

Ben Campbell, President  
Dan Bochsler, Vice President  
Kim Willmott, Secretary/Treasurer  
Suzanne Eiben, Director  
Joseph Thompson, Director  
Linda Dickens, Director  
Charles Drane, Director

Christophe Trahan, EDC Director  
Will James, Marketing Analyst  
Lisa Bowman, Admin. Assistant



**NOTICE OF MEETING  
ECONOMIC DEVELOPMENT BOARD  
December 12, 2023  
10:00 A.M.  
PEDC Office  
100 Willow Creek Pkwy, Suite A  
Palestine, TX**

Zoom Link:

<https://us06web.zoom.us/j/85494741554?pwd=DLyav4JU0BBpDKTXtaXJv5MsL7pPXy.1>

Meeting ID: 854 9474 1554

Passcode: 271894

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One tap mobile

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Note: when you are joining a Zoom meeting by phone, you can use your phone's dial pad to enter the commands \*6 for toggling mute/unmute and \*9 to "raise your hand." [Learn more here.](#)

Follow us live at: [facebook.com/palestinety/](https://www.facebook.com/palestinety/)

**A. CALL TO ORDER**

**B. PROPOSED CHANGES OF AGENDA ITEMS**

**C. PUBLIC COMMENTS**

Any citizen wishing to speak during public comments regarding an item on or off the agenda may do so during this section of the agenda. All comments must be no more than five minutes in length. Any comments regarding items, not on the posted agenda may not be discussed or responded to by the Board. Members of the public may join via Zoom or in person.

**D. CONFLICT OF INTEREST DISCLOSURES**

**E. ITEMS FROM BOARD**

**F. DIRECTOR'S REPORT**

1. Review Monthly Director's Report.

**G. CLOSED SESSION**

The Board will go into Closed Session pursuant to Texas Government Code, Chapter 551, Subchapter D.

1. Section 551.087 deliberation regarding Economic Development negotiations; to discuss or deliberate 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 development negotiations.

- a.) Texas Futura, LLC/Lonestar Oil Tech, LLC.
- b.) TVCC/TDCJ

**H. RECONVENE IN REGULAR SESSION**

1. Section 551.087 deliberation regarding Economic Development negotiations; to discuss or deliberate 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 development negotiations.

Take any action regarding:

- a.) Texas Futura, LLC/Lonestar Oil Tech, LLC.
- b.) TVCC/TDCJ

**I. DISCUSSION AND ACTION ITEMS**

1. Consider approval of PEDC Minutes from November 20, 2023.
2. Consider approval of the November 2023 Financial Report.
3. Consider and take possible action on the Performance Agreement with LS Tractor USA, LLC.
4. Consideration of and possible action on Resolution No. R-08-23, a resolution declaring its desire and intent to grant Trinity Valley Community College certain economic development incentives in exchange for the construction of a new correctional training facility located on their Palestine campus, for the purpose of providing an expanded criminal justice training program for the benefit of the community within the City of Palestine, Anderson County, Texas.
5. Consider and take possible action on the Downtown Grant Performance Agreement with A&R Treasures.
6. Discussion and possible action regarding tree removal in the Willow Creek Business Park.
7. Discussion and possible action regarding PEDC By Law, Article III, Section 1. Number, Term of Office and Residency.

**J. ADJOURNMENT**

I certify that the above Notice of Meeting was posted at the main entrance of the Palestine Economic Development Corporation located at 100 Willow Creek Parkway, Suite A, Palestine, Texas, in compliance with Chapter 551 of the Texas Government Code on **Friday, December 8, 2023, at 4:30 p.m.**



✓ Lisa Bowman  
Lisa Bowman, EDC Admin. Assistant

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA) PERSONS IN NEED OF SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, CONTACT THE CITY SECRETARY'S OFFICE VIA EMAIL AT [citysecretary@palestine-tx.org](mailto:citysecretary@palestine-tx.org) or 903-731-8414.



Agenda Date: 12/12/2023  
To: Palestine Economic Development Corporation  
From: Lisa Bowman, Economic Development Admin  
Agenda Item: Review Monthly Director's Report.

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**SUMMARY:**

Review Monthly Director's Report.

**RECOMMENDED ACTION:**

Staff recommends the board review the monthly Director's Report.

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Agenda Date: 12/12/2023  
To: Palestine Economic Development Corporation  
From: Lisa Bowman, Economic Development Admin  
Agenda Item: Consider approval of PEDC Minutes from November 20, 2023.

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**SUMMARY:**

Consider approval of PEDC Minutes from November 20, 2023.

**RECOMMENDED ACTION:**

Staff recommends approval of the PEDC Minutes from November 20, 2023.

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**Attachments**

PEDC Minutes 11.20.23

THE STATE OF TEXAS           §  
COUNTY OF ANDERSON       §  
CITY OF PALESTINE           §

The Economic Development Board of the City of Palestine convened in a special called meeting on Monday, November 20, 2023, at 10:00 a.m., at PEDC Office, 100 Willow Creek Pkwy, Suite A, Palestine, Texas, with the following people present: President Ben Campbell, Vice President Dan Bochsler, Secretary/Treasurer Kim Willmott; Directors: Joseph Thompson, Charles Drane.

Staff present: PEDC Director Christophe Trahan; Administrative Assistant Lisa Bowman

Others Present: City Manager Teresa Herrera; City of Palestine Finance Director Andrew Sibai

**A. CALL TO ORDER**

With a quorum present, President Campbell called the meeting to order at 10:00 a.m.

**B. PROPOSED CHANGES OF AGENDA ITEMS**

President Campbell proposed to have item G.5 moved to be discussed between items J & K.

**C. PUBLIC COMMENTS**

City Manager Teresa Herrera gave a brief overview of the staff changes that are taking place at the KPSN Airport located in Palestine, TX.

**D. CONFLICT OF INTEREST DISCLOSURES**

President Campbell recused himself from all discussions regarding Texas Futura, LLC.

**E. ITEMS FROM BOARD**

There were none.

**F. DIRECTOR'S REPORT**

PEDC Director Christophe Trahan presented the board with a monthly report with the following information:

- Retail Sector Data for Local Sales & Use Tax.
- Texas Labor Market Information Data – Regional Unemployment comparison.
- PEDC marketing team (Golden Shovel) interviewing new KPSN Airport Manager, Jeff Jeffcoat, for an article to be posted on the EDC Website and to be circulated via social media and press release.

**G. DISCUSSION AND ACTION ITEMS**

1. Consider approval of PEDC Minutes from October 10, 2023

Motion by Vice President Bochsler, seconded by Director Thompson to approve item as presented. Upon vote, the motion carried unanimously 5-0.

2. Consider approval of PEDC Minutes from October 23, 2023

Motion by Director Thompson, seconded by Secretary/Treasurer Willmott to approve item as presented. Upon vote, the motion carried unanimously 4-0 (abstained: President Ben Campbell).

3. Consider approval of the October 2023 Financial Report.

Director Suzanne Eiben entered the board meeting at 10:05 a.m.

