



Economic Development
Corporation (EDC) Board of
Directors

Regular Session

March 19, 2020
6:00 P.M.

CITY OF CROWLEY
Economic Development Corporation
Board of Directors

March 19, 2020
6:00 P.M.

Economic Development Corporation Board

- President Christine Gilbreath _____
- Member Billy P. Davis _____
- Member Carl Weber III _____
- Member Johnny Shotwell _____
- Member Dallas Park _____
- Member Jim "Mac" McDonald (VP) _____
- Member Alex Hogan _____

EDC Officers

- Executive Director Robert Loftin _____
- Treasurer Lori Watson _____
- Secretary Carol Konhauser _____



**AGENDA
CROWLEY ECONOMIC
DEVELOPMENT CORPORATION
MARCH 19, 2020
REGULAR SESSION - 6:00 p.m.**

**Crowley City Hall
201 E. Main Street
Crowley TX 76028**

Citizens may address the board members by filling out a blue "Citizen Participation" card to discuss any issue that is on the Agenda. Please turn in cards to the City Secretary. Speakers are limited to three minutes (if using a translator, the time limit will be doubled).

REGULAR CALLED MEETING – March 19, 2020- 6:00 P.M.

I. CALL TO ORDER OF THE EDC / ROLL CALL

II. EDC BUSINESS / ACTION ITEMS

1. Discuss and consider approving the minutes from the EDC meeting held on February 20, 2019.

III. EXECUTIVE SESSION

Pursuant to Chapter 551, Texas Government Code, the Council 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, or to discuss the following:

1. **Section 551.071 (Consultation with Attorney)**
2. **Section 551.072 (Deliberations about Real Property)**
3. **Section 551.074 (Personnel Matters)**
4. **Section 551.087 (Business Prospect/Economic Development)**

Discuss possible EDC Business Contract.

IV. RECONVENE AND TAKE ACTION FROM EXECUTIVE SESSION

Reconvene into open session and take any necessary action resulting from items posted and legally discussed in Closed Session

V. CITY BUSINESS

1. Consideration and approval of Resolution R03-2020-330 by the Board of Directors of the City of Crowley Economic Development Corporation approving a financing and use agreement relating to the expenditure of sales tax revenues for various projects; and authorizing other matters in connection therewith.
2. Discuss and consider approval of EDC Budget Amendment #1.

VI. ADJOURNMENT

I, the undersigned authority, do hereby certify that this Agenda of the Economic Development Corporation to be held on March 19, 2020, meeting of the governing body of City of Crowley is a true and correct copy posted on _____, 20____ at _____ am/ pm at Crowley City Hall, a place convenient and readily accessible to the public at all times.

Carol C. Konhauser, City Secretary

THE EDC AND CITY COUNCIL RESERVES THE RIGHT OF THE FOLLOWING:
 1. ITEMS DO NOT HAVE TO BE CONSIDERED IN THE SAME ORDER AS SHOWN ON THIS AGENDA;
 2. THE COUNCIL MAY CONTINUE OR RECESS ITS DELIBERATIONS TO THE NEXT CALENDAR DAY IF IT DEEMS IT NECESSARY.
 The Crowley City Hall is wheelchair accessible and accessible parking spaces are available. Requests for accommodations must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (817) 297-2201 ext. 4000, or email ckonhauser@ci.crowley.tx.us for further information.

NOTICE: A quorum of the Crime Control and Prevention District Board of Directors will be present at this meeting; however neither Board will take action on any items on this posted agenda.

****An agenda information packet is available for public inspection in the Crowley Library and on the City website, under Agenda Packets****

CITY OF CROWLEY
CERTIFIED AGENDA OF EXECUTIVE/CLOSED SESSION
ECONOMIC DEVELOPMENT BOARD OF DIRECTORS
March 19, 2020

I. Statement of Beginning Executive/Closed Session

President of the Board of Directors of the EDC announced at the beginning of the executive/closed session:

“The EDC Board of Directors on March 19, 2020, beginning at _____ p.m., convened in an executive/closed session in accordance with the Texas Open Meetings Act (Local Government Code – Chapter 551).”

II. The following were present:

_____ Billy Davis (EDC Board Member)	_____ EDC Board Member Dallas Park
_____ Member Johnny Shotwell (EDC Board President)	_____ EDC Board Member Jim "Mac" McDonald
_____ Member Christine Gilbreath (EDC Board Member)	_____ Member Carl Weber III (EDC Board Member)
_____ Member Alex Hogan (EDC Board Member)	_____ City Manager Robert Loftin (EDC Exec Director)
_____ EDC Treasurer Lori Watson	_____ City Attorney Rob Allibon
_____ City Secretary Carol Konhauser (EDC Secretary)	_____ Other

III. Subjects Discussed in the Session Closed to the Public

Pursuant to Chapter 551, Texas Government Code, the Council 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, or to discuss the following:

Section 551.087 (Business Prospect/Economic Development)
Discuss possible EDC Business Contract.

