

**MEETING OF THE BOARD OF DIRECTORS
OF THE
ARLINGTON ECONOMIC DEVELOPMENT CORPORATION**

**Agenda
April 18, 2023 AT 4:30p.m.
ARLINGTON CITY HALL
COUNCIL BRIEFING ROOM
3RD FLOOR
101 W. ABRAM STREET
ARLINGTON, TX 76010**

Members of the public who wish to speak on a listed agenda item for action will be asked for their comments at the appropriate time.

- I. Call to Order

- II. Consideration of Minutes
 1. March 14, 2023 Meeting

- III. Financial Report

- IV. Executive Session

Discussion of matters permitted by the following sections of V.T.C.A, Government Code, Chapter 551:

 1. Section 551.087, Deliberation Regarding Economic Development Negotiations
 - Offers of Incentives to Business Prospects

 2. Section 551.072, Deliberation Regarding Real Property
 - Discussion regarding the possible purchase, exchange, lease, or value of real property for eligible projects of the Arlington Economic Development Corporation.

V. Items for Action:

Following a public hearing held in accordance with Section 505.159 of the Texas Local Government Code, consider a resolution authorizing a Performance Agreement with First Rate, Inc.

1. Resolution

A resolution of the Board of Directors authorizing the Executive Director to execute a Performance Agreement with First Rate, Inc relative to the creation and retention of Primary Jobs.

2. Resolution

A resolution of the Board of Directors authorizing the Executive Director to execute an Interlocal Agreement with the Region 8 Education Service Center for Cooperative Purchasing with Interlocal Purchasing System TIPS/TAPS relative to procurement of goods and services from vendors under current and future contracts

VI. Real Estate Report

VII. AEDC Business Survey Results – Decision Analyst

VIII. Local Business Support Programs

1. TMAC (Texas Manufacturing Assistance Center)

2. SCORE (Service Corps of Retired Executives)

IX. Future Agenda Items

X. Adjourn

NOTICE OF PUBLIC HEARING AND NOTICE OF TYPE B PROJECT
ARLINGTON ECONOMIC DEVELOPMENT CORPORATION

In accordance with the Texas Local Government Code Section 505.159, a public hearing will be held by the Arlington Economic Development Corporation during a meeting to be held by the Board of Directors on Tuesday, April 18, 2023 at 4:30 P.M. in the Council Briefing Room at Arlington City Hall, 101 W. Abram Street, Arlington, Texas to consider the use of sales tax proceeds to undertake and to fund a Performance Agreement with First Rate, Inc. in an amount not to exceed \$1,500,000.00 relative to the creation and retention of Primary Jobs (the "Project.")

This notice shall constitute publication of a Type B project as required by Texas Local Government Code Section 505.160.

Following the Public Hearing and the receipt of public input, it is anticipated that the Board of Directors for the Arlington Economic Development Corporation may take action on the Project at the same meeting.

This notice was posted on the 14th day of April 2023.

**MEETING OF THE BOARD OF DIRECTORS
OF THE
ARLINGTON ECONOMIC DEVELOPMENT CORPORATION**

**MINUTES OF THE
ARLINGTON ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS
March 14, 2023**

The Board of Directors of the Arlington Economic Development Corporation convened in Regular Session on March 14, 2023, at 4:30 p.m., in Arlington City Hall, 3rd Floor, 101 W. Abram Street, Arlington, Texas, with the meeting being open to the public and notice of said meeting, giving the date, place and subject thereof, having been posted as prescribed by V.T.C.A., Government Code, Chapter 551, with the following members present, to-wit:

Board Members:

Michael Jacobson	§	President
Mojoy Haddad	§	Vice President
John Whiteley	§	Treasurer
Carmenza Moreno	§	Board Member

Absent:

Jollyn Mwisongo	§	Secretary
Gerald Alley	§	Board Member

And

Trey Yelverton	City Manager
Broderick Green	Executive Director
Josh Humphreys	Senior Attorney
Bruce Payne	Director of Economic Development
Lyndsay Mitchell	Strategic Initiatives Officer
Ethan Klos	Treasurer
Marcus Young	Economic Development Specialist
Alex Fitzgerald	Economic Development Corporation Specialist
Jasmine Amo	Economic Development Corporation Specialist
Kevin McGlaun	Real Estate Consultant
Sarah Stubblefield	Strategic Initiatives Manager
Erica Yingling	Economic Development Corporation Coordinator

I. Call to Order

President M. Jacobson called the meeting to order at 4:36 p.m.

II. Consideration of Minutes

1) February 14, 2023 Meeting

Treasurer J. Whiteley made a motion to approve the minutes of the February 14, 2023 Board meeting. Seconded by Board Member C. Moreno, the motion carried with 4 ayes and 0 nays.

