



**NOTICE OF REGULAR MEETING AGENDA
LANCASTER ECONOMIC DEVELOPMENT CORPORATION, TYPE A
MUNICIPAL CENTER CITY CONFERENCE ROOM
211 N. HENRY STREET, LANCASTER, TEXAS**



Tuesday, April 11, 2017 - 6:30 PM

CALL TO ORDER

CONSENT AGENDA:

Items listed under the consent agenda are considered routine and are generally enacted in one motion. The exception to this rule is that a Boards and Commissions Member may request one or more items to be removed from the consent agenda for separate discussion and action.

1. Consider approval of minutes from the Lancaster Economic Development Corporation Regular Meeting held on February 7, 2017.

ACTION:

2. Discuss and consider a resolution approving the terms and conditions of an agreement to make a loan to the City of Lancaster in an amount not to exceed \$750,000.00 for cost associated with the expansion of the Lancaster Regional Airport.
3. Discuss and consider election of 2017 Officers.

ADJOURNMENT

EXECUTIVE SESSION: The Boards and Commissions reserves the right to convene into executive session on any posted agenda item pursuant to Section 551.071(2) of the Texas Government Code to seek legal advice concerning such subject.

ACCESSIBILITY STATEMENT: Meetings of the Boards and Commissions are held in municipal facilities are wheelchair-accessible. For sign interpretive services, call the City Secretary's office, 972-218-1311, or TDD 1-800-735-2989, at least 72 hours prior to the meeting. Reasonable accommodation will be made to assist your needs.

PURSUANT TO SECTION 30.06 PENAL CODE (TRESPASS BY HOLDER WITH A CONCEALED HANDGUN), A PERSON LICENSED UNDER SUBCHAPTER H, CHAPTER 411, GOVERNMENT CODE (HANDGUN LICENSING LAW), MAY NOT ENTER THIS PROPERTY WITH A CONCEALED HANDGUN.

CONFORME A LA SECCION 30.06 DEL CODIGO PENAL (TRASPASAR PORTANDO ARMAS DE FUEGO CON LICENCIA) PERSONAS CON LICENCIA BAJO DEL SUB-CAPITULO 411, CODIGO DEL GOBIERNO (LEY DE PORTAR ARMAS), NO DEBEN ENTRAR A ESTA PROPIEDAD PORTANDO UN ARMA DE FUEGO OCULTADA.

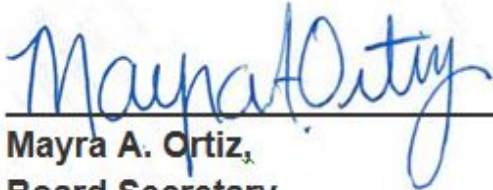
PURSUANT TO SECTION 30.07 PENAL CODE (TRESPASS BY HOLDER WITH AN OPENLY CARRIED HANDGUN), A PERSON LICENSED UNDER SUBCHAPTER H, CHAPTER 411, GOVERNMENT CODE (HANDGUN LICENSING LAW), MAY NOT ENTER THIS PROPERTY WITH A

HANDGUN THAT IS CARRIED OPENLY.

CONFORME A LA SECCION 30.07 DEL CODIGO PENAL (TRASPASAR PORTANDO ARMAS DE FUEGO AL AIRE LIBRE CON LICENCIA) PERSONAS CON LICENCIA BAJO DEL SUB-CAPITULO H, CAPITULO 411, CODIGO DE GOBIERNO (LEY DE PORTAR ARMAS), NO DEBEN ENTRAR A ESTA PROPIEDAD PORTANDO UN ARMA DE FUEGO AL AIRE LIBRE.

Certificate

I hereby certify the above Notice of Meeting was posted at the Lancaster City Hall on April 7, 2017 @ 5:00 p.m. and copies thereof were provided to the Lancaster Economic Development Corporation board members.



**Mayra A. Ortiz,
Board Secretary**

City of Lancaster's Boards and Commissions

Lancaster Economic Development Corporation

1.

Meeting Date: 04/11/2017

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government
Healthy, Safe & Vibrant Community

Submitted by: Shane Sheppard, Director of Economic Development

Agenda Caption:

Consider approval of minutes from the Lancaster Economic Development Corporation Regular Meeting held on February 7, 2017.

Background:

Attached for your review and consideration are minutes from the:

- LEDC Regular Meeting held on February 7, 2017.

