

NARRATIVE LETTER SUMMARIZING SCOPE OF WORK

SPECIAL USE PERMIT REQUEST 900 ARTHUR'S LANE, BUILDING #1

Applicant Fast Photonics USA, Inc. ("FPUSA") has leased approximately half of Building #1 in the newly constructed Red River Business Park at 900 Arthur's Lane, located at the north corner of IH-35E and SH 121. FPUSA is requesting a Special Use Permit to allow it to operate a medium-intensity manufacturing use on the site. The 5.1583-acre parcel is zoned Light Industrial, and is more specifically described as all of Lot 1, Block A, ARTHUR JAMES ADDITION, an addition to the City of Lewisville, Denton County, Texas according to the plat recorded in Document No. 2021-18, Plat Records, Denton County, Texas. Attached is a copy of the plat with the subject area highlighted.

About Fast Photonics USA, Inc.

FPUSA was established in Texas in 2024 to provide a U.S. location for the manufacture of optical transceivers for use in data centers in the United States and Europe. Optical transceivers are small devices used in fiber optic networks. The transceivers send and receive data by translating electronic signals into light, and then back again.

FPUSA was created in response to demand from large-scale customers who wanted more U.S. content in their network devices. The initial focus of FPUSA has been to locate a site in the DFW area that can be utilized for manufacturing optical transceivers. The U.S. optical transceiver market was \$3.3 billion in 2024 and is expected to grow to \$10 billion by 2033.

Proposed Use of the Property

FPUSA's leased space of 26,584 sf includes offices, a warehouse, and a manufacturing area. The manufacturing process is undertaken in an "ISO Class 7 clean room" because it involves extremely sensitive optical and electronic components that must be free from contamination during assembly and testing. There are 30 steps in the assembly process, 27 of which are automated. The process involves gluing a microchip, optical lens, and other components onto a printed circuit board using an epoxy; applying heat and UV light to cure the adhesive; melting gold wire onto the microchip; and packing and labeling the transceivers. Throughout the process, the transceivers are cleaned, inspected, and tested at multiple points to ensure lens alignment and high- and low-temperature tolerance. No hazardous materials are used or produced in the manufacturing process. Additionally, the process generates no noise outside of the building, and all components are stored inside of the building. A video of the manufacturing process can be seen here:

<https://youtu.be/FGHkEy1L4hk?si=mk8AEulnvBIDbkVN>

It is FPUSA's hope that the factory can begin production in September of 2025, with an initial investment of \$12.5 million and 22 employees producing 25,000 units per month. By fourth quarter 2026, FPUSA plans to have invested an additional \$7.7 million in the factory, increasing the number of employees to 188 and producing 100,000 units per month.

About the Site

The property is zoned Light Industrial. Fast Photonics USA, Inc.'s landlord completed construction of three light industrial buildings on this and adjacent properties in 2024, in compliance with the heightened design and landscaping standards of the IH-35E Corridor Overlay District. Light Industrial zoning allows light-intensity manufacturing uses by right, but because Fast Photonics USA, Inc.'s assembly process involves the use of epoxy and heat, the city has deemed it a medium-intensity manufacturing use which is allowed only by Special Use Permit.

Statement of Expected Impact

To an outside observer, Fast Photonics USA, Inc.'s proposed use of the building for medium-intensity manufacturing will be indistinguishable from a light-intensity manufacturing use already allowed by right. The proposed use is compatible with adjacent properties, which are primarily developed with commercial and industrial uses: Properties to the south and east are similarly zoned and developed for light industrial uses (one of which has a Special Use Permit for medium-intensity manufacturing use); the property to the west is zoned General Business and developed with a big-box home goods store; and two freeways are located south of the site. North of the site and across Timber Creek is a multifamily development.

No additional demand will be placed on municipal police and fire services, or on the city's systems for transportation, water, sewer, or drainage, as a result of the proposed use. The proposed use of the property aligns with the Lewisville 2025 Plan by activating newly constructed light industrial warehouses and enhancing the area's economic vibrancy with substantial job creation and tax base.

City of Lewisville U.D.C. Section III.6.3.E

Per City of Lewisville U.D.C. Section III.6.3.E, Applicant Fast Photonics USA, Inc. acknowledges the following statement: "Approval of the zoning case associated with this exhibit shall not imply approval of any associated study, plat or plan, approval of development standards shown hereon, or the initiation of the development process. Planning and Zoning Commission and/ or City Council action on studies, plats or plans relating to the development of this property shall be considered as an action separate from action taken on this zoning case."