or accrued prior to and after such assignment under this Lease. Further, upon any assignment of this Lease (whether or not the assignor and assignee have entered into an assignment agreement as hereinabove provided), the assignee thereunder shall be deemed automatically to have assumed all obligations and liabilities of Tenant accruing from and after the effective date of such assignment. The assignee and Tenant will be jointly and severally liable under the Lease for obligations and liabilities accruing from and after the date of such assignment;

(c) Tenant shall give Landlord at least sixty (60) days prior written notice of any such proposed assignment, together with the agreements relating to the assignment, and Landlord shall have the right to approve the form of such agreements and the assignee which shall not be unreasonably withheld; such agreements shall include Tenant's representation that, after diligent search, to its current, actual knowledge, no event or circumstance exists or would exist on the effective date of the assignment that, with the giving of notice and passage of time, would constitute an Event of Default under this Lease. Tenant shall pay all reasonable, out of pocket attorneys' fees and expenses incurred by Landlord in connection with Landlord's review of any proposed assignment; and

(d) The use of the Property by the assignee or sublessee must be consistent with the terms of this Lease. All of the terms and provisions of this Lease will continue to apply after a transfer, unless otherwise expressly provided herein.

7.3. Merger, Consolidation, Etc.

Any merger, sale or transfer of ownership interests, consolidation or other business combination involving Tenant, or its affiliates, shall be deemed an assignment of this Lease but shall not require Landlord's consent or approval so long as (a) no such transaction shall relieve Tenant of its liabilities or obligations under this Lease (whether accruing prior or subsequent to the effective date of such deemed assignment), (b) the successor Tenant as a result of such transaction shall be deemed to have assumed all obligations and liabilities of Tenant under this Lease, whether accrued prior or subsequent to the effective date of such transaction and (c) the provisions of Section 7.7 below shall apply in all events to any such transaction and Landlord's consent shall be required.

7.5. Invalidity.

Any assignment made in violation of the terms of this Article 7 shall be void unless Landlord, after full knowledge and information relating to the nature of the assignment and the assignee, expressly ratifies the assignment transaction in writing. Tenant's violation of the provisions of this Article 7 which is not cured within ten (10) business days after Tenant's receipt of written notice of such violation shall constitute an Event of Default, as that term is defined below.

7.6. Subleases and Assignments; Excess Rent.

Notwithstanding anything to the contrary contained in this Lease, Tenant acknowledges and agrees to ensure that all terms, covenants, remedies, options, and provisions of any assignment, sublease, or sub-sublease are and remain at all times fully subject and subordinate in all respects to this Lease, and in the event of any conflict between the terms of this Lease and any sublease, sub-sublease, or assignment, the terms of this Lease shall prevail.

In the event Tenant actually receives Base Rent under one or more subleases which is in excess of the Base Rent then payable by Tenant under this Lease, such excess Base Rent shall be shared fifty percent (50%) by Tenant and fifty percent (50%) by Landlord. Property taxes, sales taxes, and other tax receipts shall not be considered Base Rent.

7.7. Restriction on Transfers.

Notwithstanding anything herein to the contrary and subject to the other conditions stated in this Article 7, Tenant shall not transfer this Lease or any interest in this Lease to: (a) any entity that is at that time disbarred or disqualified from performing work for any federal or Texas government entity; (b) any entity the transfer to which would violate any laws or executive orders relating to terrorism, money laundering or otherwise result in a Transfer to a prohibited person as provided therein; (c) any entity that would interfere with Landlord's powers under Landlord's enabling legislation, cause Landlord to be in violation of Landlord's enabling legislation, or cause Landlord not to be able to receive funds from any governmental entity; (d) any entity that is competing with Landlord as a provider of mass transit services within the areas Landlord serves in any manner; and (e) any entity that would cause Landlord to be in violation of any Legal Requirements. For clarification, Landlord in no event is required to release Tenant nor shall be deemed to release Tenant from any obligations hereunder without specifically doing so in a writing executed by Landlord.

ARTICLE 8 [RESERVED]

ARTICLE 9 Insurance and Indemnity

9.1. Property Insurance.

Tenant will secure and maintain during the Term property insurance on the Improvements against loss or damage by fire and any other risk now and from time to time insured against by "all

risk” property insurance policies generally in force on improvements of like type in Dallas County, Texas (and/or by builder’s risk insurance during construction) in amounts sufficient to provide coverage for the Full Insurable Value of the Improvements. The policy for such insurance shall have a replacement cost endorsement or similar provision. “**Full Insurable Value**” means actual replacement cost value of buildings, equipment, and personal property (exclusive of cost of excavation, foundations, and footings below the surface of the ground or below the lowest basement level and other items not customarily insurable under all risk policies from time to time).

9.2. Liability and Workers’ Compensation.

Tenant shall secure and maintain during the Term: (1) commercial general liability insurance, including contractual liability specifically applying to the provisions of this Lease and completed operations liability, with limits of not less than \$2,000,000 per occurrence, \$2,000,000 general aggregate, and \$1,000,000 products-completed operations aggregate, with respect to bodily injury or death and property damage to any number of persons in any one accident or occurrence; (2) excess liability insurance with limits not less than \$3,000,000 per occurrence; (3) and workers’ compensation with statutory limits in accordance with the State of Texas, and employer’s liability insurance with limits of \$1,000,000 bodily injury per accident, \$1,000,000 bodily injury by disease per person, and \$1,000,000 bodily injury by disease policy limit. Landlord may, upon not less than ninety (90) days prior written notice, during the Term require Tenant to carry greater amounts of insurance and different types of insurance than set forth above, provided that such greater amounts and different types are commercially reasonable and normally and customarily carried by owners or operators of structures similar to the Improvements that comprise the Property.

9.3. Policies.

All insurance required by this Lease must:

(a) be provided by an insurance company licensed to do business in the State of Texas at the time the policy is issued and shall be written with an A.M. Best’s rating of not less than A-:VII (or in the future a comparable rating by a comparable company if A.M. Best no longer publishes such ratings);

(b) with respect to Property insurance, be carried in the name of Tenant; and with respect to Liability insurance, be carried in the name of Tenant with Landlord added as additional insured;

(c) as regards all additional insureds, they shall each be timely furnished by Tenant, from time to time, as appropriate, a certificate of insurance issued by the insurance carrier, or broker, certifying, and including copy of policy endorsements, that each such person is an additional insured, on a primary and non-contributory basis, with a waiver of subrogation in its favor, and shall receive at least thirty (30) days advance written notice of policy cancellation or modification.

9.4. Indemnity.

Tenant agrees to **RELEASE, DEFEND, HOLD HARMLESS, AND INDEMNIFY** Landlord Parties from and against all liabilities, losses, damages, claims, costs, and expenses (including attorney's fees) for bodily injury or death to any person and for damage to, loss of, or loss of the use of any property arising out of or resulting from Tenant Parties' entry onto or use of the Property, performance under this Lease, or breach of any of the terms of this Lease, except to the extent proximately caused by the gross negligence or intentional misconduct of one or more Landlord Parties. Additionally, Tenant shall **INDEMNIFY, DEFEND, AND HOLD LANDLORD PARTIES HARMLESS** against all costs, expenses, claims, and liability related to any environmental contamination and related clean-up of the Property resulting from Tenant Parties' entry onto or use of the Property under this Lease.

THE PROVISIONS OF THIS SECTION 9.4 SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS LEASE.

9.5. Landlord's Right to Pay Premiums.

Tenant must furnish to Landlord certificates of insurance with endorsements to evidence particulars of all insurance coverage required in this Lease; and must furnish to Landlord evidence of renewal of each policy, at least ten (10) days in advance of the then applicable expiration date of such policy. Tenant agrees that, if it does not furnish to Landlord evidence of renewal of each policy within the time frame required under this Lease, Landlord may notify Tenant, and if Tenant does not deliver to Landlord within ten (10) days after receipt of such notice certificates showing all such insurance to be in full force and effect, Landlord may, at its option, take out the necessary insurance to comply with the provisions of this Lease and pay the premiums on the items specified in such notice, in which event Tenant covenants within thirty (30) days after demand to reimburse and pay Landlord, as additional rent, any amount so paid or expended in the payment of the insurance premiums required in this Lease and specified in the notice, together with interest on such amount at the maximum lawful rate of interest (not to exceed 18% per annum) from the date of such payment by Landlord until repaid by Tenant. Subject to the notice requirements contained in Section 16.1 below, the failure of Tenant to reimburse Landlord any amount required pursuant this Section 9.5 constitutes an Event of Default under this Lease.

9.6. Waiver of Subrogation.

TENANT AND LANDLORD HEREBY EACH WAIVE any and all rights of recovery, claims, actions, and causes of action it has, or may have against the other, or their respective directors, agents, officers, and employees, for any property loss or damage that may occur regardless of the cause or origin, whether such property loss or damage is due to the negligence of Landlord or Tenant or their respective agents, employees, contractors or subcontractors, if such property loss or damage is insured against, or could have been insured against; provided, however, that the foregoing waiver shall not be operative in any case where the effect thereof is to invalidate any insurance coverage of the waiving party. Landlord and Tenant agree to give written notice of the terms of this waiver to each insurance company which has issued, or in the future may issue, policies of physical damage, and to have said insurance policies properly endorsed to prevent the invalidation of said insurance coverage by reason of said waiver.

Landlord and Tenant covenant that no insurance company providing a property insurance policy shall hold any right of subrogation against Landlord or Tenant. A waiver of subrogation shall be effective even though that person would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person had an insurable interest in the property damaged. Landlord and Tenant agree that neither Landlord or Tenant has any obligation to obtain or maintain any insurance policies pursuant to this Lease.

9.7. Coverage.

All insurance described in this Article 9 may be obtained by Tenant by endorsement or equivalent means under any blanket insurance policies maintained by Tenant provided that the coverage and other terms of such insurance otherwise comply with this Article 9.

9.8. Change in Coverage.

Landlord and Tenant reserve the right to review the types of insurance policies and insurance requirements set forth during the Term, and to agree upon reasonable adjustments as to insurance coverage, limits, and exclusions.

ARTICLE 10 Damage or Destruction

10.1 Casualty Loss.

If the Improvements are damaged or destroyed by Casualty (the “**Damaged Improvements**”), and such damage or destruction renders the continued operations from the Premises for the permitted use impracticable, Tenant shall either, as soon as reasonably practicable, repair or replace and rebuild the same promptly so as to restore such Damaged Improvements to a condition that is substantially similar to their condition immediately before such occurrence (collectively, to “**Restore**”, or a “**Restoration**”), or give notice of termination of the Lease and use reasonable commercial diligence to remove the Improvements installed by Tenant, trade fixtures, and equipment and leave the Premises clean and free of debris.

Landlord and Tenant acknowledge that, at the time Tenant has the obligation to Restore such Damaged Improvements, it may be advantageous to build improvements of a character different from the Damaged Improvements. If Tenant determines that it would be advantageous to do so, Tenant shall have the right, with prior approval by Landlord, to replace the Damaged Improvements with different improvements.

ARTICLE 11 Condemnation

11.1. Definitions.

For purposes of this Article 11, the following terms shall have the respective meanings set forth below:

(a) **“Award”** means the amount of any award made, consideration paid, or damages ordered as a result of a Taking less any reasonable costs in obtaining such award, such as reasonable legal fees and costs, consultant fees, appraisal costs.

(b) **“Date of Taking”** means the date upon which title to the Property, or a portion thereof, passes to and vests in the condemnor or the effective date of any order for possession if issued prior to the date title vests in the condemnor.

(c) **“Partial Taking”** means any Taking which does not constitute a Significant Taking or a Total Taking.

(d) **“Significant Taking”** means a Taking of Property and Improvements on the Property which, in the reasonable determination of both Landlord and Tenant, materially and adversely affects Tenant’s use of the Property and Tenant’s net income from the Property.

(e) **“Taking”** means a taking of the Property, or a portion thereof, or any damage related to the exercise of the power of eminent domain and including a voluntary conveyance to any agency, authority, public utility, Person, or corporate entity empowered to condemn property in lieu of court proceedings.

(f) **“Total Taking”** means the permanent Taking of the entire Property.

11.2. Partial Taking.

In the event of a Partial Taking of the Property during the Term which takes any portion of the Property, the following shall occur: (i) the rights of Tenant under this Lease and the Leasehold in and to the portion of the Property taken shall cease and terminate as of the Date of Taking; and (ii) this Lease shall otherwise continue in full effect with no reduction in the Rent payable hereunder.

11.3. Significant Taking.

In the event of a Significant Taking of the Property during the Term, after which Tenant reasonably determines that Tenant can effectively continue its business in the Property, the following shall occur: (i) the rights of Tenant under this Lease and the Leasehold in and to the portion of the Property taken shall cease and terminate as of the Date of Taking; and (ii) this Lease shall otherwise continue in full effect except that Base Rent shall be reduced as set forth below (however other sums payable by Tenant hereunder shall continue unreduced notwithstanding any such Taking). Tenant shall, promptly after any such Significant Taking, at its expense, repair or cause to be repaired any damage caused thereby so that, thereafter, the Property (including any Improvements) shall be, as nearly as possible, in a condition as good as the condition thereof immediately prior to such Significant Taking. After such repairs have been completed, Base Rent shall be reduced (effective upon the date of the Significant Taking) by the product of the Base Rent multiplied by a fraction (the **“Rent Reduction Percentage”**), the denominator of which is the total land area of the Property prior to the Taking and the numerator of which is the total land area of the Property subject to such Significant Taking. After Tenant has completed or caused to be completed such repairs as required herein, it shall give written notice thereof to Landlord. Within fifteen (15) days after receipt of such written notice, Landlord shall pay to Tenant an amount equal to what would have been the reduction in Base Rent for the period between the effective date of

the Significant Taking and the date upon which such repairs were completed, based on the assumption that the reduction in Base Rent commenced effective as of the date of the Significant Taking. Notwithstanding the foregoing, in no event shall Landlord be obligated to reimburse any Base Rent previously paid by Tenant.

