CITY OF MANSFIELD

Meeting Agenda

Mansfield Economic Development Corporation

Economic Development
301 South Main Street,
Suite 100
Mansfield, TX 76063
www.mansfield-texas.com

Tuesday, September 7, 2021 **5:30 PM** **MEDC Office - 301 S. Main Street**

1. CALL MEETING TO ORDER

2. PUBLIC COMMENTS

Citizens wishing to address the Board on non-public hearing agenda items and items not on the agenda may do so at this time. Once the business portion of the meeting begins, only comments related to public hearings will be heard. All comments are limited to 5 minutes. Please refrain from "personal criticisms."

In order to be recognized during the citizens comments or during a public hearing (applicants included), please complete a blue or yellow "appearance card" located at the entry to the city council chambers and present it to the board president.

3. APPROVAL OF MINUTES

21-4162 Approval of Regular Meeting Minutes for June 29, 2021

Attachments: MeetingMinutes 6-29-2021.pdf

4. FINANCIALS

21-4178 Presentation of Monthly Financial Report For Period Ending 06/30/2021

Attachments: MEDC Cash Report 06-30-2021.xlsx

21-4216 Presentation of Monthly Financial Report for Period Ending 07/31/2021

Attachments: MEDC Cash Report 07-31-2021.xlsx

5. RECESS INTO EXECUTIVE SESSION

Pursuant to Section 551.071, Texas Government Code, the Board reserves the right to convene in Executive Session(s), from time to time as deemed necessary during this meeting for any posted agenda item, to receive advice from its attorney as permitted by law.

A. ADVICE FROM ITS ATTORNEY

Pursuant to Sec. 551.071 of the Texas Government code, the Board reserves the right to convene in Executive Session(s), from time to time as deemed necessary during this meeting for any posted agenda item, to receive advice from its attorney as permitted by law. In addition the Board may convene in executive session to discuss the following:

1. Pending or contemplated litigation or a settlement offer including:

2. A matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the chapter.

B. REAL ESTATE DELIBERATION

Pursuant to Sec. 551.072, deliberation regarding the purchase, exchange, lease or value of real property.

C. PERSONNEL MATTERS

Pursuant to Sec. 551.074, deliberation regarding the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee.

D. SECURITY DEVICES

Pursuant to Sec. 551.076, deliberation regarding security personnel or devices.

E. ECONOMIC DEVELOPMENT

Pursuant to Sec. 551.087, deliberation regarding Economic Development Negotiations including (1) discussion or deliberation regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic negotiations; OR (2) deliberation of a financial or other incentive to a business prospect described in (1) above.

1. Project 21-25 Staff Report and Board Discussion on Potential New Industrial Facility

2. Project 21-29 Staff Report and Board Discussion on Potential Expansion of Existing Industrial Facility

F. CRITICAL INFRASTRUCTURE

Pursuant to Sec. 418.183(f) of the Texas Government Code (Texas Disaster Act) regarding critical infrastructure.

6. RECONVENE INTO REGULAR SESSION

7. TAKE ACTION PURSUANT TO EXECUTIVE SESSION

8. OLD BUSINESS

9. NEW BUSINESS

21-4268 Discuss and Consider a Resolution Amending Article II, Section 2 of the MEDC Bylaws by Adding the City Manager as a Non-Voting Ex-Officio Member of the Board.

Attachments: Resolution Amending Bylaws.2021.doc

Bylaws-2021 Amend.redline.doc

10. BOARD MEMBER COMMENTS

11. STAFF COMMENTS

12. ADJOURNMENT

CERTIFICATION

I certify that the above agenda was posted on the bulletin board next to the main entrance of the City Hall building, 1200 East Broad Street, of the City of Mansfield, Texas, in a place convenient and readily accessible to the general public at all times and said Agenda was posted on the following date and time: Friday, September 3, 2021, and remained so posted continuously for at least 72 hours preceding the schedule time of said meeting, in accordance with the Chapter 551 of the Texas Government Code.