IV. Statement at End of Executive/Closed Session

President of the Board of Directors announced at the end of the executive/closed session:

“The EDC Board of Directors ended its executive/closed session at _____ p.m., on March 19, 2020”

V. Record of Further Action Taken, if any, on Above Items in the Subsequent Open Session.

VI. Certification by Presiding Officer

I hereby certify that this agenda of the closed session of the EDC Board of Directors of the City of Crowley is a true and correct record of the proceedings pursuant to the Texas Government Code, Chapter 551.

WITNESS MY HAND this the _____ day of _____ 2020.

CITY OF CROWLEY

EDC Board of Directors President



Crowley EDC Board

AGENDA REPORT

Meeting Date: February 20, 2020

Agenda Item: II-1

Staff Contact: Carol C. Konhauser
City Secretary

E-mail: ckonhauser@ci.crowley.tx.us

Phone: 817-297-2201-X 4000

SUBJECT: Discuss and consider approving the minutes from the EDC meeting held on December 19, 2019.

BACKGROUND/DISCUSSION

Consider approval of minutes as presented.

FINANCIAL IMPACT

None

RECOMMENDATION

Staff recommends approval of the minutes as presented; council consideration is respectfully requested.

ATTACHMENTS

- Minutes

**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS
HELD Thursday, February 20, 2019.**

The Economic Development Corporation Board of Directors met on Thursday, February 20, 2019, at 6:00p.m. in the City Council Chambers, 201 East Main Street, Crowley City Hall, Crowley, Texas.

CALL TO ORDER/ ROLL CALL

President Christine Gilbreath called the Session to order for the Economic Development Corporation at 6:01p.m. City Secretary Carol Konhauser called roll and noted a quorum was present.

Present were President Christine Gilbreath
 Member Billy P. Davis
 Member Carl Weber
 Member Johnny Shotwell
 Member Jim "Mac" McDonald
 Member Alex Hogan
 Member Dallas Park

Absent: None

EDC BUSINESS / ACTION ITEMS

1. Discuss and consider approving the minutes from the EDC meeting held on Dec 19, 2019.

Member Carl Weber made the motion to approve the minutes as presented, second by Member Dallas Park, the EDC Board of Directors voted unanimously to approve the motion as presented. Motion carried 7-0.

EXECUTIVE SESSION

Christine Gilbreath announced that Economic Board of Directors would convene into Executive Session at 6:02pm to discuss the possible acquisition of property for the Downtown Improvement Project pursuant to Section 551.072 of the Texas Government Code and to discuss a possible EDC Business Contract pursuant to Section 551.087 of the Texas Government Code.

RECONVENE AND TAKE ACTION FROM EXECUTIVE SESSION

At 6:56 pm President Christine Gilbreath announced council would reconvene into open session.

As there was no further business, President Christine Gilbreath adjourned the meeting at 6:56 p.m.

ATTEST:

Christine Gilbreath
President EDC Board of Directors

Carol C. Konhauser
EDC Secretary



Crowley EDC Board

AGENDA REPORT

Meeting Date: March 19, 2020
Agenda Item: V-1

Staff Contact: Lori Watson
ACM/Finance Director
E-mail: lwatson@ci.crowley.tx.us
Phone: 817-297-2201 ext 4900

SUBJECT: Consideration and approval of Resolution R03-2020-330 by the Board of Directors of the City of Crowley Economic Development Corporation approving a financing and use agreement relating to the expenditure of sales tax revenues for various projects; and authorizing other matters in connection therewith.

BACKGROUND/DISCUSSION

The Economic Development Corporation determined additional parking for the downtown area was necessary to promote, develop, and expand business within Crowley. Notice was posted of the desire to expend funds on a downtown project in the amount of approximately \$3,000,000. This agreement with the Economic Development Corporation states they will pay the principal and interest on the bonds related to the project.

FINANCIAL IMPACT

STAFF RECOMMENDATION

Motion Language: I move to adopt resolution R03-2020-330 approving a finance and use agreement relating to the expenditure of sales tax revenues for various projects.