11.4. Total Taking.

In the event of a Total Taking, Tenant's Leasehold shall terminate as of the Date of Taking and all rights and obligations of Landlord and Tenant under this Lease shall terminate except for the rights and obligations under this Section 11.4 and that otherwise survive termination of this Lease; however, performance by the parties of their obligations hereunder which arose or accrued prior to or as a result of such termination shall survive such termination.

11.5. Notice of Condemnation Proceeding.

Landlord and Tenant each agree to promptly provide written notice to the other of the commencement of any condemnation proceeding relating to the Property of which they become aware. All compensation awarded for any Taking of the Property or Improvements shall be the property of Landlord.

ARTICLE 13 Defaults and Remedies

13.1. Default.

Tenant shall be in "**Default**" under this Lease, if at any time during the Term any one or more of the following events shall occur (each an "**Event of Default**"):

(a) Tenant fails to pay Base Rent or any other amount payable under this Lease when due and such failure continues for a period of thirty (30) days after Tenant's receipt of written notice from Landlord; or

(b) Tenant fails to observe or perform any of its other covenants, agreements or obligations hereunder, and such failure is not cured within sixty (60) days after Landlord's notice to Tenant of such failure; provided, however, that if the nature of Tenant's obligation is such that more than sixty (60) days are reasonably required for performance, then Tenant shall not be in Default if Tenant commences performance within such sixty (60) day period and thereafter diligently prosecutes the same to completion.

13.2. Remedies.

If and for so long as an Event of Default exists, then Landlord, at its option and without limitation of the provisions of Article 8, may pursue any one or more of the following remedies without any additional notice or demand whatsoever:

(a) Terminate this Lease by written notice to Tenant. Upon termination, Tenant must immediately surrender the Property to Landlord.

(b) Enter upon the Property and do whatever Tenant is obligated to do under the terms of this Lease. Tenant agrees to pay Landlord on demand for the reasonable, out of pocket expenses which Landlord may incur in this effecting compliance with Tenant's obligations under this Lease, together with interest thereon at the Default Rate until paid. **LANDLORD IS NOT LIABLE FOR ANY DAMAGES RESULTING TO TENANT FROM SUCH ACTION, WHETHER CAUSED BY NEGLIGENCE OF LANDLORD OR OTHERWISE.**

(c) Bring an action to specifically enforce Tenant's obligations under this Lease.

TENANT HEREBY WAIVES AND SURRENDERS for itself and all those claiming under it, including creditors of all kinds, any right and privilege which it or any of them may have under any present or future law to redeem any of the Property or to have a continuance of this Lease after lawful termination of this Lease or of Tenant's right of occupancy or possession pursuant to any court order or any provisions of this Lease.

13.3. Mitigation of Damages.

Both Landlord and Tenant shall use commercially reasonable efforts to mitigate damages resulting from a default of the other party under this Lease.

13.4. Abandonment of Personal Property.

Upon Landlord's exercise of either of the remedies set forth in Section 13.2(a) and Section 13.2(b) above, Tenant shall have the right, but not the obligation, to remove the Improvements and Tenant's personal property from the Property. If, upon the date that is thirty (30) days after Landlord takes possession of the Property pursuant to the exercise of either of such remedies, any or all of the Improvements or personal property of Tenant remains on the Property, then such personal property shall be deemed abandoned, and Landlord may dispose of such Improvements and personal property at Landlord's sole discretion and with no obligation to preserve such Improvements or personal property or account to Tenant for the disposition. Tenant shall reimburse Landlord for the reasonable cost, if any, of any such disposal and Landlord shall have no duty to Tenant during such thirty (30) day period to secure and keep safe the Improvements or any personal property.

13.5. No Remedy Exclusive.

No remedy herein conferred upon or reserved to Landlord or Tenant is intended to be exclusive of any other available remedy or remedies.

13.6. Holding Over.

If Tenant does not surrender the Property to Landlord at the expiration date of the Term, such continuance of possession by Tenant shall be deemed to be a month-to-month tenancy at the sufferance of Landlord terminable on thirty (30) days' notice at any time by either party. All provisions of this Lease, except those pertaining to term and rent, shall apply to the month-to-month tenancy. Tenant shall pay a new Base Rent in an amount equal to one hundred fifty percent (150%) of the monthly Rent payable for the last full calendar month during the regular Term,

together with one hundred percent (100%) of all Taxes, utility charges and other costs payable pursuant to Article 3. Nothing contained in this Section 13.6 shall be deemed to prevent Landlord from pursuing a forcible entry and detainer action in accordance with Legal Requirements in the event of a holdover by Tenant hereunder.

13.7. Landlord's Default.

If Tenant believes that Landlord has failed to perform a material obligation of this Lease, Tenant must give Landlord written notice of the alleged default ("**Landlord's Default**"). Landlord must cure the Landlord's Default not later than thirty (30) days after receipt of the notice from Tenant, or within such longer period as is reasonably necessary to remedy the Landlord's Default, provided that Landlord diligently pursues its efforts to cure the Landlord's Default to completion.

If Landlord fails to cure the Landlord's Default, Tenant shall have the following rights and remedies, which rights and remedies shall be in addition to all other rights and remedies of Tenant as may exist at law or in equity:

(a) Compel specific performance of Landlord's obligations under this Lease and to seek other equitable and injunctive relief available under Legal Requirements;

(b) Pursue a claim for damages to the extent permissible under Legal Requirements. However, Tenant may only recover actual damages, costs of suit or other proceeding, and reasonable attorneys' fees, and may not recover lost revenues or profits, consequential damages, punitive damages, special damages or any other measure of damages from Landlord or its successors, transferees, or assigns;

(c) Remedy any Landlord's Default, and in connection with such remedy, Tenant may pay all expenses and employ legal counsel, and all reasonable sums so expended, or obligations incurred by Tenant in connection therewith shall be paid by Landlord to Tenant, upon written demand by Tenant, together with interest at the Default Rate; and

(d) Terminate this Lease by written notice to Landlord.

No remedy herein conferred upon or reserved to Tenant in this Section 13.7 is intended to be exclusive of any other available remedy or remedies described in this Section 13.7 or otherwise expressly provided in the Lease or available at law or in equity, but each and every such remedy shall be cumulative. No delay or omission to exercise any such right or power accruing upon any default of Landlord shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

ARTICLE 14

Tenant's Environmental Obligations

14.1. Environmental Matters.

For purposes hereof, the term "Environmental Laws" means all Legal Requirements pertaining to the environment now or at any time hereafter in effect and any judicial or

administrative interpretation thereof including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, the Superfund Amendments and Reauthorization Act of 1986, as amended, the Resource, Conservation and Recovery Act of 1976, as amended, the Clean Air Act, as amended, the Federal Water Pollution Control Act, as amended, the Oil Pollution Act of 1990, as amended, the Safe Drinking Water Act, as amended, the Hazardous Materials Transportation Act, as amended, the Toxic Substances Control Act, as amended, and any other environmental conservation or protection laws.

Tenant may not use, generate, release, discharge, store, dispose, or transport any Hazardous Materials on, under, in, above, to, or from the Property during the Term, except for such quantities which are routinely utilized in connection with the lawful and permitted use of the Property, all of which are to be stored, used, handled, and disposed of by Tenant in full compliance with all Legal Requirements and Environmental Laws. Landlord may not use, generate, release, discharge, store, dispose, or transport any Hazardous Materials on, under, in, above, to, or from the Property during the Term.

Tenant must pay any cost, expense, claim, or liability arising out of any investigation, monitoring, cleanup, containment, removal, storage, or restoration work required by any Legal Requirements or Governmental Authority to be performed on, under or about the Property during the Term of this Lease or after the Term of this Lease if, but only if, Hazardous Material were released on the Property during the Term, excluding and Hazardous Materials released by Landlord; provided, however, the foregoing provision *shall not apply* to any breach, release or claim originating from the Landlord's adjacent property or for the mere discovery of a pre-existing condition predating the Term. **EXCEPT TO THE EXTENT ARISING FROM A BREACH BY LANDLORD OF LANDLORD'S COVENANT SET FORTH ABOVE IN THIS SECTION 14.1 OR THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LANDLORD AND TO THE EXTENT ALLOWED BY APPLICABLE LEGAL REQUIREMENTS, TENANT RELEASES AND WAIVES ANY CLAIMS AGAINST LANDLORD PARTIES FOR LOSS, INJURY, EXPENSE, OR DAMAGE ARISING OUT OF THE PRESENCE, RELEASE, OR DISCHARGE OF ANY HAZARDOUS MATERIALS ON, UNDER, IN, ABOVE, TO, OR FROM THE PROPERTY DURING THE TERM AND ASSUMES THE RISK OF ENVIRONMENTAL PROBLEMS, EVEN IF ARISING FROM EVENTS BEFORE THE EFFECTIVE DATE.** For clarity, in no event shall Tenant be deemed to have assumed any liability to any third parties for any environmental problems that arise from events occurring or conditions existing before the date Tenant is given possession of the Property.

If any remedial work (the "**Remedial Work**") is required under any applicable Legal Requirements as a result of the use, generation, release, discharge, storage, disposal, or transport of Hazardous Materials on, under, in, above, to, or from the Property by Tenant, Tenant must perform or cause to be performed the Remedial Work to the extent required under such Legal Requirements. If any Remedial Work is required under any applicable Legal Requirements as a result of the use, generation, release, discharge, storage, disposal, or transport of Hazardous Materials on, under, in, above, to, or from the Property by Landlord, Landlord must perform or cause to be performed the Remedial Work to the extent required under such Legal Requirements. All Remedial Work must be performed by one or more contractors under the supervision of a consulting engineer, each selected by the party obligated to perform the applicable Remedial Work (the "**Obligated Party**") and approved in advance in writing by the other party, which approval

shall not be unreasonably withheld or delayed. If the Obligated Party fails to begin and complete the Remedial Work within the time periods required by law, the other party may, at the Obligated Party's sole cost and expense, but is not required to, upon written notice to the Obligated Party of its intention to do so, cause the Remedial Work to be performed, subject fully to the indemnification provisions of this Article. Notwithstanding the provisions of the preceding sentence, however, in the event of emergency conditions relating to any Remedial Work, non-obligated party, acting in good faith, shall have the right, but not the obligation, to cause such Remedial Work to be performed, subject fully to the indemnification provisions of this Article, if necessary, with only such notice to the Obligated Party as is reasonable under the circumstances, including telephonic notice. Any such notice to the Obligated Party hereunder shall specify with particularity the nature of the Remedial Work. To effectuate any such Remedial Work, the non-obligated party shall have the right to permit the persons performing such Remedial Work to enter upon the Property to perform such work. This Article survives termination of this Lease.

ARTICLE 16

Miscellaneous

16.1. Notices.

Any notice required or permitted to be given hereunder shall be in writing and shall be (a) delivered by hand and a receipt is obtained, (b) delivered by reputable national or local courier (such as UPS or FEDEX), which maintains a record of deliveries, or (c) mailed by United States registered or certified mail, return receipt requested and postage prepaid.

- (a) Each notice to Landlord shall be addressed as follows:

DALLAS AREA RAPID TRANSIT
1401 Pacific Street
Dallas, Texas 75202
Attn.: Assistant Vice President, Real Estate

Copy to:
DART_RE@dart.org

Copy to:
1401 Pacific Street
Dallas, Texas 75202
Attn.: General Counsel

- (b) Each notice to Tenant shall be addressed as follows:

GATEWAY COMMUNITY SOCCER, LLC

And with a copy to:

A party's address may be changed by written notice to the other party as provided herein; provided, however, that no notice of a change of address shall be effective until actual receipt of such notice.

16.2. Waiver.

No consent or waiver, express or implied, by Landlord or Tenant to or of any breach or default by the other Party in the performance by such other Party of the obligations thereof under this Lease shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other Party of the same or any other obligations of such other Party under this Lease. Failure on the part of either Landlord or Tenant to complain of any act or failure to act by the other Party or to declare the other Party in default, irrespective of how long such failure continues, shall not constitute a waiver by such Party of its rights under this Lease.

16.3. Severability.

If any provision of this Lease is held to be illegal, invalid, or unenforceable under Legal Requirements, such provision is fully severable; this Lease is to be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Lease; and the remaining provisions of this Lease remain in full force and effect and are not affected by the illegal, invalid or unenforceable provision or by its severance therefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there is to be added automatically as a part of this Lease a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid and enforceable.

16.4. Amendments.

Neither this Lease nor any of its provision may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by all Parties.

16.5. Binding Effect.

Subject to the restrictions contained herein upon Tenant's right to assign this Lease, this Lease is binding upon, and inures to the benefit of, Landlord and Tenant, and their respective successors and assigns. The terms "Landlord" and "Tenant" include all persons, firms, corporations or entities at the time in question included within such term. If Landlord assigns its rights and obligations pursuant to this Lease to a bona fide third party who assumes Landlord's obligations hereunder in writing from the period from and after any such assignment, then Tenant agrees that the assigning Landlord shall have no obligation or liability hereunder as Landlord from and after any such assignment with respect to claims arising after such assignment. Landlord agrees to send to Tenant a true, correct and complete copy of such assignment promptly after the execution and delivery thereof

16.6. Interpretation.

No provision of this Lease shall be construed against or interpreted to the disadvantage of either Landlord or Tenant by any court or other governmental or judicial authority by reason of such Party having or being deemed to have written, structured or dictated such provision.