_____

MEDC Staff

Approved as to form

CITY OF MANSFIELD

1200 E. Broad St.
Mansfield, TX 76063
mansfieldtexas.gov

STAFF REPORT

File Number: 21-4162

Agenda Date: 9/7/2021 **Version:** 1 **Status:** Approval of Minutes

In Control: Mansfield Economic Development Corporation **File Type:** Meeting Minutes

Agenda Number:

Title
Approval of Regular Meeting Minutes for June 29, 2021

Requested Action
Approval of Regular Meeting Minutes for June 29, 2021

Recommendation
Approval of Regular Meeting Minutes for June 29, 2021

Description/History
N/A

Justification
N/A

Funding Source
N/A

Prepared By
Natalie Phelps, MEDC

CITY OF MANSFIELD

Meeting Minutes

Economic Development
301 South Main Street,
Suite 100
Mansfield, TX 76063
www.mansfield-texas.com

Mansfield Economic Development Corporation

Tuesday, June 29, 2021 | **4:00 PM** | **City Hall - Council Chambers**

1. CALL MEETING TO ORDER

The meeting was called to order by Larry Klos at 4:00 pm.

Absent 1 - Brian Fuller

Present 6 - Larry Klos;Selim Fiagome;David Godin;William Vivoni;Timothy Schipper and Nicole Zaitoon

2. PUBLIC COMMENTS

There were no comments.

3. APPROVAL OF MINUTES

21-4119 Approval of Regular Meeting Minutes for June 1, 2021

David Godin made the motion to approve the regular meeting minutes of June 1, 2021. Seconded by William Vivoni. The motion carried by the following vote:

Aye: 6 - Larry Klos; Selim Fiagome; David Godin; William Vivoni; Timothy Schipper and Nicole Zaitoon

Nay: 0

Absent: 1 - Brian Fuller

Abstain: 0

4. FINANCIALS

21-4116 Presentation of Monthly Financial Report for Period Ending 05/31/21

There were no comments.

5. RECESS INTO EXECUTIVE SESSION

The meeting recessed into executive session at 4:01 pm.

A. ADVICE FROM ITS ATTORNEY

1. Pending or contemplated litigation or a settlement offer including:

2. A matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the chapter.

B. REAL ESTATE DELIBERATION

1. Land Acquisition for Future Development

C. PERSONNEL MATTERS

D. SECURITY DEVICES

E. ECONOMIC DEVELOPMENT

1. Staff Update and Board Discussion Regarding Project 21-21, New Industrial Facility

2. Staff Update and Board Discussion Regarding Project 21-22, New Industrial Facility

F. CRITICAL INFRASTRUCTURE

6. RECONVENE INTO REGULAR SESSION

The meeting reconvened into regular session at 5:32 pm.

7. TAKE ACTION PURSUANT TO EXECUTIVE SESSION

No action was taken pursuant to executive session.

8. OLD BUSINESS

21-4141 Staff Update, Board Discussion, and Possible Action Regarding Request to Modify Completion Date for Mouser Electronics, Inc.

Larry Klos made the motion to approve accepting the Certificate of Occupancy date of November 30, 2020 for Mouser Electronics and authorizing the release of funds to pay the full $172,000 incentive. Seconded by Selim Fiagome. The motion carried by the following vote:

Aye: 6 - Larry Klos; Selim Fiagome; David Godin; William Vivoni; Timothy Schipper and Nicole Zaitoon

Nay: 0

Absent: 1 - Brian Fuller

Abstain: 0

9. NEW BUSINESS

21-4115 Staff Report, Board Discussion and Possible Action on MEDC FY21-22 Budget.