Attachments

February 7, 2017 Minutes

MINUTES

LANCASTER ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING OF February 7, 2017

The Lancaster Economic Development Corporation board members of the City of Lancaster, Texas, met in a called Regular session in the Conference Room of Lancaster Municipal Center (City Hall) on February 7, 2017 at 6:30 p.m. with a quorum present to-wit:

Board Members Present:

Vanessa Sheffield, President
Sandi Collier, Vice President
Octavia Giadolor

Board Members Absent:

Ric Peterson, Secretary/Treasurer
Jon Cole

City Staff Present:

Ed Brady, Director of Economic Development
Shane Sheppard, Director of Economic Development
Mayra Ortiz, Board Secretary

Call to Order

President Sheffield called the meeting to order at 6:48 p.m. on February 7, 2017.

1. Consider approval of minutes from the LEDC Regular Meetings held on November 8, 2016.

MOTION: Vice President Collier made a motion, seconded by Board member Giadolor, to approve item 1. The vote was cast 3 for, 0 against [Peterson and Cole absent].

2. Review incentive financial summary reflecting funds available for incentives.

Director Brady shared the incentive financial summary. No action taken.

3. Discuss and consider election of 2017 Officers.

MOTION: Vice President Collier made a motion, seconded by Board member Giadolor, to table item 3. The vote was cast 3 for, 0 against [Peterson and Cole absent].

MOTION: Vice President Collier made a motion, seconded by Board member Giadolor to adjourn. The vote was cast 3 for, 0 against [Peterson and Cole absent].

Meeting was adjourned at 6:52 p.m.

ATTEST:

Mayra A. Ortiz, Board Secretary

APPROVED:

Vanessa Sheffield, President

CITY OF LANCASTER'S BOARDS AND COMMISSIONS

Lancaster Economic Development Corporation

2.

Meeting Date: 04/11/2017

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Goal(s): Financially Sound Government
Sound Infrastructure
Quality Development

Submitted by: Shane Shepard, Director of Economic Development

Agenda Caption:

Discuss and consider a resolution approving the terms and conditions of an agreement to make a loan to the City of Lancaster in an amount not to exceed \$750,000.00 for cost associated with the expansion of the Lancaster Regional Airport.

Background:

The Lancaster Regional Airport expansion is an integral part of the in-land port industrial expansion. The airport facilities provide necessary quick accessibility to current and future industrial and manufacturing operators and owners. It further provides quality experience for prospective investors when they consider the area and city.

TxDOT is investing \$600,000 in the terminal building. The City's investment is \$750,000.

A new terminal building is the next step recommended on the Airport Master Plan. The terminal building is often the first place corporate leaders will discover a community. It should reflect the quality of the community and spark interest in investment through quality of place and world-class customer service. The terminal facility is the first impression to many potential business investors.

Legal Considerations:

A Type A corporation may undertake a project where the primary purpose is to build a transportation facility that is an aviation business service airport that is an integral part of an industrial park.

Public Information Considerations:

This item is to be considered at a meeting of the City Council noticed in accordance with the Texas Open Meetings Act.

Fiscal Impact:

\$750,000 investment from Type-A Sales Tax revenue. TxDOT is investing \$600,000 in the terminal building. The City's investment is \$750,000.

Options/Alternatives:

1. The board may approve the resolution as presented.
2. The board may reject the resolution.

Recommendation:

Staff recommends approval of the resolution as presented.

Attachments

Resolution

Incentive Agreement

RESOLUTION NO.

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LANCASTER ECONOMIC DEVELOPMENT CORPORATION OF LANCASTER TEXAS, (LEDC), IN SUPPORT OF A LOAN IN THE AMOUNT OF \$750,000 TO THE LANCASTER REGIONAL AIRPORT FROM FUNDS COLLECTED FROM ¼ OF 1 PERCENT ADDITIONAL SALES AND USE TAX FOR THE PROMOTION AND DEVELOPMENT OF NEW AND EXPANDED BUSINESS ENTERPRISES, AS AUTHORIZED BY STATE LAW; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Lancaster Economic Development Corporation recognizes how important the airport is to the vitality and growth of Lancaster; and

WHEREAS, the Lancaster Regional Airport received a grant for \$600,000 from TxDOT and \$700,000 grant from the City to build a terminal building; and

WHEREAS, the terminal building will cost approximately \$2 million; and

WHEREAS, the Board of Directors of LEDC are responsible for the review and evaluation of Type A incentive applications; and

WHEREAS, the board of LEDC is also responsible for recommending Type A Incentive Grants to the Lancaster City Council for review and approval;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS:

SECTION 1. That the Board of Directors of the Lancaster Economic Development Corporation approves the resolution and agreement which is attached hereto.