16.7. Relationship of Parties.

Nothing in this Lease creates a relationship of principal and agent or of partnership or joint venture between the parties to this Lease. Neither the computation of Base Rent, nor any other provision contained in this Lease, nor any acts of the parties hereto, creates a relationship between the parties to this Lease other than the relationship of lessor and lessee.

16.8. Unavoidable Delays.

Landlord and Tenant shall be excused from performing any of their respective obligations or undertakings provided in this Lease, except any of Tenant's obligations to pay Rent or any other sum of money which is not excused by this section, for such periods of time as the performance of such obligation or undertaking is prevented by any act of God, fire, earthquake, flood, explosion, war, insurrection, riot, mob violence, sabotage, inability to procure labor, equipment, facilities, materials or supplies, strikes, lockouts, action of labor unions, condemnation, Legal Requirements, orders of any governmental authority, any injunction arising from litigation involving a Party relating to zoning, subdivision or other governmental action or inaction pertaining to the Property or any portion thereof, inability to obtain government permits or governmental approvals or casualty loss. The foregoing provisions of this section shall not excuse a Party from not performing any of its obligations or undertakings provided in this Lease if any such non-performance is a result of any act or omission of such Party.

16.9. Exhibits.

The exhibits identified in this Lease and attached hereto are incorporated herein in full by this reference.

16.10. Applicable Law; Venue.

This Lease is being executed and delivered and is intended to be performed in the State of Texas. This Lease shall only be interpreted and construed under and governed by the laws of the State of Texas. Venue for any action brought in connection with this Lease shall be in a state district court with competent jurisdiction located in Dallas County, Texas.

16.11. Date for Performance.

If the time period or date by which any right, option or election provided under this Lease must be exercised, or by which any act required hereunder must be performed, or by which any notice must be given, expires or occurs on a Saturday, Sunday or legal or bank holiday, then such time period or date shall be automatically extended through the close of business on the next regularly scheduled business day.

16.12. Brokerage Representation.

Tenant and Landlord each represents and warrants to the other that it has not dealt with any real estate broker, agent or salesman so as to create any legal right or claim in any such broker, agent or salesman for a real estate commission or similar fee or compensation with respect to the

negotiation and/or execution of this Lease or the conveyance of the Leasehold by Landlord to Tenant.

16.13. No Third-Party Beneficiaries.

The only Parties to this Lease are Landlord and Tenant and their successors in interests. Except as heretofore provided, this Lease shall not be construed to benefit or be enforceable by any other Person other than the Parties hereto and their successors in interest and permitted assignees.

16.14. Exculpation.

Notwithstanding anything to the contrary contained herein, neither Landlord nor any Landlord Party shall be personally liable for any obligations of Landlord. No recourse may be had against the private property of any Landlord Party in order to satisfy any obligations of Landlord hereunder, or against any property of Landlord other than Landlord's interest in the Property. In any action, suit, or proceeding to enforce any of the provisions of this Lease against Landlord, Tenant shall look solely to Landlord's interest in the Property for satisfaction of any claim arising under this Lease. In any lawsuit or other proceeding the prevailing party shall only have the right to recover actual damages. Each Party hereby waives and agrees that it does not have the right to recover, and the other Party shall not ever be responsible in any way for consequential, punitive damages and all other types of damages which are not actual.

Neither Tenant nor any Tenant Party shall be personally liable for any obligations of Tenant, and no recourse may be had against the private property of any Tenant Party in order to satisfy any obligations of Tenant hereunder, or against any property of Tenant other than Tenant's interest in the Property. If, under the provisions of this Lease, Tenant is obligated to spend insurance proceeds or condemnation awards for the restoration, repair, or demolition of the Improvements, Tenant shall be personally liable for the amount of insurance proceeds or condemnation awards actually received by Tenant, but only to the extent such insurance proceeds or condemnation award are not applied to the extent required for the restoration, repair, or demolition of the Soccer Facilities or Improvements pursuant to this Lease. Notwithstanding the foregoing, nothing herein shall be deemed to waive any claims arising from fraud which are brought against any individual committing such fraud.

16.15. Time of the Essence.

Time is of the essence with respect in the payment and performance of all of the obligations of the Parties arising under this Lease.

16.16. Interest on Obligations.

If a Party is obligated to pay money to the other Party, the payment obligation shall accrue interest at the Default Rate from and after the date on which the payment obligation is due until it is paid.

16.17. Sale of the Property.

In the event of a sale or conveyance by Landlord of all or any part of the Property and this Lease, or either, and notwithstanding anything contained in this Lease to the contrary, the same shall operate to release Landlord from any future liability upon any of the covenants or conditions, express or implied, herein contained in favor of Tenant, and in such event Tenant agrees to look solely to the responsibility of the successor in interest of Landlord with respect to any liability of Landlord accruing after such sale or conveyance. No such sale, however, by itself will release Landlord for any liability to Tenant that has accrued and is enforceable against Landlord as of the date of such sale or conveyance.

16.18. Attorney's Fees and Costs.

In an action between Landlord and Tenant seeking enforcement of a term or provisions of this Lease, the prevailing party in such action may be awarded, in addition to any other relief awarded by the court, its reasonable costs and expenses, including reasonable attorneys' fees and court costs allowed by law.

16.19. Landlord's Attorneys' Fees and Consent.

If Tenant requests any approval or consent from Landlord, then Tenant will promptly pay all out of pocket costs and expenses (including reasonable attorneys' fees) incurred by Landlord in connection with their review of such request and any related document, regardless of whether or not such approval or consent is granted.

16.20. Survival.

All obligations of any Party that are not fulfilled at the expiration or other termination of this Lease will survive such expiration or termination as continuing obligations of such Party. Any provision of this Lease which requires or contemplates performance by a party hereto after the termination of this Lease shall survive the termination of this Lease.

16.21. Prior Agreements.

This Lease embodies the entire agreement between the Parties relating to the subject matter of this Lease, supersedes all prior agreements and understandings, if any, relating to the subject matter of this Lease, and may be amended only by an instrument in writing executed jointly by Landlord and Tenant and supplemented only by documents delivered or to be delivered in accordance with the express terms of this Lease.

16.22. Statutory Waiver.

TENANT HEREBY WAIVES ANY STATUTORY RIGHTS OTHERWISE APPLICABLE UNDER SECTION 91.004(b) OF THE TEXAS PROPERTY CODE, AS SUCH SECTION NOW EXISTS OR AS SAME MAY BE HEREAFTER AMENDED OR SUCCEEDED. Landlord and Tenant hereby each acknowledge and agree that they are knowledgeable and experienced in commercial transactions and further hereby acknowledge and agree that the provisions of this Lease for determining charges and amounts payable by Tenant are

commercially reasonable and valid even though such methods may not state precise mathematical formulae for determining such charges. ACCORDINGLY, TENANT HEREBY VOLUNTARILY AND KNOWINGLY WAIVES ALL RIGHTS AND BENEFITS TO WHICH TENANT MAY BE ENTITLED UNDER SECTION 93.012 OF THE TEXAS PROPERTY CODE, AS SUCH SECTION NOW EXISTS OR AS SAME MAY BE HEREAFTER AMENDED OR SUCCEEDED.

16.23. No Waiver.

Nothing in this Lease or any ancillary or related documents is intended to nor shall be deemed to have waived or diminished in any way Landlord's governmental immunities and statutory protections, including, by example and not limitation, with regard to any applicable or particular defenses, caps on damages, taxable status or any other limitation or immunity from suit and liability.

The balance of this page has been intentionally left blank.

Signature Pages Follow

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease.

LANDLORD:

DALLAS AREA RAPID TRANSIT,
a Texas Regional Transportation Authority

Caitlin Holland
Vice President, Real Estate & Economic
Development

Date: _____

[Tenant Signature on Following Page]

TENANT:

By: _____
Printed Name: _____
Title: _____
Date: _____

EXHIBIT A
THE PROPERTY



FIELD NOTES DESCRIBING CITY OF DALLAS PROPERTY IN BLOCK 53/3034 TO BE CONVEYED TO DALLAS AREA RAPID TRANSIT.

ALL THAT certain lot, tract or parcel of land lying and being situated in the City and County of Dallas, Texas, more particularly described as follows:

TRACT NO. 4 (OAK CLIFF OPERATING FACILITY, BLOCK 53/3034)

BEING a part of Block 53/3034, official City numbers, and being a part of Lots 5, 6, 7 and 8 of Block 53 of the Original Town of Oak Cliff, according to the map or plat thereof recorded in Volume 89, Pages 1, 2 and 3 of the Deed Records, Dallas County, Texas, and being a part of the land conveyed to the City of Dallas by the following instruments:

1. By Deed from Alla R. Richardson, dated August 28, 1973 and recorded in Volume 73197, Page 0459, Deed Records of Dallas County, Texas;
2. By Deed from Ruth H. Fabian, dated October 24, 1973, and recorded in Volume 73211, Page 0492, of said Deed Records;
3. By Judgment from Florence Brown Swain, dated January 21, 1974 and recorded in Volume 74041, Page 1216, of said Deed Records;
4. By Deed from Ruth H. Fabian, dated October 24, 1973 and recorded in Volume 73211, Page 0500, of said Deed Records;
5. By Judgment from Ruth Fabian, Carl Fabian, et al, dated July 11, 1974 and recorded in Volume 74147, Page 2019, of said Deed Records;

and being all of the property conveyed to the City of Dallas by the following instruments.

6. By Deed from Fred Albright, et ux, Delle Albright, dated October 24, 1973 and recorded in Volume 73211, Page 0496, Deed Records of Dallas County, Texas;
7. By Deed from Lucille Shepperd, a widow, dated December 4, 1973 and recorded in Volume 73238, Page 0512, of said Deed Records;
8. By Deed from Lloyd A. Nance, et ux, dated August 7, 1973 and recorded in Volume 73156, Page 0474, of said Deed Records;
9. By Deed from Llama Vale Howell, et vir, dated July 17, 1973 and recorded in Volume 73141, Page 0447, of said Deed Records;
10. By Deed from Milton Travis Holloway, et ux, dated July 19, 1973 and recorded in Volume 73142, Page 0291, of said Deed Records;
11. By Deed from Alvirdia Johnson, a widow, dated August 10, 1973 and recorded in Volume 73168, Page 0770, of said Deed Records;
12. By Deed from Thomas John Lee, et ux, dated July 13, 1973 and recorded in Volume 73139, Page 0186 of said Deed Records;

87175 2205

FIELD NOTES DESCRIBING CITY OF DALLAS PROPERTY IN BLOCK 53/3034 TO BE CONVEYED TO DALLAS AREA RAPID TRANSIT. PAGE TWO.

and being more particularly described as follows:

BEGINNING at the intersection of the north line of Fifth Street with the east line of a 20-foot wide alley through said Block 53/3034, official City numbers, said intersection being, a distance of 220.00 feet in an easterly direction along said north line from its intersection with the east line of Ewing Avenue;

THENCE EAST along the north line of Fifth Street, a distance of 261.80 feet to a point on the present west line of Jefferson Boulevard (100 feet wide);

THENCE NORTH 05°08'30" West along the present west line of Jefferson Boulevard, a distance of 394.09 feet to a point on the south line of Sabine Street;

THENCE WEST along the south line of Sabine Street, a distance of 226.48 feet to a point on the east line of a 20-foot wide alley through said Block 53/3034;

THENCE SOUTH along the east line of said alley, a distance of 392.50 feet to the place of beginning, and containing approximately 95,824 square feet of land.

CJT/mb
05-26-87/D412S/4
dk32

EXHIBIT B
[Planned Improvements]

EXHIBIT C
Base Rent Schedule

Initial Term	Months			Monthly Installment
	3/1/2026	through	6/30/2026	\$0.00
	7/1/2026	through	6/30/2027	\$5,000.00
	7/1/2027	through	6/30/2028	\$7,500.00
	7/1/2028	through	2/28/2029	\$10,000.00
Extension Term (if applicable)	3/1/2029	through	2/28/2030	\$10,000.00 escalated by 3%
	*Beginning March 1 of each year of the Extension Term, the monthly installment of Base Rent shall continue to escalate by three percent (3%).			

*This schedule only denotes Base Rent and does not indicate Additional Rent that may be due under the Lease.

Tenant Initials _____

Landlord Initials _____

EXHIBIT D

[Operating Agreement between Tenant and Puede Network]



Agenda Report

Attachments: 1. Contract Award Analysis 2. SBE Details	Voting Requirements: Majority
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DATE: January 27, 2026

SUBJECT: Approval of Contract for Palo Alto Security Platforms and Services

RECOMMENDATION

Approval of a resolution authorizing the President & Chief Executive Officer or her designee to award a three-year contract with no options to CyberOne LLC to provide Palo Alto Security Platforms and Services as a Managed Security Services Provider (MSSP) [Contract No. C-2095742-01], for a not-to-exceed amount of \$6,526,149, with a contingency of \$652,615, for a total authorized amount not to exceed \$7,178,764.

FINANCIAL CONSIDERATIONS

- This contract for Palo Alto Security Platforms and Services is included in the Technology Department's approved FY 2026 operating budget.
- Sufficient funding for this contract in the amount of \$7,178,764 is included in both the Technology Department's FY 2026 Operating budget and the Total Operating Expense line item of the FY 2026 20-Year Financial Plan.

