MINUTES
CITY OF DENTON
DENTON TAX INCREMENT REINVESTMENT ZONE NUMBER TWO BOARD
June 15, 2015

After determining that a quorum was present, the Denton Tax Increment Reinvestment Zone (TIRZ) Number Two Board convened on Monday, June 15, 2015 at 11:14 a.m. at the Police Training Center in Training Room B, 719 E. Hickory, Denton TX, 76201.

PRESENT: Virgil Strange, John Gilmer, Cleve Breedlove, Jim Fykes, Chris Watts, Greg Johnson, Carrell Ann Simmons, Marty Rivers, Tom McCoy, Everette Newland and Selwyn Rayzor, and Philip Baker

ABSENT: None

EX-OFFICIO: Present: George Campbell and Chuck Carpenter
Absent: Jamie Wilson

STAFF PRESENT: Aimee Bissett, Caroline Booth, Christina Davis, Erica Sullivan, Michelle Cunningham, Julie Glover, Adam Gawarecki, and Karen Boenker

REGULAR SESSION

1. Consider approval of the minutes of the April 8, 2015 meeting
   Virgil Strange motioned to approve the minutes of the April 8, 2015 meeting as presented. Chris Watts seconded the motion. The minutes were approved unanimously with a vote of 12-0.

2. Receive a report and hold a discussion regarding an Economic Development Program Grant Agreement for Project Ranger One (Bissett).
   Virgil Strange opened Agenda Items 2 and 3 at the same time, as there were interrelated.

3. Receive a report and hold a discussion regarding a First Amendment to the Reimbursement Agreement between the City of Denton, the Board of Directors of the Tax Increment Reinvestment Zone Number Two, City of Denton, Texas, and Westray Group, LP. (Bissett).

   Bissett reported that Project Ranger One is a company that is seeking to acquire approximately 77 acres for an 800,000 square foot distribution facility in TIRZ Number Two. The project would include approximately $130 million in capital investment and would create 165 jobs with an annual payroll of around $7.2 million. If the TIRZ Board recommends an incentive for this project, the Westray agreement would need to be
amended before the TIRZ Agreement. There would need to be an amendment on Westray to allow for the Phase I improvements and relieve the TIRZ from reimbursing Westray. A separate agreement and fund for the Phase I infrastructure costs would be created.

Bissett walked through the documents for the possible incentives for the project. There was a brief discussion to clarify information in the documents presented.

CLOSED SESSION

NO CLOSED SESSION


Receive a report, and hold a discussion regarding legal and economic development issues regarding a proposed economic development incentive agreement for Project Ranger One (Denton-Tarrant PRW, LLC). This discussion shall include commercial and financial information the City has received from Project Ranger One which the City seeks to have locate, stay, or expand in or near the territory of the city, and with which the Economic Development Partnership Board and Tax Increment Reinvestment Zone Number Two Board are conducting economic development negotiations; including the offer of financial or other incentives where the duty of the attorney to the governmental body under the Texas disciplinary Rules of Professional Conduct of the State Bar of Texas open Meetings Act, Chapter 551 of the Governmental Code (Bissett).

OPEN SESSION

1. Consider the adoption of a Resolution approving an Economic Development Program Grant Agreement between the Board of Directors of the Tax Increment Reinvestment Zone Number Two of the City of Denton, and Denton-Tarrant PRW, LLC; and providing an effective date (Bissett).

Rivers made the motion to recommend the adoption of a Resolution approving an Economic Development Program Grant Agreement between the Board of Directors of the Tax Increment Reinvestment Zone Number Two, the City of Denton and Denton-Tarrant PRW, LLC up to $865,000 in reimbursement for the sewer lines, utilizing the City’s Wastewater Development Plan Line Fund; 100% of the Sales and Use Tax for construction materials, furniture, fixtures, and equipment for the construction of the project; 100% of the tax increment collected in the TIRZ Number Two fund associated directly with the project, until full reimbursement occurs. The reimbursement includes the City’s 40% contribution into the TIRZ fund annually. The City’s remaining 60% of ad valorem
revenue will also be utilized until full reimbursement occurs. It is anticipated that full reimbursement will occur in approximately four years and will be approximately $6.5 million; and providing an effective date. The motion was seconded by Fykes. The motion was approved unanimously with a vote of 12-0.

2. Consider the adoption of a Resolution approving the First Amendment to a Reimbursement Agreement between the City of Denton, the Board of Directors of the Tax Increment Reinvestment Zone Number Two of the City of Denton, and Westray Group, LP. (Bissett).

Strange motioned to adopt a Resolution approving the First Amendment to a Reimbursement Agreement between the Board of Directors of the City of Denton, the Tax Increment Reinvestment Zone Number Two, City of Denton, Texas, and Westray Group, LP. The motion was seconded by Johnson. The motion was approved unanimously with a vote of 12-0.

3. The meeting adjourned at 11:43 p.m.