David Godin made the motion to approve the FY21-22 MEDC Budget as presented with an additional $60,000 in Personnel. Seconded by Larry Klos. The motion carried by the following vote:

Aye: 6 - Larry Klos; Selim Fiagome; David Godin; William Vivoni; Timothy Schipper and Nicole Zaitoon

Nay: 0

Absent: 1 - Brian Fuller

Abstain: 0

10. BOARD MEMBER COMMENTS

There were no comments.

11. STAFF COMMENTS

There were no comments.

12. ADJOURNMENT

Larry Klos adjourned the meeting at 5:37 pm.

Larry Klos, President

CITY OF MANSFIELD

1200 E. Broad St.
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mansfieldtexas.gov

STAFF REPORT

File Number: 21-4178

Agenda Date: 9/7/2021 **Version:** 1 **Status:** To Be Presented

In Control: Mansfield Economic Development Corporation **File Type:** Financials

Title
Presentation of Monthly Financial Report for Period Ending 06/30/2021

Requested Action
Information only

Recommendation
Information only

Description/History
Presentation of Monthly Financial Report for Period Ending 06/30/2021

Justification
N/A

Funding Source
4A

Prepared By
Richard Nevins,Director Economic Development,817-728-3652

Mansfield Economic Development Corporation
Period Ending June 30, 2021

Beginning Cash Balance 6-01-2021	**$8,968,854**
Revenue:	
Sales Tax Revenue	$655,862
Interest Income	$0
Total Monthly Revenue	**$655,862**
Adjusted Cash Balance	**$9,624,717**
Operating Expenses:	
Administration	$41,692
Promotions	$1,001
Retention	$0
Workforce Development	$0
Total Operating Expenditures	**$42,693**
Debt Expense	
Debt Service Payment	**$0**
Project Expenditures:	
Kimball Property	$285
	$285
Total Monthly Expenditures	**$42,978**
Ending Cash Balance 6-30-2021	**$9,581,739**
MIBP Construction Fund Remaining Balance	$100,000
Total Cash	**$9,681,739**
Debt Expense	
New Annual Total Debt Service - FY21	**$2,663,484**
(January and August)	
Remaining Principal Debt Balance	**$23,430,000**

CITY OF MANSFIELD

1200 E. Broad St.
Mansfield, TX 76063
mansfieldtexas.gov

STAFF REPORT

File Number: 21-4216

Agenda Date: 9/7/2021 **Version:** 1 **Status:** To Be Presented

In Control: Mansfield Economic Development Corporation **File Type:** Financials

Agenda Number:

Title
Presentation of Monthly Financial Report for Period Ending 07/31/2021

Requested Action
Information only

Recommendation
Information only

Description/History
Presentation of Monthly Financial Report for Period Ending 07/31/2021

Justification
N/A

Funding Source
4A

Prepared By
Richard Nevins, Director Economic Development, 817-728-3652

Mansfield Economic Development Corporation
Period Ending July 31, 2021

Beginning Cash Balance 7-01-2021	**$9,581,749**
Revenue:	
Sales Tax Revenue	$661,912
Interest Income	$0
Total Monthly Revenue	**$661,912**
Adjusted Cash Balance	**$10,243,661**
Operating Expenses:	
Administration	$49,744
Promotions	$1,200
Retention	$0
Workforce Development	$0
Total Operating Expenditures	**$50,944**
Debt Expense	
Debt Service Payment	**$2,229,242**
Project Expenditures:	
Mouser Electronics incentive payment	$172,000
Escrow Money for 103 W.Broad Street	$10,000
Kimball Property	$190
	$182,190
Total Monthly Expenditures	**$2,462,376**
Ending Cash Balance 7-31-2021	**$7,781,285**
MIBP Construction Fund Remaining Balance	$77,992
Total Cash	**$7,859,277**
Debt Expense	
New Annual Total Debt Service - FY21	**$2,663,484**
(January and August)	
Remaining Principal Debt Balance	**$23,430,000**

CITY OF MANSFIELD

1200 E. Broad St.
Mansfield, TX 76063
mansfieldtexas.gov

STAFF REPORT

File Number: 21-4268

Agenda Date: 9/7/2021 **Version:** 1 **Status:** New Business

In Control: Mansfield Economic Development Corporation **File Type:** Resolution

Agenda Number:

Title
Discuss and Consider a Resolution Amending Article II, Section 2 of the MEDC Bylaws by Adding the City Manager as a Non-Voting Ex-Officio Member of the Board.