APPROVED

III. Financial Report

No questions or comments were stated.

IV. 2022 Socioeconomic Profile & Population Estimates

Sarah Stubblefield, Strategic Initiatives Manager, provided information relative to the 2022 Socioeconomic Profile Report.

V. Trends in Site Selection – Taylor Hatchett, Mohr Partners

Taylor Hatchett, Mohr Partners, provided information relative to current trends in site selection.

VI. Executive Session

At 5:11 p.m., President M. Jacobson announced that the Board would convene in Executive Session.

Discussion of matters permitted by the following sections of V.T.C.A, Government Code, Chapter 551:

A. Section 551.087, Deliberation Regarding Economic Development Negotiations

1. Offers of Incentives to Business Prospects

B. Section 551.072, Deliberation Regarding Real Property

1. Discussion regarding the possible purchase, exchange, lease, or value of real property for eligible projects of the Arlington Economic Development Corporation.

At 6:05 p.m., President M. Jacobson announced the Executive Session was adjourned, and the Board immediately reconvened in Open Session.

VII. Real Estate Report

Bruce Payne, Director of Economic Development, provided the board with the Retail Sector Report.

VIII. Executive Director's Report

Due to meeting time, Vice President M. Haddad made a motion to move Executive Director's Report to next meeting. Seconded by Treasurer J. Whiteley, the motion carried with 4 ayes and 0 nays.

APPROVED

IX. Future Agenda Items

Executive Director's Report will be presented at next meeting.

X. Adjourn

There being no further business, the meeting was adjourned at 6:09 p.m.

Economic Development Corporation
FY23 Budget Summary
February 2023

EXPENDITURES

Cost Center	Budget Appropriation	Feb Expenditures	Expenditures to Date	Encumbrances	Actuals + Encumbrances	Unexpended Balance	%Exp
CC973005 Economic Development Corporation Projects	20,099,653	952,680	952,680	-	952,680	19,146,972	4.74%
61000:Purchase/Contract	20,099,653	952,680	952,680	-	952,680	19,146,972	4.74%
CC973010 Economic Development Corporation Operations	2,463,835	75,427	415,785	10,946	426,731	2,037,104	17.32%
50000:Salaries and Wages	734,902	32,644	175,221	-	175,221	559,681	23.84%
55000:Benefits	193,432	8,784	45,470	-	45,470	147,962	23.51%
60000:Supplies	120,000	-	1,601	687	2,288	117,712	1.91%
61000:Purchase/Contract	516,502	30,280	163,165	6,759	169,924	346,578	32.90%
62000:Utilities	20,000	-	-	-	-	20,000	0.00%
63000:Maintenance and Repair	450,000	-	4,402	-	4,402	445,598	0.98%
65000:Miscellaneous Expense	305,000	-	1,002	-	1,002	303,998	0.33%
66000:Travel and Training	118,000	3,718	24,212	3,500	27,712	90,288	23.48%
67000:Interdepartmental Expense	6,000	-	712	-	712	5,288	11.87%

SALES TAX REVENUES

	TOTAL	9,364,432
October 2022	1,820,707	Revenue received in December 2022
November 2022	1,903,338	Revenue received in January 2023
December 2022	2,375,933	Revenue received in February 2023
January 2023	1,660,636	Revenue received in March 2023
February 2023	1,603,818	Revenue received in April 2023
March 2023		Revenue received in May 2023
April 2023		Revenue received in June 2023
May 2023		Revenue received in July 2023
June 2023		Revenue received in August 2023
July 2023		Revenue received in September 2023
August 2023		Revenue received in October 2023
September 2023		Revenue received in November 2023

COA Expenditures by Cost Center - Economic Development Corporation

Budget Structure Non-Operating Budget
Amount Type Activity
Period FY23 - Feb
Cost Center Hierarchy Economic Development Corporation
From Budget Date 10/1/2022
To Budget Date 9/30/2023