ATTACHMENTS

- Resolution 03-2020-330
- Crowley Financing and Use Agreement

RESOLUTION NO. R03-2020-330

RESOLUTION BY THE BOARD OF DIRECTORS OF THE CITY OF CROWLEY ECONOMIC DEVELOPMENT CORPORATION AUTHORIZING A FINANCING/USE AGREEMENT BETWEEN THE CORPORATION AND THE CITY OF CROWLEY, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City of Crowley, Texas (the *City*) is authorized pursuant to the provisions of Section 4B, as amended, Texas Revised Civil Statutes Annotated Article 5190.6, now codified at Chapters 501 and 505, Texas Local Government Code (the *Act*), to create a nonprofit economic development corporation (the *Corporation*);

WHEREAS, the City has been advised by its financial advisors, SAMCO Capital Markets, Inc., that certain of the projects (the *Project*) permitted by the Act could be financed at a lower interest cost by the City through the issuance of certificates of obligation (the *Obligations*);

WHEREAS, the City expects to receive the proceeds of the Obligations on or about April 15, 2020;

WHEREAS, reducing the costs relating to the Project will benefit the Corporation and the City;

WHEREAS, the financing/use agreement (the *Financing/Use Agreement*) attached hereto as Exhibit A is anticipated to be approved by the Board of Directors (the *Board*) to provide for the transfer of funds, being a portion of its sales tax, by the Corporation to the City to pay the debt service requirements and the costs of issuance on the Obligations and to pay certain other costs of the Project;

WHEREAS, the Board hereby finds and determines the adoption of this Resolution and the execution of the Financing/Use Agreement are in the best interests of the residents of the City; NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF CROWLEY ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1. The Financing/Use Agreement attached hereto as Exhibit A is incorporated by reference to this Resolution for all purposes.

SECTION 2. The President of the Board and the Secretary of the Board are hereby authorized to execute and seal the Financing/Use Agreement.

SECTION 3. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a

part of the judgment and findings of the Board.

SECTION 4. All orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 6. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 7. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 8. This Resolution shall be in force and effect from and after the date of its adoption, and it is so resolved.

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PASSED AND APPROVED, this the 19th day of March, 2020.

CITY OF CROWLEY ECONOMIC
DEVELOPMENT CORPORATION

President, Board of Directors

ATTEST:

Secretary, Board of Directors

FINANCING/USE AGREEMENT

This Financing/Use Agreement (this *Financing/Use Agreement*) is made to be effective as of March 19, 2020, by and between the City of Crowley, Texas (the *City*), a duly incorporated and existing municipal corporation, home rule municipality, and political subdivision of the State of Texas and the City of Crowley Economic Development Corporation (the *Corporation*), a non-profit development corporation organized and existing under the laws of the State of Texas, including The Development Corporation Act of 1979, as amended, Article 5190.6, Vernon's Annotated Texas Civil Statutes, now codified as Chapter 505, Texas Local Government Code, as amended and to the extent applicable, Chapter 501, Texas Local Government Code, as amended (the *Act*).

R E C I T A L S

WHEREAS, the Corporation is to assist the City in the financing of certain *Projects*, as defined in the Act (and with respect to such projects, associated *Costs*), including (1) constructing, acquiring, purchasing, renovating, enlarging, and improving the City's parking facilities; (2) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (3) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects (collectively, the *Project*) which Project will promote or develop new and expanded business enterprises within the City; and

WHEREAS, such financing contemplates the issuance and sale of the City's tax-exempt "Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2020" (the *Certificates*) pursuant to an ordinance (the *Ordinance*) to be adopted on March 20, 2020 in an aggregate principal amount not to exceed \$3,000,000, and the proceeds of sale are to be used by the City to finance the Project; and

WHEREAS, the City will own the Project and the Corporation will transfer lawfully available funds to the City to pay the debt service requirements on the Certificates; and

WHEREAS, under the current policies and procedures established by the Comptroller of Public Accounts of the State of Texas, the 1.00% sales and use tax belonging to the City and the ½ of 1% sales tax belonging to the Corporation are collected, commingled, and remitted directly to the City in undivided interests and without allocations or notations of ownership as between the City and the Corporation, now, therefore,

A G R E E M E N T

SECTION 1: Financing of the Project: For and in consideration of the Corporation's covenants and agreements herein contained and subject to the terms contained herein, the City hereby agrees to issue and sell the Certificates and deposit the proceeds of sale thereof to a construction fund or account to be designated by the City in the Ordinance authorizing the issuance of the Certificates, and the City and the Corporation hereby agree and covenant that all proceeds of sale deposited to the credit of such construction fund or account are to be maintained at the City's depository bank and shall be used solely to pay the Costs of the Project or otherwise expended as provided in the Ordinance. The City will own the Project and is responsible for all

aspects of the acquisition, construction, reconstruction, improvement, and expansion of the Project and in connection therewith, and shall comply with applicable law relating to the construction of public works, including, without limitation, the provisions of Chapter 2253, as amended, Texas Government Code (pertaining to public works performance and payment bonds). Funds on deposit in the Construction Fund (as defined in the Ordinance) may be disbursed from time to time upon request of authorized officers of the City to pay *Costs* (as defined in the Act) of the Project which are then due and payable and which have not been the subject of previous disbursements from such fund. As provided in the Ordinance, any interest earned on money deposited in the Construction Fund shall be transferred by the City for deposit into the Certificate Fund (as defined in the Ordinance) once the Project is completed.