SECTION 2. That this resolution shall take effect immediately from and after its passage and it is so duly resolved.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the and adopted on this 11th day of April, 2017.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Marcus E. Knight, Mayor

APPROVED AS TO FORM:

Robert E. Hager, City Attorney

STATE OF TEXAS	§	ECONOMIC INCENTIVE AGREEMENT BY AND BETWEEN LEDC AND CITY OF LANCASTER, TEXAS
	§	
COUNTY OF DALLAS	§	

This Incentive Agreement (the "Agreement") is entered into by and between the Lancaster Economic Development Corporation, a non-profit corporation chartered by the State of Texas, acting by and through its Board of Directors (hereinafter referred to as the "LEDC") and the City of Lancaster acting by and through City Council (hereinafter referred to as "CITY").

W I T N E S S E T H :

WHEREAS, the LEDC was established to promote enhanced business opportunities and overall economic development within the corporate limits of the City of Lancaster, Texas; and

WHEREAS, the Lancaster Municipal Airport represents a valuable economic development asset to the community: and

WHEREAS, The Lancaster Municipal Airport., wishes to expand its operations as a viable economic project within the City thereby creating the potential for aviation related new business investment and new jobs in the City; and

WHEREAS, in order to maintain and enhance the economic development and employment base within the City of Lancaster, it is in the best interests of the LEDC to enter into this Agreement in accordance with the terms provided herein; and

WHEREAS, the Board of Directors of LEDC and the City Council find that the intended scope of the Project, hereinafter defined, is to construct and maintain a new airport terminal facility which is a vital transportation link for current and future economic development.

NOW THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the parties agree as follows:

**I.
EFFECTIVE DATE; TERM OF AGREEMENT**

This Agreement shall become effective upon its execution by the respective parties authorizing the LEDC to enter into an agreement with Lancaster Regional Municipal Airport, and on the last date of execution of this Agreement by the LEDC and Airport.

II. DEFINITIONS

“**Airport**” shall mean the Lancaster Regional Municipal Airport located at 730 Ferris Rd. Suite 102 Lancaster, Texas 75146.

“**Bankruptcy or Insolvency**” shall mean the dissolution or termination of the Party’s existence, insolvency, employment of a receiver for any part of Company’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors or the commencement of any proceedings under any bankruptcy or insolvency laws by or against the Party and such proceedings are not dismissed within ninety (90) days after the filing thereof.

“**Casualty**” shall mean the Improvements are wholly or partially destroyed by fire, earthquake, flood or similar casualty that renders the Improvements unfit for the intended purpose.

“**City**” shall mean the City of Lancaster, Texas.

“**Commencement Date**” shall mean the later of: (i) the date the first final permanent certificate of occupancy is issued by the City; and (ii) the date the terminal opens for business and serving the citizens of the City and its visitors.

“**Commencement of Construction**” shall mean that: (i) the plans have been prepared and all approvals thereof and permits with respect thereto required by applicable governmental authorities have been obtained for construction of the Improvements; (ii) all necessary permits for the construction of the Improvements on the Land, pursuant to the respective plans therefore having been issued by all applicable governmental authorities; and (iii) grading of the Land or the construction of the vertical elements of the Improvements has commenced.

“**Completion of Construction**” shall mean: (i) substantial completion of the Improvements; and (ii) a final certificate of occupancy has been issued for the Company’s occupancy of the Improvements.

“**Effective Date**” shall mean the last date of execution of this Agreement.

“**Expiration Date**” shall mean the fifth (5th) anniversary date of the Commencement Date.

“**Force Majeure**” shall mean any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, government or de facto governmental action (unless caused by the intentionally wrongful acts or omissions of the Party), fires, explosions or floods, strikes, slowdowns or work stoppages.

“Grant” shall mean a lump sum payment of seven hundred fifty thousand dollars (\$750,000) without accrued of interest.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on Improvements, the Company, of Company Affiliate, the then owner or operator of the Improvements or any property or any business owned by Company and/or Company Affiliates within the City.