BUSINESS PURPOSE

- In conjunction with the contract for CyberArk Security Platform and Firewall Engineering and Management Services, this contract supports continuous protection of DART's transportation services, including vehicles, stations, and operations centers, by strengthening cybersecurity defenses across both information technology (IT) and operational technology (OT) environments.
- This contract provides 24/7/365 real-time monitoring of DART systems to detect cyberattacks, stop active threats, and respond to security incidents across networks, cloud services, and user devices.
- DART will improve its stability and reduce systematic risks, supporting secure and resilient service delivery across the transit network.
- Enhanced security functions will enable proactive detection and mitigation of both known and emerging threats, improve incident response, and support ongoing vulnerability management across on-premises and cloud environments.
- The contract includes protection for critical OT systems, such as vehicle diagnostics, signaling systems, fare collection, and control center technologies, helping ensure the safe and

uninterrupted operation of transit services.

- The contract provides 24/7/365 monitoring through a Cybersecurity Operations Center, ensuring continuous visibility and rapid response to potential threats.
- The MSSP will improve threat detection accuracy, integrate real-time threat intelligence, and streamline security operations, supporting DART's ability to maintain safe and reliable transit services.
- Network security services will protect endpoints and infrastructure, including servers, cloud platforms, laptops, onboard tablets, and security camera systems throughout the transit environment.
- Approval of this contract supports Agency Strategic Goal 1: Empowered Agency – Build a nimble organization that can act quickly and effectively by streamlining processes and empowering employees.

PROCUREMENT CONSIDERATIONS

- DART is using an approved Texas Department of Information Resources contract vehicle.
- This will be a definite quantity/definite delivery firm-fixed-price contract with a period of performance of three years.
- The contract award analysis is provided as Attachment 1.

VENDOR DEMOGRAPHICS

- The State of Texas contracts will be utilized for this procurement.
- The State's goal for this type of procurement is 26.0%. The responsible State agency is the Texas Department of Information Resources.
- As this is a State contract, reports of Small Business Enterprise (SBE) spend dollars will be to and through the State.

LEGAL CONSIDERATIONS

- Section 452.055 of the Texas Transportation Code authorizes DART to contract for the provision of goods and services.

**Dallas Area Rapid Transit Authority
CONTRACT AWARD ANALYSIS
Cooperative DIR Contract No. 5322
DART Contract No. C-2095742-01**

Contract Information

- A. Description:** Contract for a Technology Managed Security Services Provider
- B. Contractor:** CyberOne LLC
- C. Contract Number:** C-2095742-01
- D. Contract Amount:** Not to exceed \$6,526,149, with a contingency amount of \$652,615, for a total authorized amount not to exceed \$7,178,764
- E. Contract Type:** Indefinite Delivery / Indefinite Quantity
- F. Term of Contract:** Three years from the date of the Notice to Proceed with no options
- G. Options Available:** N/A
- H. Funding Source:** Local
- I. Price Considerations:** The price is fair and reasonable based on full and open competition conducted by the State of Texas.
- J. Determination of Responsibility:**
Reference Check/ Financial Responsibility Survey: Provided via cooperative source.
Arithmetic Check: Yes
Buy America Certification and/or Audit, if applicable: N/A
Debarred/Suspended list: Not on the debarred /suspended list.
- K. Determinations Required:** None

Determination and Recommendation

CyberOne LLC is determined to be a responsive and responsible contractor through an approved cooperative agreement, has the capacity to perform this contract, and is recommended for award.

Approval of Contract for Palo Alto Security Platforms and Services

SBE Considerations

The State of Texas contracts will be utilized for this procurement. The State's goal for this type of procurement is 26.0%. The responsible State agency is the Texas Department of Information Resources (DIR). As this is a State contract, reports of SBE spend dollars will be to and through the State.

DRAFT
RESOLUTION
of the
DALLAS AREA RAPID TRANSIT BOARD
(Executive Committee)

Approval of Contract for Palo Alto Security Platforms and Services

WHEREAS, DART's operating and administrative departments rely heavily on secure technology to provide daily transit services and support employee-centered data processing systems effectively and efficiently; and

WHEREAS, cybersecurity technology services that identify and mitigate risks will strengthen DART's security posture, cyber-readiness, and resilience against internal and external threats and vulnerabilities; and

WHEREAS, this contract supports continuous protection of DART's transportation services, including vehicles, stations, and operations centers; and

WHEREAS, funding for this contract is within current budget and FY 2026 20-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the President & Chief Executive Officer or her designee is authorized to award a three-year contract with no options to CyberOne LLC to provide Palo Alto Security Platforms and Services as a Managed Security Services Provider [Contract No. C-2095742-01], for a not-to-exceed amount of \$6,526,149, with a contingency of \$652,615, for a total authorized amount not to exceed \$7,178,764.

Approval of Contract for Palo Alto Security Platforms and Services

Prepared by: /s/ Jamie Adelman

Jamie Adelman
Executive Vice President and
Chief Financial Officer

Approved as to form: /s/ Gene Gamez

Gene Gamez
General Counsel

Approved by: /s/ Nadine S. Lee

Nadine S. Lee
President & Chief Executive Officer



Agenda Report

Attachments: 1. Contract Award Analysis 2. SBE Details	Voting Requirements: Majority
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DATE: January 27, 2026

SUBJECT: Approval of Contract for Security Platform and Firewall Engineering and Management Services

RECOMMENDATION

Approval of a resolution authorizing the President & Chief Executive Officer or her designee to award a three-year contract with no options to CyberOne LLC to provide CyberArk Security Platform and Firewall Engineering and Management Services as a Managed Security Services Provider (MSSP) [Contract No. C-2097534-01], for a not-to-exceed amount of \$1,377,443, with a contingency of \$137,745, for a total authorized amount not to exceed \$1,515,188.

FINANCIAL CONSIDERATIONS

- This contract for Security Platform and Firewall Engineering and Management Services is included in the Technology Department's approved FY 2026 operating budget.
- Sufficient funding for this contract in the amount of \$1,515,188 is included in both the Technology Department's FY 2026 Operating budget and the Total Operating Expense line item of the FY 2026 20-Year Financial Plan.

BUSINESS PURPOSE

- In conjunction with the contract for Palo Alto Security Platforms and Services, this contract supports continuous protection of DART's transportation services, including vehicles, stations, and operations centers, by strengthening cybersecurity defenses across both Information Technology (IT) and Operational Technology (OT) environments.
- This contract provides controls for access to critical systems and manages firewall configurations to ensure only approved users and authorized network traffic are allowed.
- DART will improve its stability and reduce systematic risks, supporting secure and resilient service delivery across the transit network.
- Enhanced security functions will enable proactive detection and mitigation of both known and emerging threats, improve incident response, and support ongoing vulnerability management across on-premises and cloud environments.
- The contract includes protection for critical OT systems, such as vehicle diagnostics, signaling systems, fare collection, and control center technologies, helping ensure the safe and uninterrupted operation of transit services.

- The contract provides 24/7/365 monitoring through a Cybersecurity Operations Center, ensuring continuous visibility and rapid response to potential threats.
- The MSSP will improve threat detection accuracy, integrate real-time threat intelligence, and streamline security operations, supporting DART's ability to maintain safe and reliable transit services.
- Network security services will protect endpoints and infrastructure, including servers, cloud platforms, laptops, onboard tablets, and security camera systems throughout the transit environment.
- Approval of this contract supports Agency Strategic Goal 1: Empowered Agency – Build a nimble organization that can act quickly and effectively by streamlining processes and empowering employees.

PROCUREMENT CONSIDERATIONS

- DART is using an approved cooperative agreement.
- This will be an indefinite delivery/indefinite quantity contract for a term of three years with no options.
- The contract award analysis is provided as Attachment 1.

VENDOR DEMOGRAPHICS

- Due to the intellectual rights and proprietary nature of this procurement, it is recognized as non-eligible for goal setting per the deviation to DART's Procurement Regulations regarding Software Licenses and Maintenance Agreements.
- The Small Business Enterprise (SBE) analysis and Equal Employment Opportunity (EEO-1) information are included in Attachment 2. The prime contractor's actual EEO-1 report is available upon request.

LEGAL CONSIDERATIONS

- Section 452.055 of the Texas Transportation Code authorizes DART to contract for the provision of goods and services.

**Dallas Area Rapid Transit Authority
CONTRACT AWARD ANALYSIS
Cooperative DIR Contract No. 4851
DART Contract No. C-2097534-01**

Contract Information

- A. Description:** Contract for Security Platform and Firewall Engineering and Management Services
- B. Contractor:** CyberOne LLC
- C. Contract Number:** C-2097534-01
- D. Contract Amount:** Not to exceed \$1,377,443 with a contingency amount of \$137,745, for a total authorized amount not to exceed \$1,515,188
- E. Contract Type:** Indefinite Delivery / Indefinite Quantity
- F. Term of Contract:** Three years from the Notice to Proceed with no options
- G. Options Available:** N/A
- H. Funding Source:** Local
- I. Price Considerations:** Price is fair and reasonable based on full and open competition conducted by the State of Texas.
- J. Determination of Responsibility:**
Reference Check/ Financial Responsibility Survey: Provided via cooperative source.
Arithmetic Check: Yes
Buy America Certification and/or Audit, if applicable: N/A
Debarred/Suspended list: Not on the debarred /suspended list.
- K. Determinations Required:** None

Determination and Recommendation

CyberOne LLC is determined to be a responsive and responsible contractor through an approved cooperative agreement, has the capacity to perform this contract, and is recommended for award.

Approval of Contract for Security Platform and Firewall Engineering and Management Services

SBE Considerations

Due to the intellectual rights and proprietary nature of this procurement, it is recognized as non-eligible for goal setting per the deviation to DART's Procurement Regulations regarding Software Licenses and Maintenance Agreements.

Summary of EEO-1 Report

CyberOne, LLC is located in Plano, TX and employs 72 individuals. The following is an analysis of their EEO-1 report:

	ASIAN	BLACK	HISPANIC	NATIVE AM.	WHITE	TOTAL	PERCENTAGE
MALES	3	5	6	0	39	53	73.61%
FEMALES	2	1	1	0	15	19	26.39%
TOTAL	5	6	7	0	54	72	100%
PERCENTAGE	6.95%	8.33%	9.72%	0.00%	75.00%	100%	

DRAFT
RESOLUTION
of the
DALLAS AREA RAPID TRANSIT BOARD
(Executive Committee)

Approval of Contract for Security Platform and Firewall Engineering and Management Services

WHEREAS, DART's operating and administrative departments rely heavily on secure technology to provide daily transit services and support employee-centered data processing systems effectively and efficiently; and

WHEREAS, cybersecurity technology services that identify and mitigate risks will strengthen DART's security posture, cyber-readiness, and resilience against internal and external threats and vulnerabilities; and

WHEREAS, this contract supports continuous protection of DART's transportation services, including vehicles, stations, and operations centers; and

WHEREAS, a competitive procurement for a three-year contract with no options was conducted in accordance with the DART Procurement Regulations; and

WHEREAS, the proposed pricing is fair and reasonable; and

WHEREAS, funding for this contract is within current budget and FY 2026 20-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the President & Chief Executive Officer or her designee is authorized to award a three-year contract with no options to CyberOne LLC to provide CyberArk Security Platform and Firewall Engineering and Management Services as a Managed Security Services Provider [Contract No. C-2097534-01], for a not-to-exceed amount of \$1,377,443, with a contingency of \$137,745, for a total authorized amount not to exceed \$1,515,188.

Approval of Contract for Security Platform and Firewall Engineering and Management Services

Prepared by: /s/ Jamie Adelman

Jamie Adelman
Executive Vice President and
Chief Financial Officer

Approved as to form: /s/ Gene Gamez

Gene Gamez
General Counsel

Approved by: /s/ Nadine S. Lee

Nadine S. Lee
President & Chief Executive Officer



Agenda Report

Attachments: 1. Procurement Analysis 2. Vendor Demographics	Voting Requirements: Majority
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DATE: January 27, 2026

SUBJECT: Approval of Contract Modification for Strategic Communications Services

RECOMMENDATION

Approval of a resolution authorizing the President & Chief Executive Officer or her designee to execute a contract modification for strategic communications services with The GoldHam Group [Contract No. C-2090484-01], in the amount of \$456,600, for a new total authorized amount not to exceed \$1,616,600.

FINANCIAL CONSIDERATIONS

- This contract modification for Strategic Communications Services is included in the Communication Strategy Department's approved FY 2026 operating budget.
- Sufficient funding for this contract modification in the amount of \$456,600 is included in both the Communication Strategy Department's FY 2026 Operating budget and the Total Operating Expense line item of the FY 2026 20-Year Financial Plan.

BUSINESS PURPOSE

- On April 29, 2025 (Resolution No. 250039), the Board authorized awarding a three-year contract with no options for strategic communications services, including the Silver Line Regional Rail Opening, to The GoldHam Group [Contract No. C-2090484-01], in the amount of \$1,160,000.
- The opening of the Silver Line Regional Rail Project was approved in August 2025, with the final regulatory signoffs by the Federal Transit Administration (FTA) and the FY 2026 Board-approved budget vote.
- Opening week activities grew from the original scope of 12 events to 22 due to requests from the DART Board, member city communities, and elected officials.
- Due to timing and vendor constraints, The GoldHam Group served as an intermediary for vendors used for the opening, including door-to-door flyer distribution, collateral printers, and large-scale rentals for tents and mobile comfort stations.
- Due to increased scope of work and vendor constraints, there were challenges in optimizing the initial value of the GoldHam contract.

- DART has an ongoing need for strategic communication services. This modification will allow for the continued provision of messaging, processes, and the integration of marketing, internal, external, and strategic communications.
- Approval of this contract modification will help achieve Agency Strategic Goal 1: Empowered Agency - Build a nimble organization that can act quickly and effectively by streamlining processes and empowering employees; Strategic Goal 4: Seamless Mobility - Integrate mobility options to create a seamless travel experience defined by frequency and reliability that positions DART as first in mind; and Strategic Goal 6: Strategic Relationships - Position DART as a collaborative leader and recognized regional economic and mobility asset.