Motion by Vice President Bochsler, seconded by Director Thompson to approve item as presented. Upon vote, the motion carried unanimously 6-0.

4. Discussion and possible action regarding A&R Treasures Downtown Grant Application in the amount of \$26,200.00.

Alex Rodriguez, owner of A&R Treasures, presented to the board his Downtown Grant application requesting funds in the amount of \$26,200.32 for the costs of installing a new HVAC system for his business.

Motion by Director Thompson, seconded by Vice President Bochsler to approve the Downtown Grant application for A&R Treasures in the amount of \$26,200.32. Upon vote, the motion carried unanimously 6-0. Director Trahan will draft the performance agreement for A&R Treasures and present it to City Council on December 11, 2023 for approval.

6. Discussion and possible action regarding the termination of the Purchase Option Agreement with Blue Cord Devgroup, LLC.

Director Trahan presented to the board a termination document for the Purchase Option Agreement between PEDC and Blue Cord Devgroup, LLC. This agreement involved acquiring a parcel of land in the WCBP for the development of a VA Clinic. Due to the Federal Government's cancellation of the project, the agreement will have to be terminated.

Motion by Director Thompson, seconded by Vice President Bochsler to approve item as presented. Upon vote, the motion carried unanimously 6-0.

7. Discussion and possible action regarding budgetary amendments to PEDC's fiscal year 2023-2024 budget.

Director Trahan requested board approval to adjust PEDC's Project Support Grant budget line item, raising it from \$300,000 to \$800,000. This adjustment is needed to accommodate PEDC's financial assistance of \$500,000 for TVCC's construction project at their Palestine, TX campus.

Motion by Vice President Bochsler, seconded by Director Eiben to increase PEDC's Project Support Grant budget line item from \$300,000 to \$800,000. Upon vote, the motion carried unanimously 6-0.

## **H. PUBLIC HEARINGS**

1. Public Hearing regarding PEDC offering an economic development grant to incentivize LS Tractor USA, LLC.

- a.) Open Public Hearing – President Campbell opened the public hearing at 10:26 a.m.
- b.) Receive Public Comments – There were none
- c.) Close Public Hearing- President Campbell closed the public hearing at 10:27 a.m.

## **I. CLOSED SESSION**

President Campbell announced the Board would go into Closed Session pursuant to Texas Government Code, Chapter 551, Subchapter D. The time was 10:28 a.m.

President Campbell recused himself from the board meeting at 10:28 a.m.

1. Section 551.087 deliberation regarding Economic Development negotiations; to discuss or deliberate 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 development negotiations.

- a.) Texas Futura, LLC./Lonestar Oil Tech, LLC.

## **J. RECONVENE IN REGULAR SESSION**

President Campbell re-entered the board meeting at 10:46 a.m.

President Campbell reconvened the Board Meeting into open session at 10:47 a.m.

1. Section 551.087 deliberation regarding Economic Development negotiations; to discuss or deliberate 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 development negotiations.

Take any action regarding:

- a.) Texas Futura, LLC./Lonestar Oil Tech, LLC. – NO ACTION TAKEN

## **G. DISCUSSION AND ACTION ITEMS**

5. Discussion and possible action regarding the PEDC Performance Agreement with Texas Futura LLC. & Lone Star Oil Tech, LLC.

Motion by Vice President Bochsler, seconded by Director Thompson to approve item as presented. Upon vote, the motion carried unanimously 5-0 (abstained: President Ben Campbell).



**ADJOURN**

With no other business to come before the Board, President Campbell adjourned the meeting at 10:48 a.m.

PASSED AND APPROVED THIS 12th DAY OF December 2023.

\_\_\_\_\_  
Ben Campbell, President

ATTEST:

\_\_\_\_\_  
Lisa Bowman, Administrative Assistant

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Agenda Date: 12/12/2023  
To: Palestine Economic Development Corporation  
From: Lisa Bowman, Economic Development Admin  
Agenda Item: Consider approval of the November 2023 Financial Report.

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**SUMMARY:**

Consider approval of the November 2023 Financial Report.

**RECOMMENDED ACTION:**

Staff recommends approval of the November 2023 Financial Report.

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**Attachments**

November Financial Report



Palestine Economic Development Corporation  
Financial Statement  
As of November 30, 2023