Requested Action
Approve recommended changes to MEDC Bylaws

Recommendation
Approve recommended changes to MEDC Bylaws

Description/History
The CIty Council has appointed the City Manager or his / her designee as a non-voting ex-officio member of every Board and Commission, as a result the MEDC Bylaws must be revised to reflect this change. A copy of the Bylaws with the revisions recommended by outside counsel highlighted in red is attached. Staff is seeking Board approval of these changes.

Justification
This change to the Bylaws will allow the City Manager or his designee to legally participate in future Board meetings.

Funding Source
N/A

Prepared By
Richard Nevins, Director Economic Development, 817-728-3652

A RESOLUTION OF THE MANSFIELD ECONOMIC DEVELOPMENT CORPORATION AMENDING ARTICLE II, SECTION 2 OF THE MEDC BYLAWS BY ADDING THE CITY MANAGER AS A NON-VOTING EX-OFFICIO MEMBER OF THE BOARD.

WHEREAS, the Mansfield Economic Development Corporation ("MEDC") is a Texas non-profit corporation operating under the Development Corporation Act, codified in Subtitle C1 of Title 12 of the Texas Local Government Code, Chapters 501 through 505 ("Act") and the Texas Non-Profit Corporation Act, as amended, and other applicable laws; and

WHEREAS, the MEDC promotes economic development within the City of Mansfield ("City") to eliminate unemployment and underemployment, and to promote and encourage employment and the public welfare of, for and on behalf of the City by developing, implementing, providing, and financing projects under the Act; and

WHEREAS, the MEDC Board desires to include the City Manager as a non-voting ex-officio member to better serve the citizens of Mansfield.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MANSFIELD ECONOMIC DEVELOPMENT CORPORATION, THAT:

SECTION 1.

The MEDC hereby amends Article II, Section 2 of the Bylaws of the MEDC to read as follows:

Section 2. Number. The Board shall consist of seven (7) directors, each of whom shall be appointed by the City Council (the "City Council") of the City, and one (1) ex-officio non-voting member. The City Manager or his/her designee shall serve as the ex-officio member. All seven (7) directors shall reside within the City of Mansfield or at a Mansfield postal address. All directors shall abide by and be subject to the City Code of Ethics**.**

SECTION 2.

This Resolution shall become effective from and after its passage.

PASSED AND APPROVED THIS 7TH DAY OF SEPTEMBER, 2021.

MANSFIELD ECONOMIC DEVELOPMENT CORPORATION:

_____
Larry Klos, President

ATTEST:

_____
Board Secretary

BYLAWS OF

MANSFIELD ECONOMIC DEVELOPMENT CORPORATION

ARTICLE I
PURPOSE AND POWERS

Section 1. Purpose. The Corporation is incorporated for the purposes set forth in Article Four of its Articles of Incorporation, the same to be accomplished on behalf of the City of Mansfield, Texas (the "City") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act of 1979, as amended, Article 5190.6, Vernon's Ann. Civ. St., as amended, (the "Act"), and other applicable laws.

Section 2. Powers. In the fulfillment of its corporate purpose, the Corporation shall be governed by Section 4A of the Act, and shall have all of the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law, subject to the limitations prescribed therein and herein and to the provisions thereof and hereof.