PROCUREMENT CONSIDERATIONS

- The base term of the contract is three years from the award date of May 15, 2025, and the contract provides for no options.
- The pricing for this modification is fair and reasonable.
- Contractor performance is satisfactory.
- The procurement analysis is provided as Attachment 1.

VENDOR DEMOGRAPHICS

- The goal for this contract was established in December 2024 at 20% DBE participation.
- The GoldHam Group LLC, the prime contractor, was a certified DBE firm at the time of original contract award and therefore met the goal. Once new DBE certification guidelines are established and approved by the Department of Transportation, The GoldHam Group LLC will begin the process to recertify as a DBE firm.
- The DBE analysis and Equal Employment Opportunity (EEO-1) information are included in Attachment 2. The prime contractor's actual EEO-1 report is available upon request.

LEGAL CONSIDERATIONS

- Section 452.055 of the Texas Transportation Code authorizes DART to contract for the provision of goods and services.

**Dallas Area Rapid Transit Authority
PROCUREMENT ANALYSIS
Increase Funding
Modification No. 1**

Contract Information

- A. Contract Description:** Communication Strategy Services
- B. Contractor:** The GoldHam Group
- C. Contract Number:** C-2090484-01
- D. Contractual Action:** Increase funding
- E. Current Contract Amount:** \$1,160,000
- F. Contract Modification Amount:** \$456,600
- G. New Contract Amount:** Not to exceed \$1,616,600
- H. Contract Type:** Definite Quantity/Definite Delivery
- I. Current Term of Contract/Performance Period:** 05/15/2025 – 05/14/2028
- J. Remaining Options Available:** N/A
- K. Price Considerations:** The initial contract award was based on open competition; this modification is to increase funding only.
- L. Negotiation Memorandum:** N/A
- M. Determinations Required:** N/A
- N. Funding:** Local
- O. Determination of Responsibility:**
Bond Check: N/A
Reference Check: N/A
Financial Responsibility Survey: N/A
Insurance Check: Yes
On-Site Inspection: N/A
Arithmetic Check: N/A
Verification of Offer: N/A
Buy America Certification and/or Audit, if applicable: N/A
Debarred/Suspended list: Not on the debarred /suspended list.

Determination and Recommendation

The GoldHam Group is a responsible contractor for the modification described above; therefore, execution of the contract modification is recommended.

Approval of Contract Modification for Strategic Communication Services

DBE Considerations

The goal for this contract was established in December 2024 at 20% DBE participation. This contract modification of \$456,600 will increase the contract amount to \$1,616,600. The GoldHam Group LLC, the prime contractor, was a certified DBE firm at the time of original contract award and therefore met the goal. Once new DBE certification guidelines are established and approved by the Department of Transportation, The GoldHam Group LLC will begin the process to recertify as a DBE firm.

NOTE: The goal is based on the not to exceed amount of \$1,616,000. If there are any changes to this amount, the original goal shall still apply.

Summary of EEO-1 Report

The GoldHam Group is located in Dallas, TX and employs 3 individuals. The following is an analysis of their EEO-1 report:

	ASIAN	BLACK	HISPANIC	NATIVE AM.	WHITE	TOTAL	PERCENTAGE
MALES	0	0	0	0	1	1	33.33%
FEMALES	0	1	0	0	1	2	66.67%
TOTAL	0	1	0	0	2	3	100%
PERCENTAGE	0.00%	33.33%	0.00%	0.00%	66.67%	100%	

DRAFT
RESOLUTION
of the
DALLAS AREA RAPID TRANSIT BOARD
(Executive Committee)

Approval of Contract Modification for Strategic Communications Services

WHEREAS, on April 29, 2025 (Resolution No. 250039), the Board authorized a three-year contract with no options for strategic communications services, including Silver Line Regional Rail Opening, to The GoldHam Group (Contract No. C-2090484-01), in the amount of \$1,160,000; and

WHEREAS, DART recognizes the need for continued strategic communications services; and

WHEREAS, the proposed price for this contract modification is fair and reasonable; and

WHEREAS, funding for this contract modification is within current budget and FY 2026 20-Year Financial Plan allocations.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that the President & Chief Executive Officer or her designee is authorized to execute a contract modification for strategic communications services with The GoldHam Group, [Contract No. C-2090484-01], in the amount of \$456,600, for a new total authorized amount not to exceed \$1,616,600.

Approval of Contract Modification for Strategic Communications Services

Prepared by: /s/ Jeamy Molina

Jeamy Molina
Executive Vice President
Chief Communications Officer

Approved as to form: /s/ Gene Gamez

Gene Gamez
General Counsel

Approved by: /s/ Nadine S. Lee

Nadine S. Lee
President & Chief Executive Officer



Agenda Report

Committee-of-the-Whole ☒

DATE: January 27, 2026

SUBJECT: Briefing on DART Business Programs

RECOMMENDATION

This is a briefing item. No action is currently required.

BUSINESS PURPOSE

- DART currently operates three programs that serve our contracting business community: Disadvantaged Business Enterprise (DBE), Minority and Women Business Enterprise (M/WBE), and Small Business Enterprise (SBE).
- DART's DBE program was established in 1987 and is required by the Code of Federal Regulations (CFR) for recipients of federal funding.
- The DART Board established its M/WBE program in 1987 pursuant to §452.201 of the Texas Transportation Code.
- DART's SBE program was established at the request of the Federal Transportation Administration (FTA) in 2012. The SBE is a race- and gender-neutral program.
- On October 14, 2025, the Board was briefed on the executive orders, FTA updates, and judicial and federal decisions impacting DART's current business programs.
- In addition to DART's current business programs, as modified, the Board will discuss new programs for businesses owned by veterans and disabled individuals.
- Discussion of this item will help achieve Agency Strategic Goal 1: Empowered Agency – Build a nimble organization that can act quickly and effectively by streamlining processes and empowering employees; and Strategic Goal 6: Strategic Relationships – Position DART as a collaborative leader and recognized regional economic and mobility asset.



Agenda Report

Attachments:

- 1. City Proposals**
- 2. Plano-Recommended changes to GMP ILA**
- 3. Carrollton-Recommended changes to GMP ILA**

DATE: January 27, 2026

SUBJECT: Briefing on Status of City and Regional Discussions Related to Governance, Funding, and Service

BOARD ITEM

This is a briefing item. No action is required at this time.

PURPOSE

- The purpose of this briefing is to review the status of discussions with cities and regional partners relating to issues around governance, funding, and service, including proposed withdrawal elections.
- To date, five service area City Councils (Plano, Farmers Branch, Irving, Highland Park, and University Park) have approved ordinances to hold a withdrawal election on May 2, 2026. Addison may reconsider an ordinance to hold a withdrawal election at their January 27, 2026, council meeting.
- Plano, Farmers Branch, and Irving have submitted written proposals to DART that if met, would cause them to rescind their elections (see Attachment 1).
- Plano and Carrollton have both submitted proposed changes to the General Mobility Program (GMP) Interlocal Agreement (ILA). The Plano revisions are substantial and would modify the GMP to be up to 25% sales tax sharing with all 13 cities (see Attachment 2), while the City of Carrollton revisions are more administrative and process-oriented (see Attachment 3).
- Concurrent with these discussions, the North Texas Commission (NTC) and North Central Texas Council of Governments (NCTCOG) have hosted meetings with DART and City leadership since September 2025 to discuss key issues and solutions. Recent focus has been on a proposed governance framework that cities have begun to discuss with their respective councils. DART is also conducting a rate study of services that will support the feasibility evaluation of some city proposals.
- Discussion of this item will help achieve Agency Strategic Goal 6: Strategic Relationships - Position DART as a collaborative leader and recognized regional economic and mobility asset.

Summary of Proposed Interlocal Agreement Between the City of Plano and DART (2026–2031)

The City of Plano and DART enter into a six-year agreement under which DART will continue providing rail service and express buses in Plano but will discontinue all standard bus, demand-response, and other non-rail transit services within the city by January 1, 2029. DART will maintain existing rail stations and facilities in Plano. The City is open to discussing how to best provide paratransit services to maintain federal compliance.

Beginning in 2026, DART will return a phased portion of Plano’s sales tax contribution back to the City through a General Mobility Program (GMP). The GMP will return 25% in 2026, 35% in 2027, 45% in 2028, and 50% annually from 2029 through 2031, with payments made quarterly. Plano will use these funds for transportation and mobility improvements and will provide annual expenditure summaries to DART.

In return, Plano agrees to cease any legislative efforts to alter DART’s governance or financing and to stop pursuing withdrawal from DART during the agreement period. The City will rescind any prior withdrawal election actions within 72 hours of finalizing the agreement and will remain a participating DART member.

The parties will meet annually to review rail, express bus service and GMP activity. Amendments require mutual approval, and either party may terminate for substantial breach after a 60-day cure period. If Plano resumes withdrawal or legislative reform efforts, DART may suspend GMP payments.

DART Rail-Only Revenue Return Proposal - Plano						
	2026	2027	2028	2029	2030	2031
Projected Sales Tax Revenue	\$959,989,001	\$998,388,561	\$1,038,324,103	\$1,079,857,067	\$1,123,051,350	\$1,167,973,404
Estimated Growth %	4%	4%	4%	4%	4%	4%
New Revenue \$	\$38,399,560	\$39,935,542	\$41,532,964	\$43,194,283	\$44,922,054	\$46,718,936
Plano One Cent Sales Tax	\$130,000,000	\$135,200,000	\$140,608,000	\$146,232,320	\$152,081,613	\$158,164,877
Revenue Return to Cities %	25%	35%	45%	50%	50%	50%
Revenue Return to Plano \$	\$32,500,000	\$47,320,000	\$63,273,600	\$73,116,160	\$76,040,806	\$79,082,439
DART Sales Tax Revenue Less Return	\$927,489,001	\$951,068,561	\$975,050,503	\$1,006,740,907	\$1,047,010,544	\$1,088,890,966



City of Farmers Branch, Texas
13000 William Dodson Parkway
Farmers Branch, Texas 75234

December 17, 2025

Randall B. Bryant
Chairman, Board of Directors
Dallas Area Rapid Transit (DART)
P.O. Box 660163
Dallas, TX 75266

CC: Nadine Lee, Chief Executive Officer, Dallas Area Rapid Transit (DART)

RE: Conditions Required for Continued Participation by the City of Farmers Branch in Dallas Area Rapid Transit

Chairman Bryant and Members of the Board:

The Mayor and City Council of the City of Farmers Branch write to formally set forth the conditions under which the City would recommend continuing its participation in Dallas Area Rapid Transit (DART) and, during good-faith negotiations, pause further action related to a potential withdrawal election.

The City of Farmers Branch has been a founding member of DART since 1983 and has consistently demonstrated leadership and good faith in supporting regional mobility, rail transit, and paratransit services. The City remains pro-transit and pro-regional connectivity. However, continued participation must be grounded in equity, safety, transparency, fiscal responsibility, and accountability to our taxpayers.

For clarity, DART must acknowledge, and this letter expressly states that the one-cent sales tax collected within the City of Farmers Branch constitutes taxpayer funds belonging to the residents and businesses of Farmers Branch. DART serves as a steward for these public funds and must deploy them to deliver demonstrable, auditable value to the communities from which they are collected.

Accordingly, the City of Farmers Branch establishes the following minimum conditions as the basis for any interlocal agreement, amended participation framework, or similar arrangement.

I. Rail Service, Station Security, and Controlled Access (Non-Negotiable)

DART shall redesign, secure, and operate the Farmers Branch rail station to function as a controlled-access facility comparable to modern subway systems. This shall include:

- A single, controlled point of entry and exit
- Fare-paid access only, with ticket validation prior to platform access
- Measures to prevent individuals from exiting trains or loitering at the station without a legitimate transit-related purpose
- Deployment of full-time sworn police officers on DART trains and at stations to enhance safety, deter crime, and restore rider confidence.
- Ongoing standards for cleanliness, maintenance, and passenger safety

All capital, operational, staffing, security, and maintenance costs associated with these requirements shall be fully funded and maintained by DART.

II. Sales Tax Return / Rate Relief and General Mobility Program

DART shall return a phased portion of the one-cent sales tax collected within Farmers Branch as a form of rate relief and local mobility reinvestment. This return shall begin at twenty-five percent (25%) in calendar year 2026 and increase annually by five percent (5%), not to exceed fifty percent (50%) by calendar year 2031.

Returned funds shall be remitted quarterly and used exclusively for transportation and mobility initiatives within Farmers Branch, including first- and last-mile connectivity, micro-transit solutions, pedestrian and bicycle access, and improvements that directly support rail service and ridership.

III. Service Rationalization

The City of Farmers Branch will decline participation in GoLink and all fixed-route bus services. DART shall remove all bus stops within Farmers Branch while continuing to provide rail and federally required paratransit services.

IV. Public Safety Partnership

DART shall provide one million dollars (\$1,000,000) annually to support the assignment of one dedicated Farmers Branch Police Officer per watch to the station area, including the DART rail station. Under this framework, responsibility for station-area law enforcement shall rest with the City, and DART shall not independently provide public safety services at the Farmers Branch station.

V. Governance Reform and Representation

DART shall formally commit to governance reform, consistent with recommendations from NCTCOG/NTC, including the adoption of a One City, One Vote model with population-based weighting. The City further seeks meaningful representation to ensure proportional accountability, transparency, and responsiveness in DART decision-making.

VI. Debt Issuance Oversight

All future debt issued by DART shall require affirmative approval by its member cities to ensure shared fiscal responsibility and transparency regarding long-term obligations.