|                               |  | Current Budget      | Current Period | Current Y-T-D       | % of Budget  | Budget Balance   | Prior Year Y-T-D Actual | INC/(DEC) Prior Year |
|-------------------------------|--|---------------------|----------------|---------------------|--------------|------------------|-------------------------|----------------------|
| <b>BEGINNING FUND BALANCE</b> |  | <u>\$ 3,986,395</u> |                | <u>\$ 3,896,395</u> |              |                  | <u>\$ 2,611,873</u>     |                      |
| <b>REVENUE</b>                |  |                     |                |                     |              |                  |                         |                      |
| 41013                         | PEDC SALES TAX                         | 1,250,055           | 116,216        | 234,617             | 18.8%        | 1,015,438        | 218,882                 | 15,735               |
| 41609                         | RENT - SUITE B                         | 36,000              | 3,000          | 6,000               | 16.7%        | 30,000           | -                       | 6,000                |
| 41610                         | RENT - RESULTS CO                      | 161,583             | 17,954         | 35,907              | 22.2%        | 125,676          | 35,907                  | -                    |
| 41807                         | ETEX FIBER RECAPTURE                   | 380,000             | -              | 99,381              | 26.2%        | 280,619          | 86,883                  | 12,498               |
| 41901                         | INTEREST REVENUE                       | 40,000              | 4,487          | 13,124              | 32.8%        | 26,876           | 5,141                   | 7,983                |
| 41932                         | TAH LOAN PYMT                          | 34,064              | 2,839          | 5,677               | 16.7%        | 28,387           | 33,269                  | (27,592)             |
| 41938                         | SALE OF PROPERTY                       | -                   | 10             | 10                  | 0.0%         | (10)             | -                       | 10                   |
|                               | <b>*** TOTAL REVENUE ***</b>           | <u>1,901,702</u>    | <u>144,506</u> | <u>394,717</u>      | 20.8%        | <u>1,506,985</u> | <u>380,083</u>          | <u>14,634</u>        |
| <b>EXPENSE</b>                |  |                     |                |                     |              |                  |                         |                      |
| <b>PERSONNEL</b>              |  |                     |                |                     |              |                  |                         |                      |
| 51010                         | SALARIES & WAGES                       | 185,555             | 13,919         | 18,924              | 10.2%        | 166,631          | 4,152                   | 14,772               |
| 51030                         | LONGEVITY                              | 144                 | 18             | 24                  | 17.0%        | 120              | 15                      | 9                    |
| 51036                         | CELL PHONE ALLOWANCE                   | 600                 | 50             | 77                  | 12.8%        | 523              | -                       | 77                   |
| 51040                         | SOCIAL SECURITY                        | 13,817              | 1,069          | 1,454               | 10.5%        | 12,363           | 404                     | 1,049                |
| 51050                         | HEALTH INSURANCE                       | 24,976              | 1,286          | 3,766               | 15.1%        | 21,210           | 957                     | 2,809                |
| 51061                         | WORKER'S COMPENSATION                  | 619                 | 57             | 78                  | 12.6%        | 541              | 5                       | 73                   |
| 51070                         | RETIREMENT                             | 25,981              | 1,983          | 2,698               | 10.4%        | 23,283           | 583                     | 2,115                |
|                               | <b>*** EXPENSE CATEGORY TOTALS ***</b> | <u>251,691</u>      | <u>18,383</u>  | <u>27,021</u>       | <u>10.7%</u> | <u>224,671</u>   | <u>6,115</u>            | <u>20,905</u>        |
| <b>SUPPLIES AND MATERIALS</b> |  |                     |                |                     |              |                  |                         |                      |
| 52010                         | OFFICE SUPPLIES/EQUIPMENT              | 3,000               | -              | 158                 | 5.3%         | 2,842            | 962                     | (804)                |
| 52020                         | POSTAGE                                | 250                 | -              | -                   | 0.0%         | 250              | -                       | -                    |
| 52091                         | FURNITURE & OFFICE EQUIPMENT           | 2,000               | -              | 66                  | 3.3%         | 1,934            | -                       | 66                   |
|                               | <b>*** EXPENSE CATEGORY TOTALS ***</b> | <u>5,250</u>        | <u>-</u>       | <u>224</u>          | <u>4.3%</u>  | <u>5,026</u>     | <u>962</u>              | <u>(804)</u>         |
| <b>PROF/CONTRACTUAL SERV</b>  |  |                     |                |                     |              |                  |                         |                      |
| 53010                         | LEGAL SERVICES                         | 55,000              | 9,569          | 9,569               | 17.4%        | 45,431           | 662                     | 8,907                |
| 53020                         | AUDIT & ACCOUNTING SERVICES            | 5,000               | -              | 436                 | 8.7%         | 4,564            | -                       | 436                  |
| 53030                         | PROFESSIONAL SERVICES                  | 50,000              | 1,200          | 1,200               | 2.4%         | 48,800           | -                       | 1,200                |
| 53031                         | CONSULTANT SERVICES                    | 20,000              | -              | -                   | 0.0%         | 20,000           | -                       | -                    |
| 53090                         | IT SUPPORT                             | 1,897               | 305            | 457                 | 24.1%        | 1,440            | 457                     | -                    |
| 53095                         | SOFTWARE MAINTENANCE                   | 808                 | 156            | 156                 | 19.3%        | 652              | 210                     | (55)                 |
| 53150                         | MARKETING SERVICES                     | 50,000              | -              | -                   | 0.0%         | 50,000           | -                       | -                    |
| 53500                         | LEGAL NOTICES                          | 6,000               | -              | -                   | 0.0%         | 6,000            | -                       | -                    |
| 53509                         | MEMBERSHIPS & SUBSCRIPTIONS            | 20,000              | 4,228          | 15,456              | 77.3%        | 4,544            | 1,417                   | 14,039               |
| 53510                         | TRAVEL AND TRAINING                    | 10,000              | -              | -                   | 0.0%         | 10,000           | 50                      | (50)                 |
| 53512                         | PRINTING SERVICES                      | -                   | -              | -                   | 0.0%         | -                | 263                     | (263)                |
| 53514                         | TML INSURANCE                          | 9,000               | -              | 12,135              | 134.8%       | (3,135)          | 6,827                   | 5,308                |
| 53515                         | INSURANCE AND BONDS                    | 1,000               | -              | -                   | 0.0%         | 1,000            | -                       | -                    |
| 53520                         | JANITORIAL SERVICES                    | 9,000               | 550            | 550                 | 6.1%         | 8,450            | -                       | 550                  |



Palestine Economic Development Corporation  
Financial Statement  
As of November 30, 2023