ARTICLE II
BOARD OF DIRECTORS

Section 1. Powers of Board. The property and affairs of the Corporation shall be managed and controlled by the Board of Directors (the "Board") and, subject to the restrictions imposed by law, by the Articles of Incorporation, and by these bylaws, the Board shall exercise all of the powers of the Corporation subject to the City Council's approval of the Corporation's annual budget

Section 2. Number. The Board shall consist of seven (7) directors, each of whom shall be appointed by the City Council (the "City Council") of the City, and one (1) ex-officio non-voting member. The City Manager or his/her designee shall serve as the ex-officio member. All seven (7) directors shall reside within the City of Mansfield or at a Mansfield postal address. All directors shall abide by and be subject to the City Code of Ethics**.**

Section 3. Term of Office. The directors constituting the first Board shall be those directors named in the Articles of Incorporation. All Boards appointed after January 1, 2005 and all subsequent Boards shall have the qualifications, and shall be of the classes of directors set forth in the Articles of Incorporation and shall be appointed to terms not to exceed 2 years,

Section 4. Removal and Vacancy. Any director may be removed from office by the City Council at will. In case of a vacancy on the board for any reason, the City Council shall appoint a successor to serve the remainder of the unexpired term.

Section 5. Meetings of Directors. The directors, at their discretion, may hold meetings at such time or place in the City as so determined by the Board.

Section 6. Notice of Meetings to Board Members. Regular meetings of the Board shall be held without the necessity of notice to directors. Special meetings of the Board shall be held whenever called by the president, by the secretary, by a majority of the directors, by the Mayor of the City, or by a majority of the City Council. Except in the case of an emergency, special meetings require three days notice to each director, either personally or by mail. Emergency meetings shall be held in accordance with the Open Meetings Act.

(b) Whenever any notice is required to be given to the Board, said notice shall be deemed to be sufficient if given by depositing the same in a post office box with a sealed postpaid wrapper addressed

to the person entitled thereto at his or her post office address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board need be specified in the notice to directors or waiver of notice of such meeting, unless required by the Board. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 7. Open Meetings Act. All meetings and deliberations of the Board shall be called, convened, held. and conducted, and notice shall be given to the public in accordance with the Texas Open Meetings Act, Chapter 551. Texas Government Code, as amended.

Section 8. Quorum. A majority of 4 regular voting members shall constitute a quorum for the conduct of the official business of the Corporation. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation, unless the act of a greater number is required by law.

Section 9. Conduct of Business. At the meetings of the Board, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board. At all meetings of the Board, the president shall preside, and in the absence of the president, the vice president shall exercise the powers of the president. The secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 10. Committees of the Board. The Board may designate up to three (3) directors to constitute an official committee of the Board to exercise such authority of the Board as may be specified in the resolution. It is provided, however, that all final, official actions of the Corporation may be exercised only by the Board. Each committee so designated shall keep regular minutes of the 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 11. Compensation of Directors. Directors shall not receive any salary or compensation for their services. However, they shall be reimbursed for their actual expenses incurred in the performance of their duties thereunder, including but not limited to the cost of travel, lodging and incidental expenses reasonably related to the corporate duties of the Board. Travel expenses incurred by directors for both regular and special meetings are not eligible for reimbursement.

ARTICLE III
OFFICERS

Section 1. Officers and Terms Established. (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. Officers shall be elected at the first ever meeting of the board of directors. Thereafter, officers shall be elected at the meeting of the board on the first (1st.) Tuesday in the month of January. Except for the first officers, whose terms shall expire on the first Tuesday in January 1998, terms of office shall be one (1) year with the right of an officer to be reelected.

Section 2. Removal. All officers shall be subject to removal from office at any time by a vote of a majority of the entire Board.

Section 3. Vacancy. A vacancy in the office of any officer shall be filled by a vote of a majority of the directors.

Section 4. 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 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 5. 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 6. 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, 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 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 City Council may require.

Section 7. Secretary. The secretary, or designee by the Board shall keep the minutes of all meetings of the Board 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, documents and instruments, except the books of account and 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 normal business hours, and shall in general perform all duties incident to the office of secretary subject to the control of the Board.