VII. Quarterly Reporting

To support transparency and informed decision-making, the City requests that DART provide quarterly ridership data specific to Farmers Branch, including station- and route-level trends. Regular reporting will

allow the City to evaluate service effectiveness, align safety and service resources, and ensure accountability for the City's ongoing financial participation in the regional transit system.

VIII. Ridership Support, Facilities, and Parking Infrastructure

DART shall partner with the City to promote ridership by supporting advertising for City-sponsored events on DART platforms and within station areas. DART shall also address station-area infrastructure needs, including parking garage operations, access, cleanliness, security, and maintenance.

IX. Professional Conduct and Decorum

DART, its officers, employees, and agents shall refrain from making disparaging or disrespectful statements or taking any disrespectful actions toward the City of Farmers Branch, its elected officials, or staff. The City of Farmers Branch commits to the same professional standard.

X. Procedural and Systemwide Corrections

DART shall commit to reviewing and correcting procedural, operational, and policy deficiencies affecting system reliability, rider experience, safety, cleanliness, and accountability across the transit system.

Farmers Branch is not withdrawing from transit. The City seeks equity, accountability, safety, and responsible stewardship of taxpayer funds. These conditions constitute the minimum framework under which the City would recommend continued DART membership.

The City of Farmers Branch has been meeting with DART board members and executive staff for the past 2.5 years. Throughout this time, the City has engaged in good-faith dialogue with DART leadership and regional partners, with the shared goal of achieving meaningful, measurable improvements for riders and member cities. While these conversations have been constructive, the City believes the time is appropriate to move toward more explicit commitments, defined actions, and a timely response that reflects the urgency of these issues. Farmers Branch remains committed to regional mobility and collaboration and looks forward to tangible progress toward a transit system that is safe, accountable, and capable of serving both current and future generations. We look forward to hearing back from you.

Respectfully,

A handwritten signature in black ink, appearing to read "Terry Lynne", with a long horizontal flourish extending to the right.

Mayor Terry Lynne
City of Farmers Branch



Rick Stopfer
Mayor

November 25, 2025

Randall B. Bryant
Chairman, Dallas Area Rapid Transit (DART) Board of Directors
P.O. Box 660163
Dallas, TX 75266

Dear Chairman Bryant,

The City of Irving has demonstrated longstanding leadership, commitment, and partnership in regional transit as a founding member city of DART since 1983, contributing approximately \$2 billion to ensure reliable and accessible transportation for residents, businesses, and visitors.

Between 2013 and 2023, the DFW metropolitan area grew by more than 1.3 million residents, while DART ridership declined from 71 million to 41 million users. The negative correlation between ridership and population growth highlights a disconnect between the services offered by DART and the needs of riders. Increasing ridership and aligning services with each community's priorities are critical to DART's long-term success and will encourage additional cities to join DART.

As North Texas continues to grow, it is evident that DART's original governance and funding structures were not designed to address the complexities of connecting communities with diverse transit needs. Updating DART's governance and funding is essential to ensure the healthy growth of regional transit well into the future.

The City of Irving continues to support the ongoing efforts of DART and member cities to develop a comprehensive, long-term solution that will strengthen regional connectivity while providing flexibility for each community to serve its residents effectively and efficiently.

Notwithstanding these ongoing discussions, I am prepared to recommend to the Irving City Council that the City cease its efforts to withdraw from DART if the two parties agree to the following terms under a five-year interlocal agreement (ILA):

- DART will fund and maintain bus routes 225, 255, and all existing bus routes in the City of Irving, using appropriately sized vehicles.
- DART will return 5% annually, for the five-year term of the ILA, to the City of Irving, from the one-cent sales tax collected within the City of Irving for DART. This 5% return of sales tax to



Rick Stopfer
Mayor

the City of Irving is cumulative from the commencement of the ILA and will be used for micro-transit and/or other improvements supporting DART.

- Beginning in the second year of the ILA, the 5% return of the one-cent sales tax to the City of Irving from DART will be suspended for any year in which DART increases ridership by 10% over the prior year for all existing and any new rail and bus service for stops within the City of Irving. Ridership data must be confirmed by a mutually agreed upon auditor, funded by DART, using 2026 data as the baseline. DART and the City of Irving will agree upon the methodology for calculating ridership data.
- The City of Irving will decline GoLink services to avoid duplication of services.
- DART will continue to provide paratransit services.
- DART will fully fund the design, engineering, and construction of the two deferred light rail stations (Stadium Site Station and the South Las Colinas Urban Center Station) and the TRE station adjacent to the South Las Colinas Urban Center Station.
- DART will provide \$1.5 million each year to the City of Irving Urban Center Circulator.
- DART will provide and maintain fixed-route bus service to all train stations.
- DART will extend the timeline for City of Irving to enter into a Tax Increment Reinvestment Zone (TIRZ) ILA to June 30, 2026.
- The parties will meet annually in August to review General Mobility Program (GMP) activity. Amendments will require mutual approval of the parties.
- DART commits to implementation of the proposed governance structure agreed to by the NCTCOG/NTC working group, establishing a "One City, One Vote" model with population-based weighting.
- All new debt issued by DART must be approved by member cities.
- DART will assist cities in advertising all city-sponsored community events occurring within TODs and near rail stops in order to encourage ridership.

This ILA is contingent upon the DART Executive Board and the City of Irving City Council approval no later than February 13, 2026.

Sincerely,

Hon. Rick Stopfer
Mayor, City of Irving

FORM OF**DRAFT****INTERLOCAL AGREEMENT**

between

DALLAS AREA RAPID TRANSIT and

~~{CITY} OF PLANO for General Mobility Funds~~**GENERAL MOBILITY PROGRAM FUNDS**

This Interlocal Agreement ("Agreement") is made and entered into by and between DALLAS AREA RAPID TRANSIT ("DART"), a regional transportation authority organized and existing pursuant to Chapter 452 of the Texas Transportation Code (the "Act"), and ~~_____ ("CITY").~~ OF _____ ("CITY"). DART and CITY may be referred to herein individually as a "Party" or collectively as "Parties."

WHEREAS, pursuant to DART Board Resolution No. 250025 _____ (the "Resolution"), a copy of which is attached hereto and incorporated herein for all purposes as Exhibit B, the DART Board directed the DART President & Chief Executive Officer to establish a General Mobility Program (GMP) for allocation to eligible DART Service Area cities for Public Transportation System ~~or,~~ Complementary Transportation Service purposes, or a legally permissible use under the Act as those terms are defined herein, consistent with the Act, hereinafter referred to as "GMP Funds^{22, 23}," and

WHEREAS, pursuant to ~~DART Board~~ the Resolution No. 250025, ~~the Fiscal Year (FY) 2026 allocation amount will be equal to 5% of the FY 2024 sales tax collections, or \$42.59 million; and~~

~~WHEREAS, pursuant to DART Board Resolution No. 250025 Exhibit 1, seven, all thirteen~~ DART Service Area cities are eligible to receive at their respective allocated portion of the GMP Funds available in the Fiscal Year 2026 Budget, subject to the conditions contained in this Agreement; and

WHEREAS, CITY is a DART Service Area city that is eligible to receive up to 25% of CITY's one cent sales tax contribution to DART if it uses such funds to complete projects that will benefit DART's Public Transportation System, provide Complementary Transportation Services or for a legally permissible use under the Act and otherwise complies with the terms and conditions of this Agreement; and

WHEREAS, pursuant to the Resolution, the funding amount will follow the schedule attached hereto and incorporated herein for all purposes as Exhibit A, without reducing services within the service area city, with the Fiscal Year (FY) 2026 allocation amount equal to 15% of the FY 2025 sales tax collections, or \$ _____ million; and

WHEREAS, the Parties are authorized to enter into this Agreement pursuant to Section 452.055(c) of the Act and Chapter 791 of the Texas Government Code; and

~~WHEREAS, CITY is a DART Service Area city that is eligible to receive \$ _____ in funds if it uses such funds to complete projects that will benefit DART's Public Transportation System or provide Complementary Transportation Services (each as defined below) and otherwise complies with the terms and conditions of this Agreement; and~~

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the Parties, the receipt and sufficiency which is hereby acknowledged, the Parties agree as follows:

Section I. Definitions

~~1.1~~ 1.1 "Complementary Transportation Services" means: (a) special transportation services for a person who is elderly or has a disability; (b) medical transportation services; (c) assistance in street modifications as necessary to accommodate the Public Transportation System; and (d) any other service that complements DART's Public Transportation System, including providing parking garages. "Complementary Transportation Services" must be provided within the limits of DART's service area.

~~1.2~~ 1.2 "Eligible Project" means a CITY project supporting DART's Public Transportation System ~~or for, Complementary Transportation Services, or any other legally permissible use under the Act~~ that has been approved by DART in accordance with Section III of this Agreement.

~~1.3~~ 1.3 "Public Transportation" means the conveyance of passengers and hand-carried packages or baggage of a passenger by any means of transportation.

~~1.4~~ 1.4 "Public Transportation System" means (a) all property owned or held by DART for public transportation or complementary transportation service purposes, including vehicle parking areas and facilities and other facilities necessary or convenient for the beneficial use of, and the access of persons and vehicles to, public transportation; (b) real property, facilities, and equipment for the protection and environmental enhancement of all the facilities; and (c) property held in accordance with a contract with the owner making the property subject to the control of or regulation by DART and for public transportation or complementary transportation service purposes.

~~1.5~~ 1.5 "Site Specific Shuttle" means a circulator or shuttle service that complements and supports the public transportation system as defined in DART Board Policy III.16, ~~and which stipulates but waiving~~ the maximum DART contribution of up to 50% for such services, subject to an agreement and Board approval.

~~1.6~~ **1.6** “Eligible ~~CITY~~City” means a city identified in ~~DART Board Resolution No. 250025-Exhibit 1B~~ as eligible to receive a portion of the GMP Funds ~~to be available in DART’s FY 2026 Budget~~, subject to the conditions contained in this Agreement.

~~1.7~~ **1.7** “Effective Date” means the date on which this Agreement was executed by a duly authorized representative of DART.

~~1.8~~ “Term” means the period during which this Agreement is in effect, commencing on the Effective Date through September 30, 2031.

Section II. CITY’s Obligations

2.1 Use of Funds. -CITY shall use GMP Funds only for an Eligible Project approved by DART in accordance with Section ~~III~~ of this Agreement.

2.2 Good Standing Requirement.- CITY understands and agrees CITY shall not be entitled to receive any GMP Funds until and unless any outstanding debt owed to DART pursuant to any Interlocal Agreement or other Agreement whereby CITY is obligated to pay DART for goods and services provided or for the reimbursement of goods and services provided shall be current or fully paid. This includes unexpended funds from any prior Agreement.

2.3 Certification of CITY Meeting Good Standing Requirements.- CITY shall have met the requirements of Section 2.2 before any project is approved and before funds are distributed to CITY. -If DART does not certify the CITY’s compliance under Section 2.2, DART shall inform the CITY-~~will be informed~~ within fourteen (14) business days of any deficiencies or matters requiring immediate action. -DART shall engage in good faith efforts to ensure that CITY may cure any deficiencies.

2.4 Project Design, Construction, and Maintenance. All activities associated with implementation and operation of an Eligible Project, including planning, design, construction, and maintenance, shall be the responsibility of CITY, unless otherwise agreed to by DART.

2.5 Insurance.- CITY shall obtain and maintain, and shall require its contractors to obtain and maintain, adequate insurance or self-insurance coverage to effectively protect against the risks associated with each Eligible Project.

Section III. DART Approval of Eligible Projects

3.1 Allowable Projects and Activities.- A project proposed by CITY shall be related to improvement of, or provide a benefit to, DART’s Public Transportation System or provide Complementary Transportation Services, or is legally permissible under the Act and be approved by DART in accordance with Section 3.2 of this Agreement. Eligible activities for

which the Funds may be used include, but are not limited to, planning, environmental impact studies, engineering, final design, right-of-way acquisition, construction, testing, inspection, or surveying, and the cost of contracting with providers of Complementary Transportation Services, including Site Specific Shuttles. Projects and activities may also include funding the operating costs of additional DART services within the CITY such as expanded or modified GoLink zones ~~for a period of time.~~

3.2.— CITY Submittal of a Project.— CITY will submit to DART a description of a proposed project, a cost estimate, and a statement demonstrating how the proposed project will benefit DART's Public Transportation System ~~or,~~ will provide Complementary Transportation Services ~~, or is legally permissible under the Act, by June 30 annually.~~ CITY may amend and resubmit alternative proposed projects for review and approval by DART after the ~~June 30, 2026, annual~~ deadline in Section 4.3 by submitting a request in writing to DART. All requests shall include information that demonstrates no funds have been expended on previously approved projects. All other critical deadlines in Section 4.3 will remain in effect.

3.3 DART Approvals. —DART staff will have fourteen (14) business days to review and respond to the proposed Project(s). ~~—The DART Board shall approve or deny a proposed Project in writing within forty-five (45) days of submittal of the Project by CITY. The DART Board and staff are prohibited from denying or delaying the review of any project legally permissible under the Act. Noncompliance with this section will be addressed through the process set forth in Section IX.~~

3.4 Eligible Projects.— Only after a proposed project has been approved by DART in writing shall the proposed project be deemed an Eligible Project for the purposes of this Agreement.

3.5 Service Adjustments. ~~Future service adjustments must be jointly approved between the service area city and DART in writing.~~

Section IV. Financial Considerations

4.1 Eligibility for Reimbursement.— CITY's expenditure of funds for a proposed project prior to DART's approval of such project in accordance with Section 3.43 of this Agreement may render such expenditures ineligible for reimbursement by DART. DART shall have no obligation to reimburse CITY for any Eligible Project undertaken prior to DART's approval thereof and DART is not obligated to provide Funds for activities performed or costs incurred prior to the execution of this Agreement.