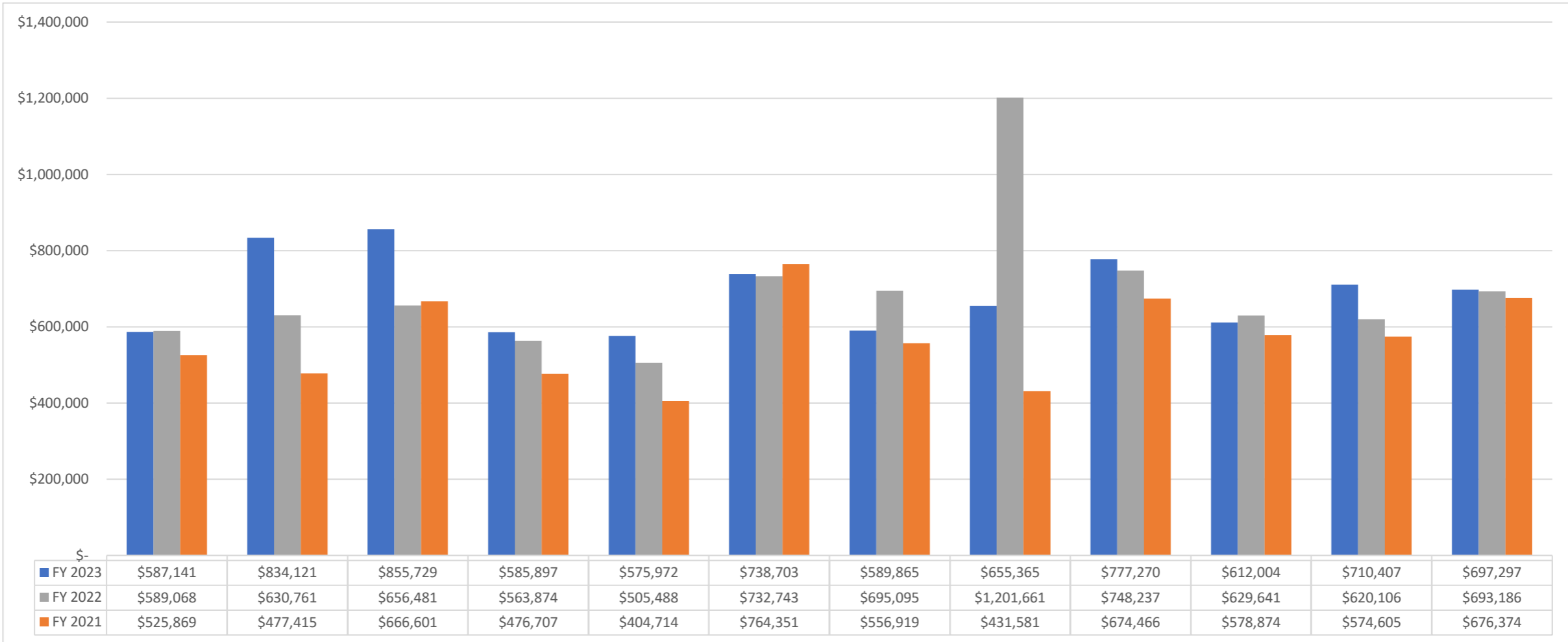
|  |                                  | Current Budget      | Current Period | Current Y-T-D       | % of Budget  | Budget Balance   | Prior Year Y-T-D Actual | INC/(DEC) Prior Year |
|--|----------------------------------|---------------------|----------------|---------------------|--------------|------------------|-------------------------|----------------------|
| 53617                                  | PROJECTS SUPPORT GRANTS          | 300,000             | -              | -                   | 0.0%         | 300,000          | -                       | -                    |
| 53662                                  | ATH COMPLEX IMPROVEMENTS GRANT   | 25,000              | -              | -                   | 0.0%         | 25,000           | -                       | -                    |
| 53663                                  | COM DEV GRANT-GENERAL PROGRAM    | 75,000              | -              | -                   | 0.0%         | 75,000           | -                       | -                    |
| 53664                                  | BLDG IMPROVEMENT GRANT PROG      | 150,000             | -              | -                   | 0.0%         | 150,000          | -                       | -                    |
| <b>*** EXPENSE CATEGORY TOTALS ***</b> |                                  | <b>787,705</b>      | <b>16,007</b>  | <b>39,959</b>       | <b>5.1%</b>  | <b>747,746</b>   | <b>9,884</b>            | <b>30,074</b>        |
| <b>MAINTENANCE &amp; REPAIR</b>        |                                  |                     |                |                     |              |                  |                         |                      |
| 54010                                  | BLDG/STRUCTURE/GRNDS MAINTENANCE | 100,000             | 20,583         | 21,642              | 21.6%        | 78,358           | 6,042                   | 15,600               |
| <b>*** EXPENSE CATEGORY TOTALS ***</b> |                                  | <b>100,000</b>      | <b>20,583</b>  | <b>21,642</b>       | <b>21.6%</b> | <b>78,358</b>    | <b>6,042</b>            | <b>15,600</b>        |
| <b>UTILITIES</b>                       |                                  |                     |                |                     |              |                  |                         |                      |
| 54500                                  | UTILITIES - ELECTRIC             | 7,500               | 304            | 813                 | 10.8%        | 6,687            | 562                     | 251                  |
| 54501                                  | UTILITIES - WATER/SEWER          | 4,000               | 350            | 350                 | 8.8%         | 3,650            | 734                     | (384)                |
| 54503                                  | PHONES/INTERNET                  | 4,000               | 431            | 827                 | 20.7%        | 3,173            | 711                     | 116                  |
| <b>*** EXPENSE CATEGORY TOTALS ***</b> |                                  | <b>15,500</b>       | <b>1,085</b>   | <b>1,990</b>        | <b>12.8%</b> | <b>13,510</b>    | <b>2,007</b>            | <b>251</b>           |
| <b>OTHER/MISC.</b>                     |                                  |                     |                |                     |              |                  |                         |                      |
| 55009                                  | BUSINESS RETENTION/EXPANSION     | 15,000              | -              | 308                 | 2.1%         | 14,692           | -                       | 308                  |
| 55200                                  | MEETING MEALS                    | 3,000               | 85             | 171                 | 5.7%         | 2,829            | 348                     | (176)                |
| <b>*** EXPENSE CATEGORY TOTALS ***</b> |                                  | <b>18,000</b>       | <b>85</b>      | <b>480</b>          | <b>2.7%</b>  | <b>17,520</b>    | <b>348</b>              | <b>132</b>           |
| <b>DEBT SERVICE</b>                    |                                  |                     |                |                     |              |                  |                         |                      |
| 56005                                  | REVENUE BOND PRIN PAYMENT        | 455,481             | -              | -                   | 0.0%         | 455,481          | -                       | -                    |
| 56050                                  | INTEREST- BONDED DEBT            | 130,484             | -              | -                   | 0.0%         | 130,484          | (7,277)                 | 7,277                |
| 56054                                  | PAY/ESCROW AGENT FEES            | 30,000              | -              | 25,340              | 84.5%        | 4,660            | -                       | 25,340               |
| <b>*** EXPENSE CATEGORY TOTALS ***</b> |                                  | <b>615,966</b>      | <b>-</b>       | <b>25,340</b>       | <b>4.1%</b>  | <b>590,626</b>   | <b>(7,277)</b>          | <b>32,617</b>        |
| <b>CAPITAL OUTLAY</b>                  |                                  |                     |                |                     |              |                  |                         |                      |
| 58000                                  | CAPITAL OUTLAY                   | 55,936              | -              | -                   | 0.0%         | 55,936           | -                       | -                    |
| <b>*** EXPENSE CATEGORY TOTALS ***</b> |                                  | <b>55,936</b>       | <b>-</b>       | <b>-</b>            | <b>0.0%</b>  | <b>55,936</b>    | <b>-</b>                | <b>-</b>             |
| <b>INTERFUND ACTIVITY</b>              |                                  |                     |                |                     |              |                  |                         |                      |
| 59010                                  | TRANSFER TO/FROM GENERAL FUND    | 48,404              | 2,614          | 5,229               | 10.8%        | 43,176           | 5,229                   | -                    |
| 59570                                  | TRANSFER TO FLEET FUND           | 250                 | -              | -                   | 0.0%         | 250              | -                       | -                    |
| <b>*** EXPENSE CATEGORY TOTALS ***</b> |                                  | <b>48,404</b>       | <b>2,614</b>   | <b>5,229</b>        | <b>10.8%</b> | <b>43,176</b>    | <b>5,229</b>            | <b>-</b>             |
| <b>*** TOTAL EXPENSE ***</b>           |                                  | <b>1,898,452</b>    | <b>58,758</b>  | <b>121,884</b>      | <b>1</b>     | <b>1,776,568</b> | <b>23,309</b>           | <b>98,776</b>        |
| <b>PROJECTED ENDING FUND BALANCE</b>   |                                  | <b>\$ 3,989,645</b> |                | <b>\$ 4,169,228</b> |              |                  | <b>\$ 2,968,646</b>     |                      |

# Sales Tax History: Fiscal Years 2021 - 2023

| FY 2021   |                     |                     |                     |            |
|-----------|---------------------|---------------------|---------------------|------------|
|           | CITY                | PEDC                | TOTAL               | CUMULATIVE |
|           | 83.33%              | 16.67%              | 100.00%             | TOTAL      |
| October   | \$ 438,207          | \$ 87,662           | \$ 525,869          | \$ 525,869 |
| November  | 397,830             | 79,585              | \$ 477,415          | 1,003,284  |
| December  | 555,479             | 111,122             | \$ 666,601          | 1,669,885  |
| January   | 397,240             | 79,467              | \$ 476,707          | 2,146,592  |
| February  | 337,248             | 67,466              | \$ 404,714          | 2,551,306  |
| March     | 636,934             | 127,417             | \$ 764,351          | 3,315,657  |
| April     | 464,081             | 92,838              | \$ 556,919          | 3,872,576  |
| May       | 359,636             | 71,944              | \$ 431,581          | 4,304,157  |
| June      | 562,033             | 112,434             | \$ 674,466          | 4,978,623  |
| July      | 482,376             | 96,498              | \$ 578,874          | 5,557,498  |
| August    | 478,818             | 95,787              | \$ 574,605          | 6,132,103  |
| September | 563,623             | 112,752             | \$ 676,374          | 6,808,477  |
|           | <u>\$ 5,673,504</u> | <u>\$ 1,134,973</u> | <u>\$ 6,808,477</u> |            |

