

TOWN COUNCIL AGENDA

REGULAR MEETING
THURSDAY, JANUARY 22, 2026 - 5:30 PM

BRIAN G. MONTINI, MAYOR

MARYL LORENCZ, MAYOR PRO TEM

ALEX HOLMES, COUNCILOR

MICHAEL C. GANZ, COUNCILOR

AARON FOWLER, COUNCILOR

ROGER SESSIONS, COUNCILOR

JOSH PEZZUTO, COUNCILOR

REGULAR SESSION

- Call to Order
- Roll Call
- Invocation – Pastor, Robert Balduc , St. Peter Lutheran Church
- Pledges of Allegiance to the US & Texas Flag



TEXAS PLEDGE OF ALLEGIANCE

*Honor the Texas flag;
I pledge allegiance to thee,
Texas, one state under God,
one and indivisible.*

IMPORTANT DATES:

Date	Event	Location
January 27	Planning & Zoning Commission Meeting	Town Hall Council Chambers
February 3	Board of Adjustment Meeting	Town Hall Council Chambers
February 12	Town Council Regular Meeting	Town Hall Council Chambers
February 24	Planning & Zoning Commission Meeting	Town Hall Council Chambers
February 26	Town Council Regular Meeting (<i>if needed</i>)	Town Hall Council Chambers
March 12	Town Council Regular Meeting	Town Hall Council Chambers
March 19	EDC & CDC Meeting	Town Hall Council Chambers
March 24	Planning & Zoning Commission Meeting	Town Hall Council Chambers
March 26	Town Council Regular Meeting	Town Hall Council Chambers
April 1	Board of Adjustment Meeting (<i>if needed</i>)	Town Hall Council Chambers
April 3	Holiday – Good Friday	Town Offices Closed

ANNOUNCEMENTS, PROCLAMATIONS AND PRESENTATIONS

- A. Report and Updates from the Mayor and Town Councilmembers
Concerning Items of Community Interest *(if necessary)*

PUBLIC INPUT, CONSENT & ACTION ITEMS

Town of Northlake

JANUARY 22, 2026



PUBLIC INPUT

- Residents and guests may address Council on any matter
- Speakers encouraged to complete public input information card
- Presiding officer may redirect comments to item discussion
- No deliberation may occur for item not posted
- Presiding officer may impose time limit on comments

CONSENT ITEMS

- A. Consider approval of the Town Council Meeting Minutes for January 8, 2026
- B. Consider approval of a Resolution of the Town of Northlake, Texas, approving and authorizing the Town Manager to execute an amended purchase agreement/contract with Flock Group Inc., that will renew and add additional license plate reader (LPR) services at an additional annual payment amount of \$60,000 per year and a not to exceed amount of \$120,000 for the remainder of the current contract
- C. Consider approval of a Resolution of the Town of Northlake, Texas declaring certain property as surplus and authorizing its sale

CONSENT ITEMS (CONT.)

- D. Consider approval of a Resolution of the Town of Northlake, Texas, authorizing the Town Manager to execute Lease Agreements with Commercial Vehicle Leasing LLC, d/b/a D&M Leasing, for police vehicles in the amount not to exceed \$480,624
- E. Consider approval of a Resolution of the Town of Northlake, Texas consenting to the creation of the Northlake Municipal Management District No. 3
- F. Consider approval of a Resolution of the Town of Northlake, Texas, approving and authorizing the Town Manager to execute an Interlocal Agreement with the City of Justin, for a Regional Animal Control Feasibility Study, and sharing in the cost of said study, in an amount not to exceed \$4,000

COUNCIL MEETING (CONT.)

- Recess Town Council Regular Meeting
 - Convene Tax Increment Reinvestment Zone Meeting

TAX INCREMENT REINVESTMENT ZONE NUMBER TWO BOARD MEETING

Town of Northlake

JANUARY 22, 2026



PUBLIC INPUT

- Residents and guests may address Council on any matter
- Speakers encouraged to complete public input information card
- Presiding officer may redirect comments to item discussion
- No deliberation may occur for item not posted
- Presiding officer may impose time limit on comments

TIRZ NO. 2 BOARD MEETING (CONT.)