4.2 Disbursement of Funds. DART shall disburse Funds to CITY only if CITY is in good standing per Section 2.2, and has received certification under Section 2.3 for Eligible Projects approved by DART in accordance with the following terms:

- a.- **General.** DART will provide the full annual disbursement of funds to CITY up to the amount of GMP Funds available to CITY under the GMP ILA- in accordance with Exhibit A. DART shall have no obligation to pay to CITY an amount greater than the annual amount of GMP Funds available to CITY if DART has approved more than one Eligible Project for CITY. Eligible Projects must achieve substantial completion within twenty-four (24) months of each initial disbursement. In the event an Eligible Project is delayed beyond this timeline, disbursement of additional funds under the Agreement shall pause until the delayed project is completed. Substantial completion means planning and design are complete, and the project is in the construction phase of the approved project plan. Unless otherwise agreed by DART, DART shall not be responsible to pay any cost overruns. To the extent permitted by law, CITY shall ~~RELEASE AND HOLD~~ DART HARMLESS from any claims or liabilities arising from the use of the GMP Funds or implementation or operation of an Eligible Project.
- b.- Amount. CITY is eligible to receive up to the full percentage of its annual sales tax contribution reported by the Texas Comptroller of Public Accounts, as outlined in Exhibit A, in accordance with Exhibit B and the terms of this Agreement.
- c. **Payment.** –DART’s President & Chief Executive Officer or designee shall approve all fund distributions. –DART shall distribute undisputed funds ~~by no later than September 30, 2026.~~ annually.

4.3 Critical Deadlines. CITY shall submit proposed projects to DART for approval by June ~~30, 2026.~~ annually during the period of this Agreement. CITY shall submit quarterly reports to DART to demonstrate progress on approved projects by the 15th of January, April, July, and October of each year until project completion. –City shall provide documentation demonstrating completion of Eligible Project(s) to DART for its records by September 30, ~~2029.~~ 2031. Funds not expended by CITY on approved projects prior to September 30, ~~2029~~ 2031, shall be returned to DART and transferred to DART’s reserve funds according to the Financial Standards in place at the time.

4.4 Audit Rights. If a subsequent audit of Eligible Project documentation submitted under Section 4.3 reveals that GMP Funds were expended in violation of this Agreement, CITY will be provided a copy of any report and will be given ten (10) business days to respond to any expenditure in violation of this Agreement. If findings do not change, CITY shall promptly reimburse such funds to DART. -If there is continued disagreement on the findings, Section IX Dispute Resolution may be pursued.

4.5 Debt Considerations. This Agreement is subservient to the DART Master Bond Covenant and all senior lien debt obligations. The DART Board and staff agree to abstain from incurring additional senior lien debt obligations that might impair the disbursement of funds under this Agreement. In the event of a major external impact to the sales tax revenue remitted to DART, this Agreement may be paused if DART debt coverage drops below ratios required by the Master Bond Covenant.

4.6 Sales Tax Shortfalls. In the event of a sales tax revenue shortfall or Texas Comptroller adjustment, the DART Board may adjust the annual GMP amount to ensure compliance with the terms within Exhibit B.

Section V. Termination

5.1 DART Termination.

- a.- If CITY fails to meet any of the critical dates identified in Section 4.3 or otherwise comply with the terms of this Agreement, DART shall provide notice of the default and allow CITY thirty (30) days to cure the default. If CITY fails to cure the default, DART may terminate this Agreement by providing thirty (30) calendar days' written notice.- Upon termination of this Agreement by DART under this Section 5.1(a), CITY shall return to DART any funds (a) disbursed but not yet used for an Eligible Project; or (b) used for a non-qualifying activity or purpose in violation of this Agreement; and DART shall have no further obligation to CITY under this Agreement.
- b.- Additionally, DART shall have the right to terminate this Agreement under Section VI.

5.2 Expiration of Agreement. This Agreement shall terminate automatically ~~upon the earlier forfeiture of \$ _____ in funds to CITY or December 31, 2029; provided, however, obligations on September 30, 2031. Obligations~~ identified in 910.7; shall survive termination.

Section VI. Withdrawal of Service Area City

~~If an eligible municipality orders an election to withdraw from DART prior to the disbursement of funds as outlined in Section 4.2, payment under this agreement will be suspended pending the election outcome. If the withdrawal election fails and the CITY remains in the DART Service Area, disbursements of funds will occur as outlined in Section 4.2 or within 30 days. If the withdrawal election is successful and the CITY withdraws from DART, payment under this agreement~~**6.1**
CITY agrees to waive the right to order an election to withdraw from DART during the term of this Agreement. If CITY has ordered an election prior to this Agreement, CITY agrees to rescind the order of the election within seven (7) business days following the execution of this Agreement.

~~If CITY violates this provision by proceeding with a withdrawal election, payment under this Agreement will be forfeited and DART will retain the funds for investment in capital and/or operating programs to benefit the transit system and riders.~~

~~If an eligible municipality orders an election to withdraw from DART after the disbursement of funds as outlined in Section 4.2, and if the withdrawal election is successful and the CITY withdraws from DART, then funds disbursed to the CITY in an active GMP agreement shall be deemed an outstanding debt with interest accrued at a rate equivalent to DART's average bond coupon, and shall be included as part of the CITY's total financial obligation to DART.~~

Section VII. Legislative Activities

~~If legislation passes that results in the redirection or reduction of any portion of~~

~~7.1 The Parties agree to abstain from legislative action seeking to amend DART's voter approved enabling statute to reduce or impair the one cent sales tax levy during the period of this Agreement.~~

~~If CITY or its authorized agent violates this provision, any funds previously disbursed to the CITY under this agreement Agreement shall promptly be reimbursed to DART. If the funds are not reimbursed to DART, then the amount of any funds disbursed to the CITY under this agreement Agreement shall be deemed an outstanding debt owed to DART. Outstanding debt will accrue interest at a rate equivalent to DART's average bond coupon rate for that same period provided by Chapter 2251 of the Texas Government Code, commonly known as the Texas Prompt Payment Act.~~

~~This section does not apply if CITY approves a resolution or legislative priorities that support DART and seek to maintain the full one cent sales tax.~~

~~Furthermore, this If DART or its authorized agent violates this provision, CITY must provide notice to DART within fourteen (14) business days of becoming aware of the violation. Once notice is provided, DART has seven (7) business days to cure the violation. If DART fails to cure the violation within this period, it must accelerate the payment schedule in Exhibit A and remit the full amount allocated for the remaining period of this Agreement to CITY within ninety (90) days or an escalated period that does not impair DART's repayment of debt. The accelerated payment shall be estimated based on DART's 20-Year Plan revenue projections and shall be updated annually to match actual revenue received. CITY may only spend accelerated payments on GMP projects legally permissible under the Act. Funds not expended by CITY on GMP projects prior to September 30, 2031, shall be returned to DART and transferred to DART's reserve funds according to the Financial Standards in place at the time.~~

This section does not apply to mutually acceptable legislative activities that are undertaken in collaboration with DART, consistent with ~~DART Board~~ approved legislative priorities-- by the DART Board and a supermajority of service area cities.

Section VIII. Most Favored Nation

8.1 DART hereby covenants and agrees that none of the terms that may be offered to any Service Area city are or will be more favorable to such Service Area city than those of the CITY; and in the event that DART should enter into any agreements with other Service Area cities providing for more favorable terms, this Agreement shall be deemed amended and modified in an economically and legally equivalent manner such that CITY shall receive the benefit of such more favorable terms.

Section IX. Dispute Resolution

~~DART and CITY~~9.1 Any issues or disputes arising under this Agreement must be made to all Parties in writing. Upon delivery of such writing, DART and CITY representatives will make good faith efforts to resolve any such issues or disputes ~~which may arise~~ arising under this Agreement. If ~~an~~ such issue or dispute cannot be resolved within ten (10) business days of written notice, it will be elevated to CITY's City Manager and the DART President & Chief Executive Officer ~~as the final arbiters of the~~ and discussed between those individuals to seek a resolution. If an issue or dispute in accordance with the powers and authorities vested in them cannot be resolved at this level within an additional ten (10) days, both parties will undergo third party mediation before a single mediator designated by the Executive Board of the North Texas Central Council of Governments. Nothing in this Section or Agreement shall be construed as a waiver of either Parties future rights or remedies.

Section IXX. Miscellaneous

910.1 Notices. -Notice shall be provided in writing at the following addresses: _____

DALLAS AREA RAPID TRANSIT _____

1401 Pacific Avenue _____

Dallas, Texas 75202-7210

efo@dart.org

Attn: EVP, Chief Financial Officer

CITY

Copy to:

DART General Counsel

P.O. Box 660163

Dallas, TX 75266-7255

If to DART:

DALLAS AREA RAPID TRANSIT
1401 Pacific Avenue
Dallas, Texas 75202-7210 cfo@dart.org
Attn: EVP, Chief Financial Officer

Copy to:
DART General Counsel
P.O. Box 660163
Dallas, TX 75266-7255

If to CITY OF _____:

[INSERT]

Either Party may designate a different address for receipt of notice by giving written notice of such change of address.

9

10.2- Governing Law; Voting Requirements for Initiation of Suit Against CITY. –This Agreement shall be construed under and in accordance with the laws of the State of Texas. Such lawsuit shall be brought in the state courts of Dallas or Collin Counties. Any action brought by a party to enforce any provision of this Agreement shall be commenced in a state district court of competent jurisdiction in Dallas County or Collin County, Texas.- DART shall not name or implead a principal or non-principal municipality (CITY) or its officers or employees except upon a two-thirds vote of the DART Board.

910.3 Entirety and Amendments.— This Agreement embodies the entire agreement between the Parties and supersedes all prior agreements and understandings. This Agreement may be amended or supplemented only by a written instrument executed by the Parties.

910.4 No Joint Enterprise.— The Parties do not intend that this Agreement be construed as finding that the Parties have formed a joint enterprise. -It is not the intent of any of the Parties that a joint enterprise relationship is being entered into, and the Parties hereto specifically disclaim such relationship.

910.5 Third Party Beneficiaries. -There are no third-party beneficiaries to this Agreement.

9

10.6 Construction and Interpretation. This Agreement shall not be construed against the drafting Party.

910.7- Severability.— If any provision of this Agreement is determined to be illegal or unenforceable in any respect, such determination will not affect the validity or enforceability

of any other provision, each of which will be deemed to be independent and severable. Except for the time periods that CITY shall submit applications for eligible projects, all sections of the Interlocal Agreement survive and remain in force and effect.

910.8–No Waiver of Governmental Immunity.– By entering into this Agreement, neither Party waives or diminishes any defenses available to it, including, by example and without limitation, governmental immunity and statutory caps on damages.

10.9.9–No Discrimination. In the performance of this Agreement, each Party warrants that it shall not discriminate against any person on account of race, color, sex, religious creed, age, disability, ethnic or national origin, veteran status or other protected group of persons.

910.10 Signature Authority.– Each of the individuals signing this Agreement warrants that he or she is duly and properly authorized to execute this Agreement on behalf of his or her respective Party.

DALLAS AREA RAPID TRANSIT

Nadine S. Lee
President & Chief Executive Officer

Date: _____

{CITY}

Nadine S. Lee
President & Chief Executive Officer
Date: _____

City Official

Title: _____

Date: _____

Exhibit A

Specific Service Area City Payment Schedule

<u>DART Total Sales Tax Collections</u>	<u>\$923,066,347</u>	<u>\$959,989,001</u>	<u>\$998,388,561</u>	<u>\$1,038,324,103</u>	<u>\$1,079,857,067</u>	<u>\$1,123,051,350</u>
<u>Disbursement Date</u>	<u>TBD</u>	<u>09/30/26</u>	<u>09/30/27</u>	<u>09/30/28</u>	<u>09/30/29</u>	<u>09/30/30</u>
<u>Disbursement %</u>	<u>15%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
<u>Addison</u>						
<u>Carrollton</u>						
<u>Cockrell Hill</u>						
<u>Dallas</u>						
<u>Farmers Branch</u>						
<u>Garland</u>						
<u>Glenn Heights</u>						
<u>Highland Park</u>						
<u>Irving</u>						
<u>Plano</u>						
<u>Richardson</u>						
<u>Rowlett</u>						
<u>University Park</u>						

Exhibit B

DART Resolution on GMP structure

FORM OF

INTERLOCAL AGREEMENT

between

DALLAS AREA RAPID TRANSIT and

CITY OF CARROLLTON for

GENERAL MOBILITY PROGRAM FUNDS

This Interlocal Agreement (“Agreement”) is made and entered into by and between DALLAS AREA RAPID TRANSIT (“DART”), a regional transportation authority organized and existing pursuant to Chapter 452 of the Texas Transportation Code (the “Act”), and CITY OF CARROLLTON (“CITY”). DART and CITY may be referred to herein individually as a “Party” or collectively as “Parties.”