Cost Center	Budget Appropriation	Feb Expenditures	Expenditures to Date	Encumbrances	Expenditures + Encumbrances	Unexpended Balance	% Exp
CC973005 Economic Development Corporation Projects	20,099,653	952,680	952,680	-	952,680	19,146,972	4.74%
61000:Purchase/Contract	20,099,653	952,680	952,680	-	952,680	19,146,972	4.74%
SC0533 - Special Services	20,099,653	952,680	952,680	-	952,680	19,146,972	4.74%
SC0574 - Professional Services	-	-	-	-	-	-	0.00%
CC973010 Economic Development Corporation Operations	2,463,835	75,427	415,785	10,946	426,731	2,037,104	17.32%
50000:Salaries and Wages	734,902	32,644	175,221	-	175,221	559,681	23.84%
SC50002 - Salaries: Operations	734,902	32,644	175,221	-	175,221	559,681	23.84%
55000:Benefits	193,432	8,784	45,470	-	45,470	147,962	23.51%
SC50004 - Benefits: Longevity/Stability	-	-	42	-	42	(42)	0.00%
SC55000 - Benefits : Worker's Comp	1,102	49	245	-	245	857	22.22%
SC55001 - Benefits : Employee Retirement	73,876	3,269	17,852	-	17,852	56,024	24.16%
SC55002 - Benefits : Disability Income Plan	1,617	60	300	-	300	1,317	18.52%
SC55003 - Benefits : Employee Insurance	64,018	3,095	15,292	-	15,292	48,726	23.89%
SC55005 - Benefits : Medicare	10,656	474	2,548	-	2,548	8,108	23.91%
SC55008 - Benefits : Thrift Plan	34,571	1,392	6,960	-	6,960	27,611	20.13%
SC55009 - Benefits : Car Allowance	5,200	400	2,000	-	2,000	3,200	38.46%
SC55010 - Benefits : Phone Allowance	2,392	46	231	-	231	2,161	9.65%
60000:Supplies	120,000	-	1,601	687	2,288	117,712	1.91%
SC0500 - Office Supplies less than \$5,000	10,000	-	599	687	1,285	8,715	12.85%
SC0514 - Other Supplies	3,000	-	-	-	-	3,000	0.00%
SC0516 - Supplies/Computer Hardware	22,000	-	1,002	-	1,002	20,998	4.56%
SC0517 - Office Furniture less than \$5,000	60,000	-	-	-	-	60,000	0.00%
SC0521 - Cost Of Food & Beverage	25,000	-	-	-	-	25,000	0.00%
61000:Purchase/Contract	516,502	30,280	163,165	6,759	169,924	346,578	32.90%
SC0533 - Special Services	466,502	25,480	140,765	2,139	142,904	323,598	30.63%
SC0574 - Professional Services	50,000	4,800	22,400	4,620	27,020	22,980	54.04%
62000:Utilities	20,000	-	-	-	-	20,000	0.00%
SC0578 - Electric Service	20,000	-	-	-	-	20,000	0.00%
63000:Maintenance and Repair	450,000	-	4,402	-	4,402	445,598	0.98%
SC0583 - Maintenance of Buildings	450,000	-	4,402	-	4,402	445,598	0.98%
65000:Miscellaneous Expense	305,000	-	1,002	-	1,002	303,998	0.33%
SC0658 - Advertising	300,000	-	50	-	50	299,950	0.02%
SC0735 - Employee Reimbursement - non travel/training	5,000	-	952	-	952	4,048	19.03%
66000:Travel and Training	118,000	3,718	24,212	3,500	27,712	90,288	23.48%
SC0668 - Membership	21,000	-	2,575	-	2,575	18,425	12.26%
SC0669 - Training	6,000	182	3,832	-	3,832	2,168	63.87%
SC0670 - Registration	-	-	4,034	-	4,034	(4,034)	0.00%
SC0671 - Travel	91,000	3,536	13,771	3,500	17,271	73,729	18.98%
67000:Interdepartmental Expense	6,000	-	712	-	712	5,288	11.87%
SC0633 - General Services Charges	6,000	-	712	-	712	5,288	11.87%

Notes

61000 - Purchase/Contract includes Special Services, e.g., ED Strategy Implementation, ED Financial Models/Subscriptions, and Appraisals and Consulting, and Chargebacks.

63000 - Maintenance and Repair includes Tenant Improvements.

65000 - Misc. Expense includes Marketing/Promotion, Advertising, and other misc. expenses.

67000 - Interdepartmental Expense includes General Service charges (mailing/shipping) and any print jobs through Johnsons Press.

Staff Report



Arlington Economic Development Corporation Performance Agreement – First Rate, Inc.	
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Arlington Economic Development Corporation Meeting Date: 04-18-2023	Document Being Considered: Resolution
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RECOMMENDATION

Approve a resolution authorizing the Executive Director or his designee to execute a Performance Agreement with First Rate, Inc. relative to the creation and retention of primary jobs.

PRIOR BOARD OR COUNCIL ACTION

The Economic Development Corporation Board was previously briefed on the proposed Agreement on March 14, 2023.

ANALYSIS

First Rate, Inc. ("First Rate") is an Arlington-based, fast -growing, innovative financial technology, and service provider to the wealth management industry. First Rate was founded in 1991 and has grown into a multi-national company with over 100 employees operating worldwide.

First Rate has requested funding from the Arlington Economic Development Corporation to support retention of their current operations, as well as establishment of a new Wealthtech Accelerator program in Arlington that will create additional primary jobs.