“Land” means the real property described in Exhibit “A”.

“Net Proceeds” shall mean sum of money from income generated at the terminal building through rent or sale of goods and services less operating expenses.

“Project” shall mean the construction and maintenance of a main terminal building at the Lancaster Regional Municipal Airport and within the Lanport district.

III.

PROVISIONS RELATING TO INCENTIVE AGREEMENT

City Obligations

- A. City shall pursue in a diligent manner to cause the construction and maintenance of a terminal facility to serve the patrons, public and aviation needs at the Lancaster Regional Municipal Airport.
- B. City will receive and not need to repay \$750,000 for the project.
- C. Commencement of construction of PROJECT will occur within twelve months of execution of agreement.

LEDC’s Obligations

- A. LEDC agrees to provide a Grant to the City of Lancaster after execution of this agreement for the construction and maintenance of a terminal building at the airport.
- B. LEDC agrees to pay the grant within ten days after approval from City Council of the City of Lancaster of this agreement and its execution.

IV.

DEFAULT; RECAPTURE OF GRANT FUNDS

- A. In the event the Lancaster Municipal Airport (i) fails to commence PROJECT within twelve months of execution of this agreement (ii) fails to complete the Project in accordance with this Agreement; or (iii) breaches any of the terms or conditions of this Agreement, then CITY, after the expiration of the notice and cure periods described in Paragraph IV(B) below, shall be in default of this Agreement. As liquidated damages in the event of such non-cured default, CITY, shall refund to LEDC all grants previously paid by LEDC. The parties acknowledge that actual damages in the event of default termination would be speculative and difficult to determine. The parties further agree that the recapture of grant funds due LEDC as a result of CITY, default under this Agreement, shall be recoverable against CITY, its successors and assigns.
- B. Upon breach by CITY, of any obligations under this Agreement, the LEDC shall notify CITY, in writing. CITY shall have ninety (90) days from receipt of the notice in which to cure any such default.
- C. If CITY fails to cure the default within the time provided as specified in Paragraph IV (B) above, or, as such time period may be extended by written agreement of the parties, then the LEDC at its sole option shall have the right to demand repayment of the incentives it has made hereunder in accordance with this section IV.
- D. Upon the LEDC's election under the preceding paragraph, all incentives shall be repaid as set forth in paragraph IV (A), and shall become due and payable ninety (90) days after notice to CITY of a non-cured default. The LEDC shall have all remedies provided by law for the collection of the grant funds. The LEDC at its sole discretion has the option to provide a repayment schedule. The obligation of CITY, to repay the grant funds to LEDC in the event of default shall survive the termination of this Agreement.

**V.
SUCCESSORS AND ASSIGNS**

This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and assigns. This Agreement may be assigned only with the consent of the LEDC.

**VI.
NOTICES**

All notices required by this Agreement shall be addressed to the following, or other such other party or address as either party designates in writing, by certified mail, postage prepaid or by hand delivery:

CITY to:

Opal Mauldin-Robertson, City Manager
City of Lancaster
P.O. Box 940

Lancaster, Texas 75146:

LEDC to:

Shane Shepard
Lancaster Economic Development Corporation
P. O. Box 940
Lancaster, Texas 75146

VII. LEDC AUTHORIZATION

This Agreement was authorized by resolution of the LEDC, approved by its Board of Directors, authorizing its officer to execute this Agreement on behalf of the LEDC.

VIII. SEVERABILITY

In the event any section, subsection, paragraph, sentence, phrase or word herein is held invalid, illegal or unconstitutional, the balance of this Agreement shall be enforceable and shall be enforced as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

IX. APPLICABLE LAW

THIS AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF TEXAS. Venue for any action under this Agreement shall be the State District Court of Dallas County, Texas. This Agreement is performable in Dallas County, Texas.

X. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

XI. ENTIRE AGREEMENT

This Agreement embodies the complete agreement between the parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the parties to be attached to and made a part of this Agreement. The provisions of this Agreement are hereby declared covenants running with the Premises and are fully binding on all successors, heirs, and assigns of AIRPORT, who acquire any right, title, or interest in or to the Premises, or any part hereof, thereby agrees and covenants to abide by and fully perform the provisions of this Agreement. While there is no obligation for the LEDC to fund future

expansion, nothing herein precludes AIRPORT, from requesting further assistance on future projects.