- B. Consider approval of the Meeting Minutes for August 21, 2025, and October 9, 2025
- C. Consider approval of an amendment to the Final Project and Financing Plan (the “Plan”) for the Tax Increment Reinvestment Zone Number Two, Town of Northlake, Texas (the “Zone”); providing for approval of tax abatements in the zone; and recommending adoption of an ordinance by the Town Council to approve the same

BACKGROUND

- Tax Increment Reinvestment Zone Number Two (TIRZ No. 2)
 - Originally created May 23, 2024
 - Approximately 884 acres to be developed by Hillwood for industrial
 - 25-year term
 - Established Town Council as board of directors
 - Amended on October 9, 2025 to expand zone boundaries
 - Added 156 acres for total of approximately 1,040 acres

PURPOSE OF AMENDMENT

- Request for tax abatement received for approximately 120 acres in TIRZ
- Current Project and Financing Plan does not include tax abatement as authorized incentive
- Amendment to Project and Financing Plan proposed to implement abatement within TIRZ
 - 10-year tax abatement
 - Abatement to begin in tax year 2031
- After TIRZ board approval and recommendation, Town Council to adopt Ordinance approving Plan following public hearing

FEASIBILITY OF AMENDMENT

- Feasibility study prepared for Project and Financing Plan
- Original plan projected:
 - \$981M added taxable value
 - \$27M total TIRZ fund revenues
- Amended plan projects:
 - \$2.15B added taxable value
 - \$49M total TIRZ fund revenues
 - Reflects 10-year, 50% abatement for 120-acre project

TIRZ NO. 2 BOARD ACTION

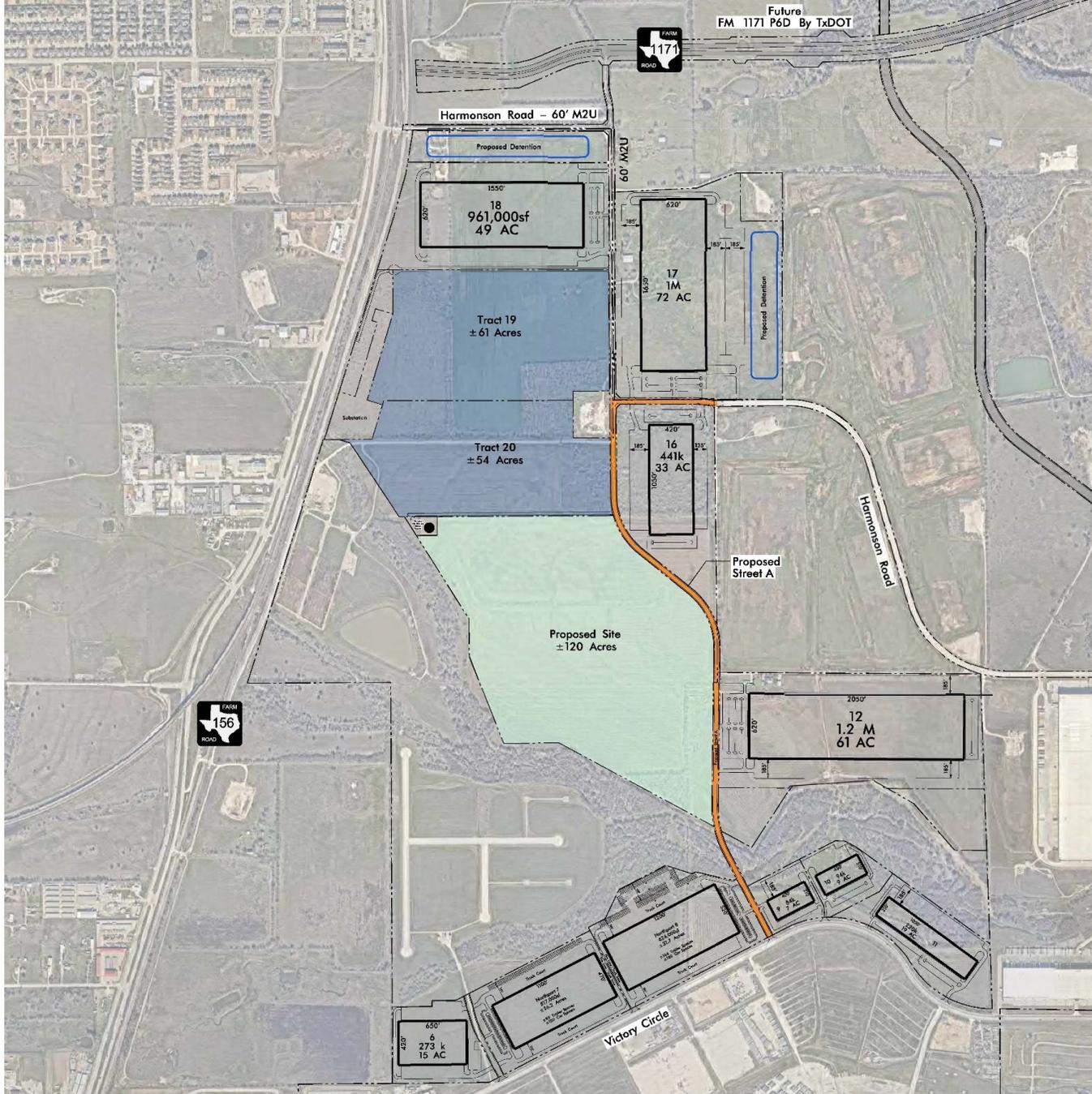
- Consider approval of Second Amended Project and Financing Plan