Under the proposed Performance Agreement, First Rate would be required to manage a minimum of two cohorts of no less than six companies through the Wealthtech Accelerator annually, retain seventy-two existing jobs, and create a minimum of fourteen new jobs. Additionally, First Rate would be required to host annual entrepreneurship technical assistance workshops, annual student hackathon events, three networking events, and collaborate with local education stakeholders to create financial technology programs for Science, Technology, Engineering and Math (STEM) students. The agreement also includes a 30% MWBE goal for all contractors and subcontractors who perform renovation activities should First Rate improve or expand their existing facilities.

The AEDC would provide a performance grant of \$500,000 annually for three years, up to a maximum of \$1,500,000 upon confirmation of timely satisfaction of performance requirements and provision of required documentation.

FINANCIAL IMPACT

The total financial impact of this agreement is \$1,500,000.
Funding is available in the AEDC account no. 973005.

ADDITIONAL INFORMATION

Attached:	Resolution with Performance Agreement attached
Under separate cover:	None
Available in the City Secretary's office:	None

STAFF CONTACTS

Broderick Green
Executive Director
Arlington Economic Development Corporation
817-459-6432
Broderick.Green@arlingtontx.gov

ARLINGTON ECONOMIC DEVELOPMENT CORPORATION
Resolution No. _____

A resolution of the Board of Directors authorizing the Executive Director to execute a Performance Agreement with First Rate, Inc. relative to the creation and retention of Primary Jobs.

WHEREAS, the Arlington Economic Development Corporation is a Type B economic development corporation, created pursuant to Chapter 505 of the Texas Local Government Code, as amended; and

WHEREAS, Section 501.101 of the Texas Local Government Code, in pertinent part, defines the term “project” to mean “land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements that are (1) for the creation or retention of primary jobs; . . .;” and

WHEREAS, First Rate, Inc. has recently completed an expansion and renovation project at its headquarters in Arlington, including 17,650 square feet of space to serve as home to a global accelerator program for entrepreneurs and startups in the financial and wealth technology industry (the “Premises”); and

WHEREAS, First Rate, Inc. intends to retain existing jobs as well as create new jobs at the Premises as a result of the accelerator; and

WHEREAS, the Board of Directors for the Arlington Economic Development Corporation have determined that that the financial assistance provided to First Rate, Inc. pursuant to the Performance Agreement is consistent with and meets the definition of “project” as that term is defined in Chapter 501 of the Texas Local Government Code, and in particular Section 501.101; and the definition of “cost” as that term is defined by Section 501.152 of the Texas Local Government Code; and

WHEREAS, pursuant to Section 505.159 of the Texas Local Government Code a public hearing on the proposed project was held on April 18, 2023;
NOW THEREFORE

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ARLINGTON ECONOMIC DEVELOPMENT CORPORATION:

I.

That all of the recitals contained in the preamble of this resolution are found to be true and are adopted as findings of fact by this body and as part of its official record.

II.

That the Executive Director of the Arlington Economic Development Corporation is hereby authorized to execute a Performance Agreement with First Rate, Inc, of Arlington, Texas, to provide a performance grant in an amount not to exceed \$1,500,000 relative to the retention and creation of Primary Jobs.

III.

A substantial copy of the Performance Agreement is attached hereto and incorporated herein for all intents and purposes.

PRESENTED AND PASSED on this the ____ day of _____, 2023, by a vote of ____ ayes and ____ nays at a regular meeting of the Board of Directors of the Arlington Economic Development Corporation.

Michael Jacobson, President

ATTEST:

Alex Busken, Assistant Secretary

APPROVED AS TO FORM:
MOLLY SHORTALL, Counsel for the
Arlington Economic Development
Corporation

BY _____

Performance Agreement

I.
Definitions

- A. “Accelerator” is defined as a global accelerator program designed to help entrepreneurs and startups in the financial and wealth technology industry grow their business, access valuable resources, and connect with strategic partners to drive innovation. The program is designed to broaden access to entrepreneurship by allowing wealth management firms to have a role in technology discovery, problem solving and growth.
- B. “Business Operations” is defined as headquarters and primary office for First Rate Inc., a business serving the financial and wealth management industry.
- C. “Job” is defined as a permanent, full-time employment position that results in actual paid employment of an employee, not independent contractor, at the Premises of at least 1,820 hours per position in a year. It shall not include part time employees.
- D. “Premises” are defined as the real property, land and improvements, located at 1903 and 1905 Ascension Blvd., Arlington, Texas 76006.

II.
Term

This Agreement shall be effective on the date of execution and shall expire on June 30, 2026 (the “Term”), unless otherwise sooner terminated in accordance with the terms of this Agreement.