**XII.
RECORDATION OF AGREEMENT**

A certified copy of this Agreement may be recorded in the Deed Records of Dallas County, Texas.

**XIII.
INCORPORATION OF RECITALS**

The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein a part of this Agreement.

**XIV.
EXHIBITS**

All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

EXECUTED in duplicate originals this the ____ day of _____, 2017.

LANCASTER ECONOMIC
DEVELOPMENT CORPORATION

CITY OF LANCASTER, TEXAS

By: _____
_____, President

By: _____
Opal Mauldin-Robertson, City Manager

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared _____, President of the Lancaster Economic Development Corporation, a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the ____ day of _____, 2017.

Notary Public, State of Texas

My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Opal Mauldin-Robertson, City Manager of the City of Lancaster, a Texas home rule municipality, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the ____ day of _____, 2017.

Notary Public, State of Texas

My Commission Expires:

City of Lancaster's Boards and Commissions

Lancaster Economic Development Corporation

3.

Meeting Date: 04/11/2017

Policy Statement: This request supports the City Council 2016-2017 Policy Agenda

Submitted by: Shane Sheppard, Director of Economic Development

Agenda Caption:

Discuss and consider election of 2017 Officers.

Background:

Article III, Section 1. of the Bylaws of Lancaster Economic Development Corporation provides for the election of a president, a vice president, a secretary and a treasure. Section 1 provides that one person may hold more than one office, except that the president shall not hold the office of secretary.

Each year, the Board customarily nominates and elects three new Board Officers (President, Vice-President and Secretary-Treasurer).

Attachments

LEDC Bylaws

transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the principal office of the Corporation.

Section 8. Compensation of Directors. Directors shall not receive any salary or compensation for their services as directors. However, they shall be reimbursed for their actual expenses incurred in the performance of their duties thereunder.

Section 9. Compensation. Officers who are members of the Board shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

Section 10. Employees and Administrative Duties. The Board may employ or contract with the City of Lancaster and provide funding to the City for the performance of such administrative and executive duties required by these Bylaws, directed by the Board of Directors or required by State law.

ARTICLE III

OFFICERS

Section 1. Titles and Term of Office. (a) The officers of the corporation shall be a president, a vice president, a secretary and a treasurer, and such other officers as the Board may from time to time elect or appoint. One person may hold more than one office, except that the president shall not hold the office of secretary. Terms of office shall be one (1) year with the right of an officer to be reelected.

(b) All officers shall be subject to removal from office at any time by a vote of a majority of the entire Board.

(c) A vacancy in the office of any officer shall be filled by a vote of a majority of the directors.

Section 2. Powers and Duties of the President. The president shall be the chief executive officer of the Corporation, and, subject to the paramount authority of the Board, the president shall be in general charge of the properties and affairs of the Corporation, shall preside at all meetings of the Board, and may

sign and execute all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments in the name of the corporation.

Section 3. Vice President. The vice president shall have such powers and duties as may be prescribed by the Board and shall exercise the powers of the president during that officer's absence or inability to act. Any action taken by the vice president in the performance of the duties of the president shall be conclusive evidence of the absence or inability to act of the president at the time such action was taken.

Section 4. Treasurer. The treasurer shall have the responsibility to see to the handling, custody, and security of all funds and securities of the Corporation in accordance with these bylaws. When necessary or proper, the treasurer may endorse and sign, on behalf of the Corporation, for collection or issuance, checks, notes and other obligations in or drawn upon such bank or banks or depositories as shall be designated by the Board consistent with these Bylaws. The treasurer shall see to the entry in the books of the Corporation of full and accurate accounts of all monies received and paid out on account of the Corporation. The treasurer shall, at the expense of the Corporation, give such bond for the faithful discharge of his duties in such form and amount as the Board or the Council may require.

Section 5. Secretary. The secretary shall keep the minutes of all meetings of the Board and shall cause the minutes to be recorded in books provided for that purpose, shall give and serve all notices, may sign with the president in the name of the Corporation, and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, financial records and securities, and such other books and papers as the Board may direct, all of which shall at all reasonable times be open to public inspection upon application at the office of the Corporation during business hours, and shall in general perform all duties incident to the office of secretary subject to the control of the Board.

Section 6. The president, each vice president, and the secretary shall be named from among the members of the Board. The treasurer and any assistant secretaries may, at the option of the Board, be persons other than members of the Board, and they may be employees of the City.