| FY 2022   |                     |                     |                     |            |
|-----------|---------------------|---------------------|---------------------|------------|
|           | CITY                | PEDC                | TOTAL               | CUMULATIVE |
|           | 83.33%              | 16.67%              | 100.00%             | TOTAL      |
| October   | \$ 490,870          | \$ 98,198           | \$ 589,068          | \$ 589,068 |
| November  | \$ 525,613          | 105,148             | \$ 630,761          | 1,219,828  |
| December  | \$ 547,046          | 109,435             | \$ 656,481          | 1,876,309  |
| January   | \$ 469,876          | 93,998              | \$ 563,874          | 2,440,183  |
| February  | \$ 421,224          | 84,265              | \$ 505,488          | 2,945,672  |
| March     | \$ 610,594          | 122,148             | \$ 732,743          | 3,678,414  |
| April     | \$ 579,223          | 115,872             | \$ 695,095          | 4,373,509  |
| May       | \$ 1,001,344        | 200,317             | \$ 1,201,661        | 5,575,170  |
| June      | \$ 623,506          | 124,731             | \$ 748,237          | 6,323,407  |
| July      | \$ 524,680          | 104,961             | \$ 629,641          | 6,953,048  |
| August    | \$ 516,734          | 103,372             | \$ 620,106          | 7,573,154  |
| September | \$ 577,632          | 115,554             | \$ 693,186          | 8,266,340  |
|           | <u>\$ 6,888,341</u> | <u>\$ 1,377,999</u> | <u>\$ 8,266,340</u> |            |

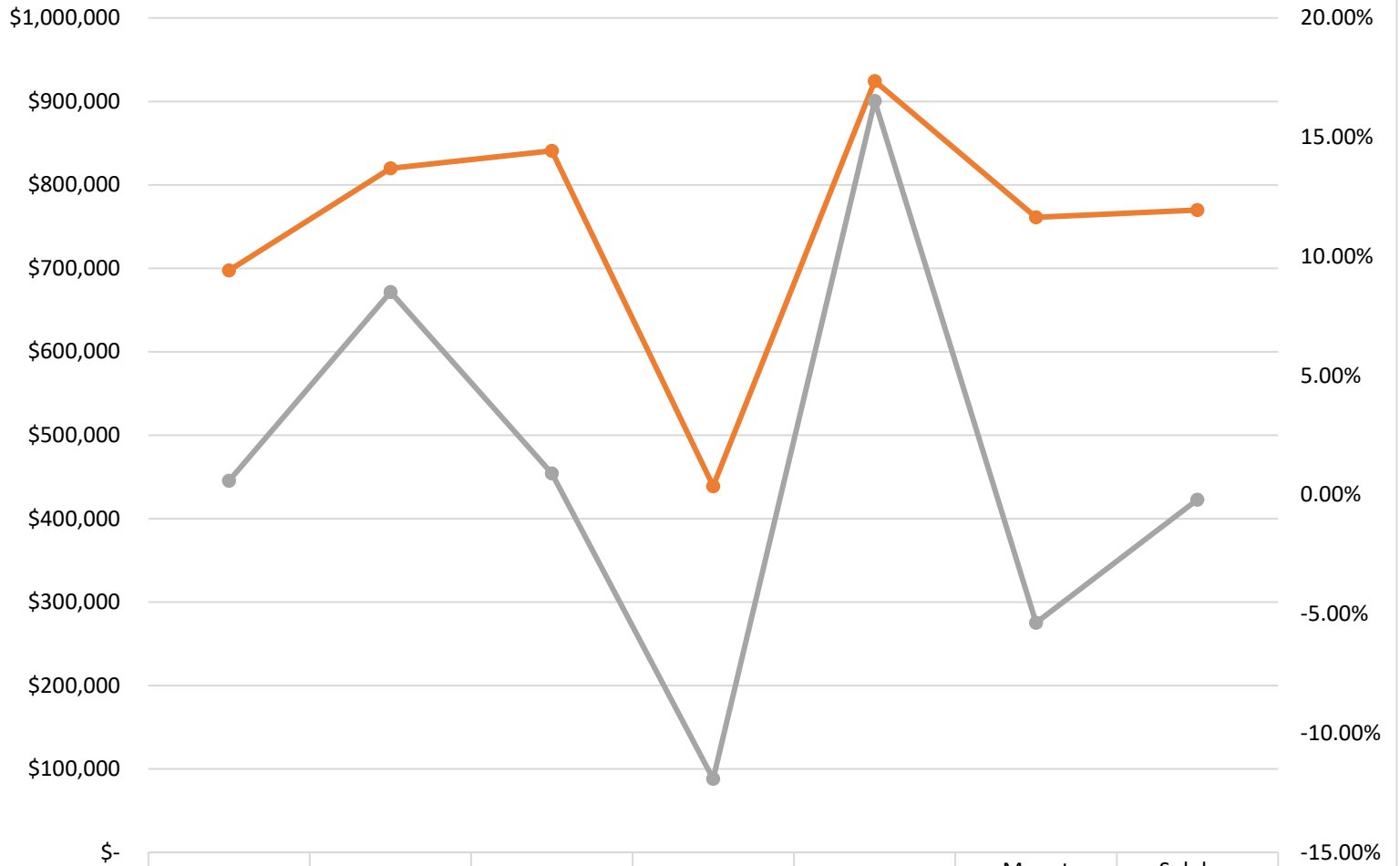
| FY 2023   |                     |                     |                     |            |
|-----------|---------------------|---------------------|---------------------|------------|
|           | CITY                | PEDC                | TOTAL               | CUMULATIVE |
|           | 83.33%              | 16.67%              | 100.00%             | TOTAL      |
| October   | \$ 489,264          | \$ 97,876           | \$ 587,141          | \$ 587,141 |
| November  | 695,073             | 139,048             | \$ 834,121          | 1,421,262  |
| December  | 713,079             | 142,650             | \$ 855,729          | 2,276,991  |
| January   | 488,228             | 97,669              | \$ 585,897          | 2,862,888  |
| February  | 479,957             | 96,014              | \$ 575,972          | 3,438,860  |
| March     | 615,561             | 123,142             | \$ 738,703          | 4,177,563  |
| April     | 491,534             | 98,330              | \$ 589,865          | 4,767,428  |
| May       | 546,115             | 109,249             | \$ 655,365          | 5,422,792  |
| June      | 647,699             | 129,571             | \$ 777,270          | 6,200,063  |
| July      | 509,983             | 102,021             | \$ 612,004          | 6,812,067  |
| August    | 591,982             | 118,425             | \$ 710,407          | 7,522,474  |
| September | 581,058             | 116,239             | \$ 697,297          | 8,219,771  |
|           | <u>\$ 6,849,535</u> | <u>\$ 1,370,236</u> | <u>\$ 8,219,771</u> |            |