III.
Conditions and Requirements

- A. OWNER shall cause the Accelerator to be operational at the Premises by no later than September 5, 2023. Operation of the Accelerator shall be evidenced by a program kick-off event for the first cohort of no less than six (6) companies.
- B. OWNER shall maintain its Business Operations, including the Accelerator once operational, at the Premises for the Term of this Agreement. In addition, the Accelerator shall have no less than two cohorts of no less than six (6) companies complete the program on an annual basis.
- C. OWNER shall retain no less than seventy-two (72) existing Jobs throughout the Term of this Agreement. In addition, OWNER shall create and fill no less than fourteen (14) new Jobs by no later than April 1, 2024. New jobs will be retained throughout the remaining Term of this Agreement.

- D. OWNER agrees to cooperate with the AEDC and City of Arlington on business recruitment efforts to attract other companies in the financial and wealth technology industry to locate or expand in the City of Arlington, this shall include but is not limited to an opportunity for AEDC and/or City of Arlington staff to present to each cohort of companies that come through the Accelerator as well as introduce each cohort to local resource partners.
- E. During the Term of the Agreement, OWNER agrees to use diligent efforts to purchase goods and services from Arlington businesses whenever such goods and services are comparable in availability, terms, quality, and price. Should OWNER improve or expand the existing facilities located at the Premises OWNER also agrees to develop a policy that establishes a goal of thirty percent (30%) use by OWNER of qualified contractors, subcontractors, and suppliers where at least fifty-one percent (51%) of the ownership of such contractors, subcontractors, or suppliers is vested in racial or ethnic minorities or women for design and construction of any such improvements or expansions.
- F. Since 1999 OWNER has donated approximately Three Million Nine Hundred Thousand and 00/100 Dollars (\$3,900,000.00) to charities that serve residents of the City of Arlington. During the Term of this Agreement OWNER intends to continue to contribute to charities that serve the residents of the City of Arlington. In addition, OWNER agrees to implement the following community initiatives:
1. Workshops and Seminars: Organize workshops and seminars on various topics related to entrepreneurship, such as product development, marketing, fundraising, and legal issues. This shall include two public forums offered per calendar year to help build awareness and support for the startup ecosystem in the community.
 2. Hackathons: High school and college STEM students can create on real-world problems alongside entrepreneurs and mentors. This shall include two hackathon per calendar year to provide a platform for students to showcase their skills and creativity.
 3. Networking Events/Showcase: Sponsoring community networking events where startups, investors, and other members of the community can meet and connect with one another. This shall include 3 events per calendar year to help foster collaboration and build a strong entrepreneurial community in the area.
 4. Education: Collaboration with the school districts, Tarrant County Community College, and University of Texas at Arlington . The AEDC Executive Director will work with OWNER to find meaningful ways for OWNER to collaborate with these organizations to create programs for STEM students around technology.

5. Internship Opportunities: High school and college STEM students can apply for internship opportunities with OWNER. This shall include two per calendar year to provide students with valuable hands-on experience and help them build their professional networks.
 6. Mentorship Programs: Mentorship programs to aspiring entrepreneurs. This may involve matching individuals with experienced mentors who can guide them in their startup journey.
- G. Throughout the Term, OWNER shall not fail to render for taxation any property owned by OWNER and located within the City of Arlington.
- H. Throughout the Term, OWNER shall not allow the ad valorem taxes owed on any property owned by OWNER and located within the City of Arlington to become delinquent beyond the last day they can be paid without assessment of penalty, as such date is generally extended to allow for any appeal.

IV. AEDC Funding

- A. In exchange for OWNER's timely satisfaction of the Conditions and Requirements set forth in Article III, AEDC agrees to provide the following funding:
1. Provided OWNER is not in breach of the Agreement, on an annual basis beginning in 2023 and continuing until 2025, AEDC shall provide a grant to OWNER in the amount of Five Hundred Thousand and 00/100 (\$500,000.00).
 2. Each annual grant payment shall be paid by AEDC to OWNER on or before July 1st of each year.
 3. Under no circumstances will the total amount of grant payments made by AEDC to OWNER exceed One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00).
- B. Each year OWNER shall certify, on a form provided by the AEDC, compliance with all Conditions and Requirements set forth in Article III by no later than May 1st. Failure to timely submit the annual certification after notice and opportunity to cure as provided in Article VII below may waive OWNER's right to the grants.

V. Records, Audits, and Inspections

- A. Additional Records and Information – Throughout the Term of this Agreement, OWNER shall furnish AEDC any additional records and information

reasonably requested to support compliance with the Conditions and Requirements set forth in Article III of this Agreement.