Section 8. Qualifications. The president, vice president, and the secretary shall be named from among the members of the Board. The treasurer, at the option of the Board, may be a person other than a member of the Board, or may be an employee of the City.

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 official duties as officers.

ARTICLE IV
FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 1. Contracts For Service. (a) The Corporation may, with approval of the City Council, contract with any qualified and appropriate person, association, corporation or governmental entity to perform and discharge designated tasks which will aid or assist the Board in the performance of its duties. However, no such contract shall ever be approved or entered into which seeks or attempts to divest the Board of its discretion and policy - making functions in discharging the duties herein set forth. An administrative services contract may be executed between the Board and the City Council for the services provided by the Economic Development Director and staff of the Economic Development Department.

(b) Subject to the authority of the City Manager under the Charter of the City, the Corporation shall have the right to utilize the services of the staff and employees of the Finance Department, the staff and employees of the Engineering Department, the staff and employees of the Planning and Zoning Department, the staff and employees of the Economic Development Department (it is anticipated that such staff and employees will be employed pursuant to these Bylaws), and other employees

of the City, provided (i) that the City Manager approves of the utilization of such services, and (ii) the performance of such services does not materially interfere with the other duties of such personnel of the City. Utilization of the aforesaid city staff shall be solely by a contract approved by the City Council.

Section 2. Economic Development Director. (a) Subject to the direction of the City Manager and advice from the Board, the Economic Development Director shall be the chief administrative officer of the Corporation and be in general charge of the properties and affairs of the Corporation, shall administer all work orders, requisitions for payment, purchase orders, contract administration/oversight, and other instruments or activities as prescribed by the Board in the name of the Corporation. The Economic Development Director shall be an employee of the City and report to the City Manager.

(b) The Economic Development Director shall employ such full or part-time employees as needed to carry out the programs of the Board. These employees shall be employees of the City and perform those duties as are assigned to them. These employees shall be compensated as prescribed in Article IV, Section 1 of these Bylaws. The Economic Development Director shall have the authority, and subject to provisions of the City Charter and policies-procedures of the City, to hire, fire, direct, and control the work, as functionally appropriate, of all such employees and contractors.

Section 3. General Economic Development Plan. (a) It shall be the duty and obligation of the Board, in coordination with the necessary contracting parties to research, develop, prepare, finance, and implement the economic development plan.

(b) In carrying out its obligations under subsection (a), the Corporation shall be authorized to exercise all rights and powers granted under the Act, including, but not limited to Section 4A thereof, and with the objective and for the purpose of developing and diversifying the economy of the State of Texas and the City, and the elimination of unemployment and underemployment in the State and the City and the expansion of commerce within the State.

(c) The Board shall direct staff to periodically submit reports to the City Council as to the status of its activities in carrying out its obligations under this Section.

(d) Any and all agreements between the Corporation and other parties shall be authorized, executed, approved, and delivered in accordance with applicable law, and be approved by the City Council.

Section 4. Annual Corporate Budget. At least thirty (30) days prior to the commencement of each fiscal year of the Corporation, the Board shall adopt a proposed budget of expected revenues and proposed expenditures for the next ensuing fiscal year. The budget shall contain such classifications and shall be in such form as may be prescribed from time to time by the City Council. The budget shall not be effective until the same has been approved by the City Council.

Section 5. Books, Records, Audits. (a) The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs. The city shall at all times have access to the books and records of the Corporation.

(b) At the direction of the City Council, the books, records, accounts, and financial statements of the Corporation may be maintained for the Corporation by the accountants, staff and personnel of the City.

(c) The Corporation, or the City if the option described in subsection (b) is selected, shall cause its books, records, accounts, and financial statements to be audited at least once each fiscal year by an outside, independent, auditing and accounting firm selected by the Corporation and approved by the City Council. Such audit shall be at the expense of the Corporation.