WHEREAS, pursuant to DART Board Resolution No. 250025, the DART Board directed the DART President & Chief Executive Officer to establish a General Mobility Program (GMP) for allocation to eligible DART Service Area cities for ~~Public Transportation System or~~ Complementary Transportation Service purposes, as ~~those terms are~~ defined herein, consistent with the Act, hereinafter referred to as “GMP Funds;” and

WHEREAS, pursuant to DART Board Resolution No. 250025, the Fiscal Year (FY) 2026 allocation amount will be equal to 5% of the FY 2024 sales tax collections, or \$42.59 million; and

WHEREAS, pursuant to DART Board Resolution No. 250025 Exhibit 1, seven DART Service Area cities are eligible to receive a portion of the GMP Funds available in the FY 2026 Budget, subject to the conditions contained in this Agreement; and

WHEREAS, the Parties are authorized to enter into this Agreement pursuant to Section 452.055(c) of the Act and Chapter 791 of the Texas Government Code; and

WHEREAS, Section 452.003 of the Act provides authority for CITY to provide Complementary Transportation Services; and

WHEREAS, CITY is a DART Service Area city that is eligible to receive at least \$4,740,000 in funds if it uses such funds to ~~complete projects that will benefit DART’s Public Transportation System or~~ provide Complementary Transportation Services ~~(each as defined below)~~ and otherwise complies with the terms and conditions of this Agreement; and

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the Parties, the receipt and sufficiency which is hereby acknowledged, the Parties agree as follows:

Section I. Definitions

1.1 Complementary Transportation Services means: (a) special transportation services for a person who is elderly or has a disability; (b) medical transportation services; (c) assistance in street modifications as necessary to accommodate ~~the~~ Public Transportation

~~System~~; and (d) any other service that complements ~~DART's~~ Public Transportation System, including providing parking garages. ~~"Complementary Transportation Services" must be provided within the limits of DART's service area.~~

1.2 Eligible Project means a CITY project ~~supporting DART's Public Transportation System or~~ for Complementary Transportation Services ~~that has been approved by DART~~ in accordance with the Act, as set forth in Section III of this Agreement.

1.3 Public Transportation means the conveyance of passengers and hand-carried packages or baggage of a passenger by any means of transportation.

~~1.4 — Public Transportation System means (a) all property owned or held by DART for public transportation or complementary transportation service purposes, including vehicle parking areas and facilities and other facilities necessary or convenient for the beneficial use of, and the access of persons and vehicles to, public transportation; (b) real property, facilities, and equipment for the protection and environmental enhancement of all the facilities; and (c) property held in accordance with a contract with the owner making the property subject to the control of or regulation by DART and for public transportation or complementary transportation service purposes.~~

1.4 Site Specific Shuttle means a circulator or shuttle service that complements and supports the pPublic Ttransportation system as defined in DART Board Policy III.16, and which stipulates the maximum DART contribution of up to 50% for such services, subject to an agreement and Board approval. A Site Specific Shuttle may utilize shared-ride or multi-passenger vehicles to connect with other Public Transportation services or facilities and enhance circulation and access within a defined area. Shuttle services may be operated by public or private operators.

1.5 Eligible CITY means a city identified in DART Board Resolution No. 250025 Exhibit 1 as eligible to receive a portion of the GMP Funds to be available in DART's FY 2026 Budget, subject to the conditions contained in this Agreement.

1.6 Effective Date means the date on which this Agreement was executed by a duly authorized representative of DART.

Section II. CITY's Obligations

2.1 Use of Funds. CITY shall use GMP Funds only for an Eligible Project ~~approved by DART~~ in accordance with the Act, as set forth in Section III of this Agreement.

2.2 Good Standing Requirement. CITY understands and agrees CITY shall not be entitled to receive any GMP Funds until and unless any outstanding debt owed to DART pursuant to any Interlocal Agreement or other Agreement whereby CITY is obligated to pay DART for goods and services provided or for the reimbursement of goods and services provided shall be current or fully paid.

2.3 Certification of CITY Meeting Requirements. CITY shall have met the requirements of Section 2.2 before ~~any project is approved and before~~ funds are distributed to CITY. If DART does not certify the CITY's compliance under Section 2.2, CITY will be informed within fourteen (14) business days of any deficiencies or matters requiring immediate action.

2.4 Project Design, Construction, and Maintenance. All activities associated with implementation and operation of an Eligible Project, including planning, design, construction, and maintenance, shall be the responsibility of CITY, ~~unless otherwise agreed to by DART.~~

2.5 Insurance. CITY shall obtain and maintain, and shall require its contractors to obtain and maintain, adequate insurance or self-insurance coverage to effectively protect against the risks associated with each Eligible Project.

Section III. ~~DART Approval of Eligible Projects~~

3.1 Allowable Projects and Activities. ~~As provided in the Act, an Eligible p~~Project ~~proposed by CITY~~ shall be related to improvement of, or provide a benefit to, ~~DART's Public Transportation System or provide~~ Complementary Transportation Services ~~and be approved by DART in accordance with Section 3.2 of this Agreement.~~ Eligible Project activities for which the GMP Funds may be used include, but are not limited to, planning, environmental impact studies, engineering, final design, right-of-way acquisition, construction, testing, inspection, or surveying, and the cost of contracting with providers of Complementary Transportation Services, including Site Specific Shuttles. Projects and activities may also include funding the operating costs of additional DART services within the CITY such as expanded or modified GoLink zones for a period of time.

3.2. ~~CITY Eligible Submittal of a~~ Project. CITY will ~~submit to DART~~ maintain a description of ~~a proposed~~ any and all Eligible Pprojects ~~including, but not limited to, a cost estimates,~~ and a statement demonstrating how the Eligible proposed pProject will ~~benefit DART's Public Transportation System or will~~ provide Complementary Transportation Services ~~for which GMP Funds are used. CITY may amend and resubmit alternative proposed projects for review and approval by DART after the June 30, 2026, deadline in Section 4.3 by submitting a request in writing to DART. All requests shall include information that demonstrates no funds have been expended on previously approved projects. All other critical deadlines in Section 4.3 will remain in effect.~~

~~3.3 — DART Approvals. DART staff will have fourteen (14) business days to review and respond to the proposed Project(s).~~

~~3.4 — Eligible Projects. Only after a proposed project has been approved by DART in writing shall the proposed project be deemed an Eligible Project for the purposes of this Agreement.~~

Section IV. Financial Considerations

~~4.1 — Eligibility for Reimbursement. CITY's expenditure of funds for a proposed project prior to DART's approval of such project in accordance with Section 3.4 of this Agreement may render such expenditures ineligible for reimbursement by DART. DART shall have no obligation to reimburse CITY for any Eligible Project undertaken prior to DART's approval thereof and DART is not obligated to provide Funds for activities performed or costs incurred prior to the execution of this Agreement.~~

4.24.1 Disbursement of Funds. DART shall disburse GMP Funds to CITY only if CITY is in good standing per Section 2.2; ~~and has received certification under Section 2.3 for Eligible Projects approved by DART~~ in accordance with the following terms:

a. General. DART will provide funds to CITY up to the amount of GMP Funds available to CITY under the GMP ILA. DART shall have no obligation to pay to CITY an amount greater than the amount of GMP Funds available to CITY ~~if DART has approved more than one Eligible Project for CITY.~~ Unless otherwise agreed by DART, DART shall not be responsible to pay any cost overruns. To the extent permitted by law, CITY shall RELEASE AND HOLD DART HARMLESS from any claims or liabilities arising from the use of the GMP Funds or implementation or operation of an Eligible Project.

b. Payment. DART's President & Chief Executive Officer or designee shall approve all fund distributions. DART shall distribute undisputed funds by September 30, 2026.

4.34.2 Critical Deadlines. CITY shall ~~submit proposed projects to DART for approval request funding~~ by June 30, 2026. CITY shall submit ~~quarterly annual~~ reports to DART to demonstrate ~~progress on approved projects compliance with this Agreement~~ by the 15th of January; ~~April, July, and October~~ of each year until ~~project completion all funds are expended.~~ City shall provide documentation demonstrating ~~completion of Eligible Project(s) compliance~~ to DART for its records by September 30, 2029. ~~Funds not expended by CITY on approved projects prior to September 30, 2029, shall be returned to DART and transferred to DART's reserve funds according to the Financial Standards in place at the time.~~

4.44.3 Audit Rights. If a subsequent audit of Eligible Project documentation submitted under Section 4.~~23~~ reveals that GMP Funds were expended in violation of this Agreement, CITY will be provided a copy of any report and will be given ten (10) business days to respond to any expenditure in violation of this Agreement. If findings do not change, CITY shall promptly reimburse such funds to DART. If there is continued disagreement on the findings, Section IX Dispute Resolution may be pursued.

Section V. Termination

5.1 DART Termination.

a. If CITY fails to meet any of the critical dates identified in Section 4.~~23~~ or otherwise comply with the terms of this Agreement, DART may terminate this Agreement by providing thirty (30) calendar days' written notice. Upon termination of this Agreement by DART under this Section 5.1(a), CITY shall return to DART any funds

(a) disbursed but not yet used for an Eligible Project; or (b) used for a non-qualifying activity or purpose in violation of this Agreement; and DART shall have no further obligation to CITY under this Agreement.

b. Additionally, DART shall have the right to terminate this Agreement under Section VI.

5.2 Expiration of Agreement. This Agreement shall terminate automatically upon the earlier forfeiture of ~~\$4,740,000 in GMP f~~Funds to CITY or December 31, 2029; provided, however, obligations identified in 9.7, shall survive termination.

Section VI. Withdrawal of Service Area City

If an eligible municipality orders an election to withdraw from DART prior to the disbursement of funds as outlined in Section 4.12, payment under this Agreement will be suspended pending the election outcome. If the withdrawal election fails and the CITY remains in the DART Service Area, disbursements of funds will occur as outlined in Section 4.12 or within 30 days. If the withdrawal election is successful and the CITY withdraws from DART, ~~payment funds~~ under this Agreement will be forfeited and DART will ~~retain-recoup~~ the funds for investment in capital and/or operating programs to benefit the transit system and riders.

If an eligible municipality orders an election to withdraw from DART after the disbursement of funds as outlined in Section 4.12, and if the withdrawal election is successful and the CITY withdraws from DART, then funds disbursed to the CITY in an active GMP agreement shall be deemed an outstanding debt with interest accrued at a rate equivalent to DART's average bond coupon, and shall be included as part of the CITY's total financial obligation to DART.

Section VII. Legislative Activities

If legislation passes that results in the redirection or reduction of any portion of DART's voter approved one cent sales tax, any funds not previously disbursed to the CITY under this Agreement shall ~~promptly be reimbursed to DART~~~~forfeited. If the funds are not reimbursed to DART, then the amount of any funds disbursed to the CITY under this agreement shall be deemed an outstanding debt owed to DART. Outstanding debt will accrue interest at a rate equivalent to DART's average bond coupon rate for that same period.~~

~~This section does not apply if CITY approves a resolution or legislative priorities that support DART and seek to maintain the full one cent sales tax.~~

~~Furthermore, t~~This section does not apply to mutually acceptable legislative activities that are undertaken in collaboration with DART, consistent with DART Board approved legislative priorities.

Section VIII. Dispute Resolution

DART and CITY will make good faith efforts to resolve any issues or disputes which may arise under this Agreement. If an issue or dispute cannot be resolved, it will be elevated to CITY's City Manager and the DART President & Chief Executive Officer as the final arbiters of the issue or dispute in

accordance with the powers and authorities vested in them.

Section IX. Miscellaneous

9.1 Notices. Notice shall be provided in writing at the following addresses:

DALLAS AREA RAPID TRANSIT 1401 Pacific Avenue Dallas, Texas 75202-7210 cfo@dart.org Attn: EVP, Chief Financial Officer Copy to: DART General Counsel P.O. Box 660163 Dallas, TX 75266-7255	CITY OF CARROLLTON P.O. Box 110535 Carrollton, TX 75011-0535 Diana.vaughn@cityofcarrollton.com Attn: Chief Financial Officer <u>Copy to:</u> <u>City Attorney</u> <u>1945 E. Jackson Rd</u> <u>Carrollton, Texas 75006</u>
---	--

Either Party may designate a different address for receipt of notice by giving written notice of such change of address.

9.2 Governing Law; Voting Requirements for Initiation of Suit Against CITY. This Agreement shall be construed under and in accordance with the laws of the State of Texas. Any action brought by a party to enforce any provision of this Agreement shall be commenced in a state district court of competent jurisdiction in Dallas County, Texas. DART shall not name or implead a principal or non-principal municipality (CITY) or its officers or employees except upon a two-thirds vote of the DART Board.

9.3 Entirety and Amendments. This Agreement embodies the entire agreement between the Parties and supersedes all prior agreements and understandings. This Agreement may be amended or supplemented only by a written instrument executed by the Parties.

9.4 No Joint Enterprise. The Parties do not intend that this Agreement be construed as finding that the Parties have formed a joint enterprise. It is not the intent of any of the Parties that a joint enterprise relationship is being entered into, and the Parties hereto specifically disclaim such relationship.

9.5 Third Party Beneficiaries. There are no third-party beneficiaries to this Agreement.

9.6 Construction and Interpretation. This Agreement shall not be construed against the drafting Party.

9.7 Severability. If any provision of this Agreement is determined to be illegal or unenforceable in any respect, such determination will not affect the validity or enforceability of any other provision, each of which will be deemed to be independent and severable. Except for the time periods that CITY shall submit applications for eligible projects, all sections of the Interlocal Agreement survive and remain in force and effect.

9.8 No Waiver of Governmental Immunity. By entering into this Agreement, neither Party waives or diminishes any defenses available to it, including, by example and without limitation, governmental immunity and statutory caps on damages.

9.9 No Discrimination. In the performance of this Agreement, each Party warrants that it shall not discriminate against any person on account of race, color, sex, religious creed, age, disability, ethnic or national origin, veteran status or other protected group of persons.

9.10 Signature Authority. Each of the individuals signing this Agreement warrants that he or she is duly and properly authorized to execute this Agreement on behalf of his or her respective Party.

DALLAS AREA RAPID TRANSIT

Nadine S. Lee
President & Chief Executive Officer

Date: _____

CITY OF CARROLLTON

Erin Rinehart, City Manager

Date: _____