- B. Right to Audit Books and Records – AEDC shall have the right to audit the books and records of OWNER related to the Conditions and Requirements. AEDC shall notify OWNER in advance in writing of their intent to audit to allow OWNER adequate time to make such books and records available.
- C. Inspection – At all times throughout the Term of this Agreement, AEDC shall have reasonable access to the Premises for the purpose of inspecting the Premises to ensure compliance with the Conditions and Requirements. All inspections shall be conducted in a manner as to not unreasonably interfere with the operation of the Premises. The inspections shall be conducted within a reasonable time after notice by AEDC.

VI. **Use of Premises**

The Premises shall always be used in a manner that is consistent with City of Arlington's Unified Development Code and all other applicable federal, state, and local laws.

VII. **Breach and Recapture**

- A. Breach – Subject to Section VII.B. below, a breach of this Agreement by OWNER may result in termination or modification of this Agreement and recapture by AEDC of grant payments made as set forth in Section VII.C below. OWNER's failure to satisfy any of the Conditions and Requirements as specified in Article III or OWNER's failure to provide records and information necessary to support the Improvement Conditions and Requirements, as specified in Article V, shall constitute a breach of this Agreement.
- B. Notice of Breach – If AEDC makes a reasonable determination that OWNER has breached this Agreement, then AEDC shall give OWNER written notice of such. OWNER has 60 days following receipt of said written notice to cure such breach or this Agreement may be terminated by AEDC, and recapture of grant payments made may occur pursuant to Section VII.C. below. Notice of breach and opportunity to cure shall be in writing and shall be delivered by personal delivery or certified mail to OWNER at its address provided in Article X of this Agreement.
- C. Recapture – During the Term of this Agreement, should OWNER fail to timely cure a breach of this Agreement, AEDC may terminate this Agreement and recapture all grant payments made under this Agreement. It shall be the duty of AEDC to determine whether to require recapture and to demand payment of

such. Repayment of grant payments shall become due 60 days following receipt of such demand. The rights of AEDC to require recapture and demand repayment of grants made and the obligation of OWNER to pay such, shall survive termination of this Agreement. The City Attorney has the authority, on behalf of the AEDC, to initiate any litigation necessary to pursue payment of recaptured grants pursuant to this Agreement.

VIII.
Undocumented Workers

OWNER covenants and certifies that OWNER does not and will not knowingly employ an undocumented worker at the Project as that term is defined by section 2264.001(4) of the Texas Government Code. In accordance with section 2264.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. Section 132a(f), OWNER shall repay to the AEDC all grant payments provided under this Agreement, plus 10% per annum from the date such grant payments were made. Repayment shall be paid within 120 days after the date following such conviction that OWNER receives notice of violation from the AEDC as provided by 2264.101© of the Texas Government Code.

IX.
Effect of Sale or Lease of Property

The incentive program authorized by this Agreement shall not be assignable to any new owner or lessee of all or a portion of the Premises unless such assignment is approved in writing by the AEDC with approval of the AEDC Board of Directors and Arlington City Council, which approval shall not be unreasonably withheld.

X.
Notice

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

OWNER: First Rate Inc.
Attention: Craig Wietz
1903 Ascension Blvd.
Arlington, Texas 76006

AEDC: Arlington Economic Development Corporation
Attention: Executive Director
Post Office Box 90231
Arlington, Texas 76004-3231

cc: Arlington Economic Development Corporation

Attention: City Attorney's Office
Post Office Box 90231
Arlington, Texas 76004-3231

XI.
City Council Authorization

This Agreement was authorized by resolution of the AEDC Board of Directors and Arlington City Council authorizing the President of the AEDC to execute this Agreement on behalf of the AEDC.

XII.
Severability

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

XIII.
Estoppel Certificate

Any party hereto may request an estoppel certificate from another party hereto, so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested will be addressed to a subsequent purchaser or assignee of OWNER, shall include, but not necessarily be limited to statements that this Agreement is in full force and effect without default (or if default exists the nature of same), the remaining term of this Agreement, the levels and remaining term of the grant payments in effect, and such other matters reasonably requested by the party(ies) to receive the certificates.

XIV.
Owner's Standing

OWNER, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, AEDC Board of Directors or City Council actions authorizing same, and OWNER shall be entitled to intervene in said litigation.

XV.
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's District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

XVI.
Indemnification

It is understood and agreed between the parties that the OWNER, in performing its obligations hereunder, is acting independently, and AEDC assumes no responsibility or liability to third parties in connection therewith, and OWNER agrees to indemnify and hold harmless AEDC from any such responsibility or liability. It is further understood and agreed among the parties that AEDC, in performing its obligations hereunder, is acting independently, and the OWNER assumes no responsibility or liability to third parties in connection therewith.

XVII.
Force Majeure

It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, fire or other casualty, court injunction, necessary condemnation proceedings, acts of the other party, its affiliates/related entities and/or their contractors, or any actions or inactions of third parties or other circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated or not, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such design or construction requirement shall be extended for a period of time equal to the period such party was delayed.