Palestine Economic Development Corporation  
 Financial Statement  
 As of November 30, 2023

Sales Tax FY 2023 - September - Period 12



|                                   |            |            |            |            |            |            |            |
|-----------------------------------|------------|------------|------------|------------|------------|------------|------------|
| ● \$ Sales Tax Received Nov-2023  | 697,296.97 | 819,867.70 | 840,677.07 | 438,909.31 | 924,442.05 | 761,066.90 | 769,934.61 |
| ● % Inc(+) Dec(-) from prior year | 0.59%      | 8.51%      | 0.90%      | -11.92%    | 16.52%     | -5.37%     | -0.20%     |



# Palestine Economic Development Corporation

## Summary of Cash and Investment Activity

### For the Month Ending: November 30, 2023

|                              | Par Value              | Market Value           | Ratio Market-to-Book Value |
|------------------------------|------------------------|------------------------|----------------------------|
| <b>Beginning Balances</b>    |                        |                        |                            |
| Cash                         | \$249,419.59           | \$ 249,419.59          | 100.00%                    |
| Investments                  | \$3,462,365.96         | \$3,462,365.96         | 100.00%                    |
| <b>Total</b>                 | <b>3,711,785.55</b>    | <b>\$3,711,785.55</b>  | <b>100.00%</b>             |
| <b>Activity</b>              |                        |                        |                            |
| Cash                         | \$642.51               | \$642.51               |                            |
| Investments                  | \$89,356.67            | \$89,356.67            |                            |
| Net Accretion & Amortization |                        |                        |                            |
| Purchases                    |                        |                        |                            |
| Maturities/Calls             | -                      | -                      |                            |
| Changes to Market Value      | -                      | (5,195.58)             |                            |
| Net Monthly Activity         | \$89,999.18            | \$84,803.60            |                            |
| <b>Ending Balances</b>       |                        |                        |                            |
| Cash                         | \$250,062.10           | 250,062.10             | 100.00%                    |
| Investments                  | \$3,551,722.63         | \$3,546,527.05         | 99.85%                     |
| <b>Total</b>                 | <b>\$ 3,801,784.73</b> | <b>\$ 3,796,589.15</b> | <b>99.86%</b>              |

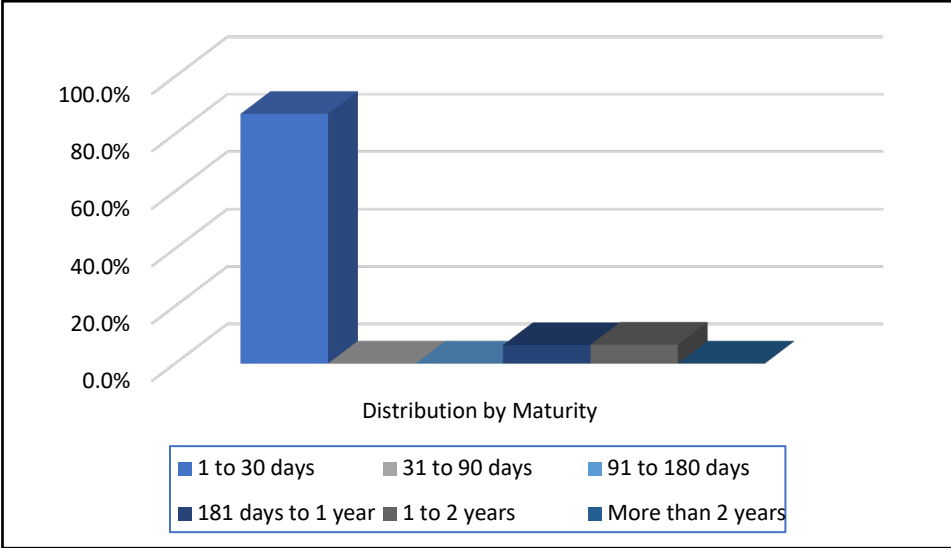
**Palestine Economic Development Corporation  
Summary of Cash and Investment Activity  
For the Month Ending: November 30, 2023**

| Purchase Date  | Maturity Date | CUSIP / CD Number | Security Type                   | Par Value           | Coupon | Purchase   |               |                     | Book Value          | Market Value        | Gain / (Loss) | Days to Maturity |
|--|---------------|-------------------|---------------------------------|---------------------|--------|------------|---------------|---------------------|---------------------|---------------------|---------------|------------------|
|  |               |                   |                                 |                     |        | Price      | Yield         | Principal           |                     |                     |               |                  |
| N/A  | N/A           | N/A               | Cash In Bank                    | \$ 250,062          |        | \$ 100.000 | 0.200%        | \$ 250,062          | \$ 250,062          | \$ 250,062          | \$ -          | 1                |
| N/A  | N/A           | N/A               | TEXSTAR Investment Pool         | 3,042,559           |        | \$ 100.000 | 4.500%        | \$ 3,042,559        | \$ 3,042,559        | \$ 3,042,559        | -             | 1                |
| 12/23/2022   | 12/23/2024    | 9497634P8         | Wells Fargo Bank                | 249,000             | 4.50%  | 100.000    | 4.500%        | 249,000             | 249,000             | 247,205             | -             | 389              |
| 1/20/2023  | 7/22/2024     | 564759RU4         | Manufacturers and Traders TR CO | 244,000             | 4.60%  | 100.000    | 4.600%        | 244,000             | 244,000             | 243,114             | -             | 235              |
| <b>Totals/Weighted Average</b>                                 |               |                   |                                 | <b>\$ 3,785,621</b> |        |            | <b>4.222%</b> | <b>\$ 3,785,621</b> | <b>\$ 3,785,621</b> | <b>\$ 3,782,940</b> | <b>\$ -</b>   | <b>42</b>        |
| <b>Benchmark - 4-Week Coupon Equivalent Treasury Bill Rate</b> |               |                   |                                 |                     |        |            |               | <b>5.400%</b>       |                     |                     |               |                  |

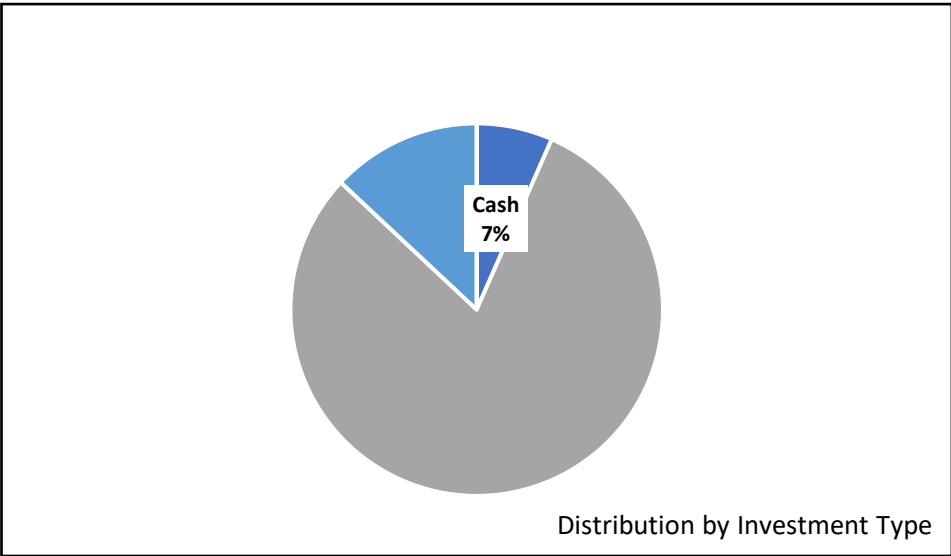


# Palestine Economic Development Corporation Summary of Cash and Investment Activity For the Month Ending: November 30, 2023