TIRZ NO. 2 BOARD MEETING (CONT.)

- D. Consider approval of a Tax Abatement Agreement (“Agreement”) by and between the Town of Northlake, a Texas home rule municipality located in Denton County, Texas (the “Town”); the Board of Directors of Tax Increment Reinvestment Zone Number Two, Town of Northlake, Texas (the “Board”), and MP 10X Development, LLC, a Texas limited liability company (the “Company”) **SEE ALSO TOWN COUNCIL AGENDA POSTED ON DECEMBER 23, 2025**

BACKGROUND

- MP 10X Development, LLC ("Company") is manufacturer of rare earth materials and magnets
 - Company is considering sites for a new manufacturing facility ("Project")
 - Company's site selection is contingent in part upon incentive approvals
 - Northlake is a finalist site for Project
 - Approximately 120 acres near Harmonson Road and FM 156



PROJECT DETAILS

- Company has submitted application seeking incentives for Project
- Project to include:
 - Total capital investment of at least \$1,169,150,000 consisting of:
 - \$301,500,000 in real property improvements
 - \$867,650,000 in tangible personal property
 - Minimum of 1,000 full-time equivalent jobs
 - Average annual wage of at least \$74,315
 - Target of 1,592 full-time equivalent jobs

PROPOSED TAX ABATEMENT

- 50% abatement of real and tangible personal property for period of 10 years
- Company required to meet capital investment and jobs benchmarks
 - \$1,169,150,000 capital investment
 - 1,000 full-time equivalent jobs
- TIRZ Board must first approve agreement prior to Town Council action on agreement

POTENTIAL INCENTIVES

- Additional incentives under consideration by other entities:
 - EDC/CDC with Town Council ratification on this same agenda:
 - Construction sales tax grant: Rebate of construction sales taxes paid to EDC and CDC
 - Jobs grant: \$1,000 per job to maximum of \$1,000,000
 - Denton County:
 - 50% tax abatement contingent on Northlake abatement approval
 - State of Texas:
 - Texas Enterprise Fund (TEF)
 - Texas Semiconductor Innovation Fund (TSIF)
- Local and State incentives approvals mutually contingent

TIRZ NO. 2 BOARD ACTION

- Approve and recommend Town Council approval of tax abatement agreement with MP 10X Development, LLC

TIRZ BOARD MEETING

- Adjournment of TIRZ Board Meeting
 - Reconvene Town Council Regular Meeting

ACTION ITEMS

- A. Consider approval of an Ordinance of the Town of Northlake, Texas, amending the Final Project and Financing Plan (the “Plan”) for Tax Increment Reinvestment Zone Number Two, Town of Northlake, Texas (the “Zone”); providing for approval of tax abatements in the zone; providing a severability clause; and providing an effective date
 - i. Public Hearing
 - ii. Consider Approval

ACTION ITEMS (CONT.)

- B. Consider approval of a Resolution of the Town of Northlake, Texas, approving a Tax Abatement Agreement (“Agreement”) by and between the Town of Northlake, a Texas home rule municipality located in Denton County, Texas (the “Town”); the Board of Directors of Tax Increment Reinvestment Zone Number Two, Town of Northlake, Texas (the “Board”), and MP 10X Development, LLC, a Texas limited liability company (the “Company”) **SEE ALSO TOWN COUNCIL AGENDA ON DECMEBER 23, 2005**

ACTION ITEMS (CONT.)