XVIII.
No Other Agreement

This Agreement embodies all of the agreements of the parties relating to its subject matter as specifically set out herein, supersedes all prior understandings and agreements regarding such subject matter, and may be amended, modified, or supplemented only by an instrument or instruments in writing executed by the parties.

XIX.
Headings

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

XX.
Successors and Assigns

The parties to this Agreement each bind themselves and their successors, executors, administrators, and assigns to the other party of this Agreement and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this

Agreement. No successor, executor, administrator, or assign is valid in the place of the OWNER without the written consent of AEDC and such consent shall not be unreasonably withheld.

XXI.
Petition for Election

OWNER acknowledges that this Agreement is an economic development project as defined by Section 501.103 of the Texas Local Government Code. Pursuant to Section 505.160 of the Texas Local Government Code, if a petition from more than ten (10) percent of the registered voters in the City of Arlington is filed within sixty (60) days of the publication notice of this project, which was published on April 14, 2023, an election shall be held before this project is undertaken or any expenditures are made. If an election is held the AEDC shall have no obligation to make the expenditures provided for in this Agreement unless and until the project has been successful approved by the voters. If a valid petition is filed, OWNER may request that this Agreement be terminated prior to any such election.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

FIRST RATE, INC.

BY _____
CRAIG WIETZ
President
Date _____

WITNESS:

**ARLINGTON ECONOMIC
DEVELOPMENT CORPORATION**

BY _____
BRODERICK GREEN
Executive Director
Date _____

ATTEST:

_____, AEDC Secretary

APPROVED AS TO FORM:
MOLLY SHORTALL, Counsel for the
Arlington Economic Development
Corporation

BY _____

THE STATE OF TEXAS §
§
COUNTY OF _____ §

FIRST RATE, INC.
Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **CRAIG WIETZ**, known to me (or proved to me on the oath of _____ or through _____ (*description of identity card or other document*)) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed same for and as the act and deed of **FIRST RATE, INC.**, an entity duly authorized to do business in the State of Texas, and as the **President** thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _____ day of _____, 2023.

Notary Public in and for
The State of Texas

My Commission Expires

Notary's Printed Name

THE STATE OF TEXAS §
§
CORPORATION
COUNTY OF TARRANT §

ARLINGTON ECONOMIC DEVELOPMENT

Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **BRODERICK GREEN**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the **ARLINGTON ECONOMIC DEVELOPMENT CORPORATION**, a non-profit corporation of Tarrant County, Texas, and as the **Executive Director** thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _____ day of _____, 2023.

Notary Public in and for
The State of Texas

My Commission Expires

Notary's Printed Name



Staff Report

Interlocal Agreement for Cooperative Purchasing with The Interlocal Purchasing System TIPS/TAPS

AEDC Board Meeting Date: 04-18-2023 | Document Being Considered: Resolution

RECOMMENDATION

Approve a resolution authorizing of an interlocal agreement for Cooperative Purchasing between the Arlington Economic Development Corporation ("AEDC") and The Interlocal Purchasing System TIPS/TAPS.

PRIOR BOARD OR COUNCIL ACTION

None.

ANALYSIS

The Interlocal Purchasing System (TIPS/TAPS) is sponsored by the Region VIII Education Service Center (ESC8) located in Mount Pleasant, Texas and is governed by the Region 8 ESC Board of Directors. The cooperative provides competitively priced solicitation and bulk purchasing for government entities that yields economic benefits and improves the administrative effectiveness of the purchasing process for vendors and public agencies.

The primary purpose and intent of the AEDC's participation with TIPS/TAPS is to allow the AEDC to procure goods and services from their contracts and catalogs which The Interlocal Purchasing System has bid competitively.

FINANCIAL IMPACT

None.

ADDITIONAL INFORMATION

Attachments: Resolution, Interlocal Agreement
Under separate cover: None
Available in the Purchasing Division: None

STAFF CONTACT(S)

Broderick Green, Executive Director
Arlington Economic Development Corporation
817-459-6302
Broderick.Green@arlingtontx.gov

Resolution No. _____

A resolution of the Board of Directors authorizing the Executive Director to execute an Interlocal Agreement with the Region VIII Education Service Center for Cooperative Purchasing with Interlocal Purchasing System TIPS/TAPS relative to procurement of goods and services from vendors under current and future contracts

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ARLINGTON ECONOMIC DEVELOPMENT CORPORATION:

I.

That the Executive Director of the Arlington Economic Development Corporation is hereby authorized to execute an Interlocal Agreement with the Region VIII Education Service Center for Cooperative Purchasing with the Interlocal Purchasing System TIPS/TAPS relative to procurement of goods and services from vendors under current and future contracts.

II.

A substantial copy of the agreement is attached hereto and incorporated herein for all intents and purposes.