| Distribution by Maturity |                     |               |
|--------------------------|---------------------|---------------|
|                          | Par Value           | Percent       |
| 1 to 30 days             | \$ 3,292,621        | 87.0%         |
| 31 to 90 days            | -                   | 0.0%          |
| 91 to 180 days           | -                   | 0.0%          |
| 181 days to 1 year       | 244,000             | 6.4%          |
| 1 to 2 years             | 249,000             | 6.6%          |
| More than 2 years        |                     | 0.0%          |
|                          | <u>\$ 3,785,621</u> | <u>100.0%</u> |



| Distribution by Investment Type   |                     |               |
|-----------------------------------|---------------------|---------------|
|                                   | Book Value          | Percent       |
| Cash                              | \$ 250,062          | 6.6%          |
| US Agencies & Instrumentalities   | -                   | 0.0%          |
| Eligible Investment Pools         | 3,042,559           | 80.4%         |
| Certificates of Deposit           | 493,000             | 13.0%         |
| US Treasury Bills / Notes / Bonds | -                   | 0.0%          |
| Money Market Mutual Funds         |                     | 0.0%          |
| Repurchase Agreements             | -                   | 0.0%          |
|                                   | <u>\$ 3,785,621</u> | <u>100.0%</u> |



**Palestine Economic Development Corporation  
Monthly Interest  
For the Month Ending: November 30, 2023**

|                 |             |
|-----------------|-------------|
| Cash            | \$62.10     |
| Investment Pool | \$ 3,417.58 |
| CDs             | \$ 1,007.69 |

**Total Monthly Interest** **\$4,487.37**

This monthly report is in full compliance with the investment strategies as established in the City's Investment Policies and the Public Funds Investment Act, Chapter 2256, Texas Government Code.



Andrew Sibai  
Finance Director



Agenda Date: 12/12/2023  
To: Palestine Economic Development Corporation  
From: Lisa Bowman, Economic Development Admin  
Agenda Item: Consider and take possible action on the Performance Agreement with LS Tractor USA, LLC.

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**SUMMARY:**

Consider and take possible action on the Performance Agreement with LS Tractor USA, LLC.

**RECOMMENDED ACTION:**

Staff recommends approval of the Performance Agreement with LS Tractor USA, LLC.

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**Attachments**

LS Tractor Perf. Agreement

**ECONOMIC DEVELOPMENT PERFORMANCE INCENTIVE AGREEMENT**  
**MADE PURSUANT TO**  
**SECTION 501.158 OF THE TEXAS LOCAL GOVERNMENT CODE**

**This *Economic Development Performance Incentive Agreement Made Pursuant to Section 501.158 of the Texas Local Government Code* (the “Agreement”)** is made and entered into by and between the **Palestine Economic Development Corporation**, a Texas non-profit Type B economic development corporation (the “**PEDC**”), created and operated pursuant to the provisions of Chapters 501 and 505, Local Government Code, as amended, and **LS Tractor USA, LLC**, a Delaware limited liability company duly registered to transact business in the state of Texas, with its principal offices located in Battleboro, North Carolina 27809 (“**LS Tractor**”). Collectively, the PEDC and LS Tractor may be referred to herein as the “**Parties**” and, each separately, as a “**Party**.”

**RECITALS**

**WHEREAS**, the PEDC has established policies to adopt and provide for such reasonable projects, as are permitted by law, to attract industry, to create and retain primary jobs, and to promote or develop new or expanded business enterprises within the City of Palestine, Anderson County, Texas (the “**City**”), and, thereby, expand the growth and enhance the economic stability of the City; and,

**WHEREAS**, pursuant to Section 501.158, Local Government Code, the PEDC may execute performance agreements with certain business enterprises to provide funding or to make expenditures of public funds on behalf of a business enterprise in furtherance of permissive economic development projects; and,

**WHEREAS**, with certain capital investments and job creation, LS Tractor desires and proposes to invest in the City by acquiring, constructing, operating, and maintaining a farm machinery and equipment distribution center within the City of Palestine, Anderson County, Texas at the Properties, defined below, for ten (10) years; and,

**WHEREAS**, on October 10, 2023, the PEDC passed and approved PEDC Resolution No. R-07-23, declaring its desire and intent to grant LS Tractor certain economic development incentives in exchange for LS Tractor’s creation of fifty (50) full-time primary jobs and a capital investment of \$14.812 million within the City of Palestine, Anderson County, Texas (the “**Project**”); and,

**WHEREAS**, the Parties entered into a *Non-Binding Letter of Intent*, approved by the PEDC’s Board of Directors on October 10, 2023, attached hereto as ***Exhibit A***, whereby the Parties negotiated and informally captured the intent and agreement of the Parties pertaining to the Project, which the Parties now intend to formally translate into this Agreement; and,

**WHEREAS**, the PEDC’s Board of Directors has found that the expenditures proposed hereunder are an economic investment in the City and are required, suitable, and necessary to promote and develop new and expanding business enterprise and to maintain a higher level of employment, economic activity, and stability; and,

**WHEREAS**, the PEDC’s Board of Directors has determined that the financial incentives and expenditures proposed pursuant to this Agreement are consistent with and meet the definition of “project,” as that term is defined in Sections 501.101, 505.155, and 505.158, Local Government Code, and meet the definitions of “cost” as that term is defined in Section 501.152, Local Government Code; and,

**NOW, THEREFORE**, in consideration of the mutual benefits and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the PEDC and LS Tractor each agree to as follows:

## **AGREEMENT**

### **ARTICLE 1 Project**

- 1.01 Project Property.** LS Tractor shall construct, maintain, and operate a farm machinery and equipment distribution center within the limits of the City, on the Facility Property and the Access Property (the “**Properties**”).
- 1.02 Project Purpose.** The land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements contemplated for and made a part of the Project are intended to (i) promote new or expanded business development in the City; (ii) create primary jobs through the development, retention, or expansion of manufacturing and industrial facilities in the City; and, (iii) promote or develop new or expanded business enterprises in the City that create or retain primary jobs.