Section 6. Deposit and Investment of Corporate Funds. (a) All proceeds from loans or from the issuance of bonds, notes, or other debt instruments ("Obligations") issued by the Corporation shall be deposited and invested as provided in the resolution, order, indenture, or other documents authorizing or relating to their execution or issuance.

(b) Subject to the requirements of contracts, loan agreements, indentures or other agreements securing Obligations, all other monies of the Corporation, if any, shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the City. The Board shall designate the accounts and depositories to be created and designated for such purposes, and the methods of withdrawal of funds therefrom for use by and for the purposes of the Corporation upon the signature of its treasurer and such other persons as the Board shall designate. The accounts, reconciliation, and investment of such funds and accounts shall be performed by the Department of Finance of the City.

Section 7. Expenditures of Corporate Money. The monies of the Corporation, including sales and use taxes collected pursuant to Section 4A of the Act, monies derived from rents received from the lease or use of property, the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, and the proceeds derived from the sale of Obligations, may be expended by the Corporation for any of the purposes authorized by the Act, subject to the following limitations:

(a) Expenditures from the proceeds of Obligations shall be identified and described in the orders, resolutions, indentures, or other agreements submitted to and approved by the City Council prior to the execution of loan or financing agreements or the sale and delivery of the Obligations to the purchasers thereof required by Section 6 of this Article;

(b) Expenditures that may be made from a fund created with the proceeds of Obligations, and expenditures of monies derived from sources other than the proceeds of Obligations may be used for the purposes of financing or otherwise providing one or more "Projects," as defined in Section 4A and other Sections of the Act. The specific expenditures shall be described in a resolution or order of the Board and shall be made only after the approval thereof by the City Council;

(c) All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by Section 2 of this Article or in contracts meeting the requirements of Section 1(d) of this Article.

(d) The Corporation may not assume a debt or make any expenditures to any principal or interest on a debt if the debt existed before the date the City created the Corporation.

Section 8. Issuance of Obligations. No Obligations, including refunding Obligations, shall be authorized or sold and delivered by the Corporation unless the City Council shall approve such Obligations by action taken prior to the date of sale of the Obligations.

ARTICLE V
MISCELLANEOUS PROVISIONS

Section 1. Principal Office. (a) The principal office and the registered office of the Corporation shall be the registered office of the Corporation specified in the Articles of Incorporation.

Section 2. Registered Agent. The Corporation shall have and shall continually designate a registered agent at its registered office, as required by the Act.

Section 3. Fiscal Year. The fiscal year of the Corporation shall be the same as the fiscal year of the City.

Section 4. Seal. The seal of the Corporation shall be as determined by the Board.

Section 5. Resignations. Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the president or secretary. The acceptance of a resignation shall not be necessary to make it effective unless expressly so provided in the resignation.

Section 6. Approval or Advice and Consent of the City Council. To the extent that these bylaws refer to any approval by the City or refer to advice and consent by the Council, such advice and consent shall be evidenced by a certified copy of a resolution, order or motion duly adopted by the City Council.

Section 7. Indemnification of Directors, Officers and Employees. (a) As provided in the Act and in the Articles of Incorporation, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions. The Corporation shall indemnify each and every member of the Board, its officers, and its employees, and each member of the City Council and each employee of the City, to the fullest extent permitted by law, against any and all liability or expense, including attorneys fees, incurred by any of such persons by reason of any actions or omissions that may arise out of the functions and activities of the Corporation.

ARTICLE VI
EFFECTIVE DATE, AMENDMENTS

Section 1. Effective Date. These Bylaws shall become effective upon the occurrence of the following events:

(1) the approval of these Bylaws by the City Council; and

(2) the adoption of these Bylaws by the Board.

Section 2. Amendments to Articles of Incorporation and Bylaws. The Articles of Incorporation of the Corporation and these Bylaws may be amended only in the manner provided in the Articles of Incorporation and the Act.

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