PRESENTED AND PASSED on this the _____ day of _____, 2023, by a vote of _____ ayes and _____ nays at a regular meeting of the City Council of the City of Arlington, Texas.

Michael Jacobson, President

ATTEST:

Alex Busken, Assistant Secretary

APPROVED AS TO FORM:
MOLLY SHORTALL, Counsel for the
Arlington Economic Development
Corporation

BY _____

**AN INTERLOCAL AGREEMENT Between
Region 8 Education Service Center and a
TEXAS PUBLIC ENTITY OR LOCAL GOVERNMENT
(School, College, University, State, City, County, or Other Political Subdivision)**

TEXAS PUBLIC ENTITY NAME

Control Number (TIPS will Assign)
Schools enter County-District Number

Region 8 Education Service Center
Pittsburg, Texas

225 - 950
County-District Number

Texas Education Code §8.002 permits regional education service centers, at the direction of the Commissioner of Education, to provide services to assist school districts, colleges and universities in improving student performance and increasing the efficiency and effectiveness of school, college and university operations. Authority for an Interlocal agreement to provide such services is granted under Texas Government Code § 791 *et seq* as amended. Cooperative Purchasing Services under this agreement are extended to all Texas State, City or County Government Agencies, or any other legally eligible Local Government Entity as defined in the Texas Government Code § 791.003.

This Interlocal Agreement (hereinafter the “Agreement”) is effective _____ and shall be automatically renewed unless either party gives sixty (60) days prior written notice of non-renewal. This Agreement may be terminated without cause by either party upon (60) days prior written notice, or may also be determined for cause at any time upon written notice stating the reason for and effective date of such terminations and after giving the affected party a thirty (30) day period to cure any breach.

Statement of Services to be Performed:

Region 8 Education Service Center, by this Agreement, agrees to provide cooperative purchasing services to the above-named public entity through a Program known as The Interlocal Purchasing System (TIPS) Program.

The purpose of the TIPS Program shall be to improve procurement process efficiencies and assist in achieving best value for participating School District, University, College, Community College, City, County or Other Public Agencies through cooperative purchasing.

Roles of the TIPS Purchasing Cooperative:

- ✓ Provide for the organizational structure of the program.
- ✓ Provide staff for efficient operation of the program.
- ✓ Promote marketing of the TIPS Program.
- ✓ Coordinate the Competitively Bid Process for all Vendor Awarded Contracts.
- ✓ Provide members with procedures for placing orders through TIPS PO System.
- ✓ Maintain filing system for Due Diligence Documentation.
- ✓ Collect fees from vendors to support the costs of operations of TIPS.

Role of the Public Entity:

- ✓ Commit to participate in the program by an authorized signature on membership forms.
- ✓ Designate a Primary Contact and Secondary Contact for entity.

- ✓ Commit to purchase products and services from TIPS Vendors when in the best interest of the entity.
- ✓ Submit Purchase Orders and/or Vendor Contracts through the TIPS PO System by emailing the pdf document to tipspo@tips-usa.com.
- ✓ Accept shipments of products ordered from Awarded Vendors.
- ✓ Process Payments to Awarded Vendors in a timely manner.

General Provisions:

The Parties agree to comply fully with all applicable federal, state, and local statutes, ordinances, rules, and regulations in connection with the programs contemplated under this Agreement. This Agreement is subject to all applicable present and future valid laws governing such programs.

This Agreement shall be governed by the law of the State of Texas and venue shall be in the county in which the administrative offices of RESC 8 are located which is Camp County, Texas.

This Agreement contains the entire agreement of the Parties hereto with respect to the matters covered by its terms, and it may not be modified in any manner without the express written consent of the Parties.

If any term(s) or provision(s) of this Agreement are held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect.

The Parties to this Agreement expressly acknowledge and agree that all monies paid pursuant to this Agreement shall be paid from legally appropriated and budgeted available funds for the current fiscal year of each such entity.

No jointly owned property shall be created by this agreement and, therefore, no provision to dispose of jointly held property is required.

Before any party may resort to litigation, any claims, disputes or other matters in question between the Parties to this Agreement shall be submitted to nonbinding mediation. The site of the mediation shall be in Camp County, Texas or a site mutually agreed by the parties. The selection of the mediator shall be mutually agreed. The cost of mediation shall be shared equally.

No Party to this Agreement waives or relinquishes any immunity or defense on behalf of themselves, their directors, officers, employees, and agents as a result of its execution of this Agreement and performance of the functions and obligations described herein.

This Agreement may be negotiated and transmitted between the Parties by electronic means and the terms and conditions agreed to are binding upon the Parties.

Authorization:

Region 8 Education Service Center and The Interlocal Purchasing System (TIPS) Program have entered