The Corporation hereby agrees to transfer to the City on an annual basis, from lawfully available funds, not less than the aggregate principal and interest requirements payable on the Certificates in such year, as designated in the debt service schedule attached hereto as Exhibit A. The Corporation shall appropriate funds for such transfer in the Corporation's annual budget for each fiscal year in which the Certificates are payable. The defeasance of the Certificates prior to the final maturity of the Certificates (by the issuance of refunding bonds, cash defeasance, or any other method) will not abrogate or repeal the Corporation's payment obligations under this Financing/Use Agreement, and the Corporation shall continue to transfer funds as described herein on an annual basis. The Corporation acknowledges that the funds transferred pursuant to this Financing/Use Agreement will be used for the payment of expenditures necessary to finance (or refinance) the Project, which is a valid Cost under the Act.

SECTION 2: Use of the Project. Until all the Certificates have been fully paid, discharged and retired, the Project will be the responsibility of the City with respect to the operation, upkeep, and maintenance of the Project; provided, however, that the Corporation may utilize, or transfer to the City, additional lawfully available funds of the Corporation, upon complying with the provisions of Section 1 hereof, to maintain and operate the Project.

SECTION 3: Acceptance of Depository Responsibilities. The City Manager is authorized and directed to develop procedures pursuant to which the requirements of this Financing/Use Agreement are met, including the incorporation of this Financing/Use Agreement by the City into and as part of the bidding procedures by which the City designates and selects its depository bank or banks from time to time. Each depository bank, by its acceptance of its designation as depository of the City or the Corporation, agrees to abide by the terms and provisions of this Financing/Use Agreement.

All reasonable costs, if any, of the depository bank associated with the administration of the terms and provisions of this Financing/Use Agreement shall be paid for by the Corporation as an administrative expense and shall be paid by the Corporation upon receipt of statements therefor from the depository bank. Such costs, if any, shall never constitute a cost, liability, or obligation of the City.

SECTION 4: Effect of Agreement. The City and the Corporation acknowledge that the Certificates will be issued and the Project will be financed in reliance upon timely and diligent compliance with the terms and requirements of this Financing/Use Agreement.

SECTION 5: Modifications. This Financing/Use Agreement shall not be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge this Financing/Use Agreement in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought.

SECTION 6: Entire Agreement. This Financing/Use Agreement, including any exhibits, contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes all prior agreements and understandings between the parties pertaining to such subject matter.

SECTION 7: Counterparts. This Financing/Use Agreement may be executed in several counterparts, and all such executed counterparts shall constitute the same agreement. It shall be necessary to account for only one such counterpart in proving this Financing/Use Agreement.

SECTION 8: Severability. If any provision of this Financing/Use Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Financing/Use Agreement shall nonetheless remain in full force and effect.

SECTION 9: Applicable Law. This Financing/Use Agreement shall in all respects be governed by, and construed in accordance with, the substantive federal laws of the United States and the laws of the State of Texas.

SECTION 10: Captions. The section headings appearing in this Financing/Use Agreement are for convenience of reference only and are not intended, to any extent and for any purpose, to limit or define the text of any section or any subsection hereof.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Financing/Use Agreement to be effective as of the date and year first above written.

CITY OF CROWLEY, TEXAS

CITY OF CROWLEY ECONOMIC
DEVELOPMENT CORPORATION

Mayor

President, Board of Directors

ATTEST:

ATTEST:

City Secretary

Secretary, Board of Directors

(CITY SEAL)

(CORPORATION SEAL)

EXHIBIT A
Debt Service Schedule
City of Crowley, Texas Combination Tax and Limited Pledge Revenue
Certificates of Obligation, Series 2020



Crowley EDC Board

AGENDA REPORT

Meeting Date: March 19, 2020

Agenda Item: V-2

Staff Contact: Lori Watson ACM/Finance
Director

E-mail: lwatson@ci.crowley.tx.us

Phone: 817-297-2201 x4900

SUBJECT: Discuss and consider approval of EDC Budget Amendment #1.

BACKGROUND/DISCUSSION

The EDC is entering into a lease agreement with DLP Athletics, LLC for the remaining available space, approximately 21,000 sq. ft., in the 320 E. Main St. building. As part of the lease, the EDC is responsible for paying a portion of the tenant improvements.

FINANCIAL IMPACT

The amount of improvements to be paid for the lease is \$420,000. This amount will be taken from the EDC Reserves.

RECOMMENDATION

Staff recommends approving Budget Amendment #1.

ATTACHMENTS

2019-20 EDC Budget Amendment #1

**Economic Development Corporation
FY 2019-20 Budget**

Budget Amendment #1

	Dr	Cr
Fund Balance		420,000
320 E. Main Street Improvements	420,000	