- C. Consider approval of a Resolution of the Town of Northlake, Texas, authorizing the Town Manager to negotiate and execute a Chapter 380 Economic Development Agreement between the Town of Northlake, Northlake Economic Development Corporation, Northlake Community Development Corporation, and MP 10X Development, LLC

BACKGROUND

- MP 10X Development, LLC ("Company") is manufacturer of rare earth materials and magnets
 - Company is considering sites for a new manufacturing facility ("Project")
 - Company's site selection is contingent in part upon incentive approvals
 - Northlake is a finalist site for Project
 - Approximately 120 acres near Harmonson Road and FM 156

PROJECT DETAILS

- Company has submitted application seeking incentives for Project
- Project to include:
 - Total capital investment of at least \$1,169,150,000 consisting of:
 - \$301,500,000 in real property improvements
 - \$867,650,000 in tangible personal property
 - Minimum of 1,000 full-time equivalent jobs
 - Average annual wage of at least \$74,315
 - Target of 1,592 full-time equivalent jobs

PROPOSED EDC & CDC INCENTIVES

- Recommended approval of incentives at January 15th joint meeting
 - Construction sales tax grant:
 - Rebate of construction sales taxes paid to EDC and CDC
 - Jobs grant:
 - \$1,000 per job to maximum of \$1,000,000
 - Initial payment after 350 jobs
 - Additional payments as new jobs reported by Company
 - Company required to meet capital investment and jobs benchmarks
 - \$1,169,150,000 capital investment
 - 1,000 full-time equivalent jobs
- Town Council must ratify approval of EDC & CDC incentives

POTENTIAL INCENTIVES

- Additional incentives under consideration by other entities:
 - Town:
 - 50% property tax abatement considered at this meeting
 - Denton County:
 - 50% tax abatement contingent on Northlake abatement approval
 - State of Texas:
 - Texas Enterprise Fund (TEF)
 - Texas Semiconductor Innovation Fund (TSIF)
- Local and State incentives approvals mutually contingent

TOWN COUNCIL ACTION

- Consider ratification of EDC and CDC economic development agreement approvals



EXECUTIVE SESSION

Town of Northlake

JANUARY 22, 2026



EXECUTIVE SESSION

A. Section 551.071 - Consultation with Attorney

- i. Potential annexation and development agreement for T and R Investment Holdings LLC property consisting of 0.8-acre, 1.3-acre, 2.1-acre, 0.4-acre, and part of 32.4-acre tracts of land generally located northeast of the intersection of FM 407 and Thompson Road in the extraterritorial jurisdiction of the Town.
- ii. Potential annexation and development agreement for property consisting of a 5.001-acre tract of land generally located on the north side of FM 407, northeast of the intersection with Pecan Parkway, in the extraterritorial jurisdiction of the Town.
- iii. Potential annexation and development agreement for Bob Smith Management Company LTD property consisting of 239.6 acre tract of land generally located east of Cleveland-Gibbs Road and north of Denton Creek in Town limits and in the extraterritorial jurisdiction of the Town.

EXECUTIVE SESSION

A. Section 551.071 - Consultation with Attorney (cont.)

- iv. Potential annexation and development agreement for RO Properties, LLC property consisting of 58.2-acre tract of land generally located west of Cleveland-Gibbs Road and north of Whyte Road in the extraterritorial jurisdiction of the Town.
- v. Potential annexation and development agreement for Bettye Neely property of 97.9-acre tract of land generally located at the southwest corner of Farm-to-Market 156 and Sam Reynolds Road in the extraterritorial jurisdiction of the Town.
- vi. Legal matters regarding Northlake Code of Ordinances, Chapter 5, Article 5.11—Short-Term Rentals, related to enforcement, regulations, permit team, and appeal.

EXECUTIVE SESSION

B. Section 551.087 – Economic Development Negotiations

- i. Potential economic development agreement for Project Rex Two within the Town of Northlake pursuant to the Town Incentives Policy.
- ii. Potential economic development agreement for Project Force within the Town of Northlake pursuant to the Town Incentives Policy.
- iii. Potential amendment to economic development agreement with Northlake Innkeepers for the construction of the Northlake conference center.

REGULAR SESSION (CONT.)

- Adjourn