### **ARTICLE II Authorization and Findings**

- 2.01 Recitals.** The foregoing Recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, representations, consideration, and promises that bind the Parties.
- 2.02 Performance Agreement.** The PEDC and LS Tractor enter into this Agreement so that the PEDC may provide a direct incentive to LS Tractor under the Project. In accordance with Section 501.158, Local Government Code, this Agreement contains a schedule of additional jobs to be created or retained through the Project, a description of the capital investment to be made by LS Tractor as consideration for any direct incentives provided by the PEDC, and the terms under which repayment must be made if LS Tractor does not meet the performance requirements set forth in this Agreement.
- 2.03 New or Expanded Business Development.** Pursuant to Section 505.158, Local Government Code, the PEDC declared this Project to include land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements found by the PEDC to promote new or expanded business development under PEDC Resolution No. R-07-23.

- 2.04 Manufacturing and Industrial Facilities.** Under Section 501.101, Local Government Code, the PEDC may participate in this Project. The Project consists of land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements that have been found by the PEDC’s Board of Directors, through PEDC Resolution No. R-07-23. to be required or suitable for the development, retention, or expansion of manufacturing and industrial facilities.
- 2.05 Creation and Retention of Primary Jobs.** The PEDC may participate in this Project under Section 505.155, Local Government Code. The Project has been found by the PEDC’s Board of Directors, through PEDC Resolution No. R-07-23, to be for the promotion or development of new or expanded business enterprises that create or retain primary jobs.
- 2.06 Authority of Parties.** Each Party represents and warrants to the other Party that it has all requisite power and authority to execute, deliver, and to perform its obligations under this Agreement; and, upon execution of this Agreement, this Agreement will constitute valid and binding legal obligations of each party.

### **ARTICLE III Definitions**

- 3.01 Definitions.** As used in this Agreement, the following terms shall have the meaning set forth below:
- (a) **“Access Property”** means that approximately 1.13 acre parcel of land, intended to be developed to provide access to the Facility Property, being more particularly described by metes and bounds in *Exhibit B*
  - (b) The **“Board,”** also known as the PEDC’s **“Board of Directors,”** is the governing body of the PEDC, appointed by the City Council, to exercise all such powers of the PEDC and to do all lawful acts and things allowable and not otherwise prohibited by law, the City’s Home Rule Charter or Code of Ordinances, or the PEDC’s Articles of Incorporation, Certificate of Formation, or Bylaws, as those all may be amended from time-to-time.
  - (c) **“Capital Investment”** shall mean the Fourteen Million Eight Hundred Twelve Thousand Dollars and No Cents (\$14,812,000.00) capital investment LS Tractor shall make in consideration of the economic development incentives provided by the PEDC pursuant to this Agreement as well as abatement of *ad valorem* taxes provided by the City pursuant to the *Chapter 380 Economic Development Agreement*. Such capital investment shall consist of approximately Nine Million Four Hundred Twelve Million Dollars and No Cents (\$9,412,000.00) in real estate property improvements and an investment of Four Million Nine Hundred Thousand Dollars and No Cents (\$4,900,00.00) in personal property.

- (d) **“Cash Incentive”** is that payment of one hundred thousand dollars (\$100,000.00), that the PEDC shall pay directly to LS Tractor as a cash incentive payment in consideration for LS Tractor’s representations, promises, and covenants in this Agreement, to assist with the installation costs of fire suppression and safety infrastructure on the Properties.
- (e) The **“Chapter 380 Economic Development Agreement”** is that agreement that may be entered into by and between LS Tractor and the City, to be considered by the City on December 11, 2023, whereby the City – in consideration of the representations, promises, and covenants of LS Tractor– may agree to rebate a percentage of those *ad valorem* taxes on the Properties for a specified period and whereby the City may agree to transfer the Access Property to LS Tractor.
- (f) The **“Cure Period”** is that period during which, upon receipt of written notice of default, the defaulting Party must correct and cure its failure to perform under this Agreement. The Cure Period shall begin upon the date of written notice of the default. The Cure Period shall then last for a period of thirty (30) days thereafter.
- (g) A **“Default”** is a material breach of this Agreement – that allows for the termination of this Agreement – that occurs if LS (i) fails to comply with any one or all of the terms of this Agreement (ii) fails to comply with any of the terms of the *Chapter 380 Economic Development Agreement*; or, (iii) if any representation by LS Tractor in this Agreement is found to be false or misleading in any respect.
- (h) The **“Effective Date”** of this Agreement as used herein shall mean the date on which this Agreement is last executed by LS Tractor or the PEDC.
- (i) An **“Event of Bankruptcy or Insolvency”** means the dissolution or termination of LS Tractor’s existence as an ongoing business, insolvency, the appointment of a receiver for any of LS Tractor's property or inventory and such appointment is not terminated within ninety (90) days after such appointment is initially made.
- (j) **“Facility Property”** means that property commonly known as 2002 Tile Factory Road, Palestine, Texas 75801 defined and depicted more specifically by metes and bounds in *Exhibit C*.
- (k) An **“FTE”** is a full-time employee, which means any individual who works at least thirty-two (32) hours a week as a full-time worker for LS Tractor and that employee’s schedule is comparable to other full-time workers working for LS Tractor or other workers in the area who are designated as full-time.
- (l) **“Incentives”** are those exclusive economic development benefits received by LS Tractor, from the PEDC, as provided for in this Agreement, in consideration for the representations, promises, and covenants of LS Tractor.

- (m) The “**Period of Performance**” is the period of time during which LS Tractor shall establish and maintain ongoing and uninterrupted business operations at the Properties for a period of at least ten (10) years, beginning upon the LS Tractor’s purchase of and closing on the Facility Property for the farm machinery and equipment distribution center and in no case later than February 29, 2024.
- (n) “**Project**” means certain economic development incentives, those being direct cash incentives consisting of the expenditure and rebate of sales tax funds, in exchange for LS Tractor’s creation of fifty (50) fulltime primary jobs, a capital investment of approximately \$14.812 million within the boundaries of the City of Palestine in Anderson County, Texas, and all other responsibilities of LS Tractor as contained in this Agreement, including those specifically appearing herein Article IV.
- (o) “**Properties**” means the Facility Property and the Access Property, collectively, which are located within the limits of the City of Palestine.

**3.02 Terms Not Listed.** There may be terms not listed herein this Article that appear in this Agreement. Those terms not listed herein this Article shall be provided those meanings assigned herein this Agreement or as is otherwise obvious or stated.

#### **ARTICLE IV LS Tractor’s Obligations**

**4.01 Obligations of LS Tractor.** In consideration of receiving those economic development incentives provided to LS Tractor by the PEDC and as described in this Agreement, LS Tractor agrees it shall:

- (a) ***Purchase of the Facility Property.*** LS Tractor agrees that it shall purchase, and closing shall occur on the Facility Property, on or before February 29, 2024.
- (b) ***Ongoing and Uninterrupted Business Operations.*** LS Tractor shall maintain ongoing and uninterrupted business operations at the Properties for a period of at least ten (10) years, beginning upon the transfer of ownership of the Facility Property to LS Tractor for the farm machinery and equipment distribution center (**the “Period of Performance”**). Operations at the farm machinery and equipment distribution facility shall begin no later than February 29, 2024.
- (c) ***Capital Investment.*** LS Tractor shall make a capital investment of Fourteen Million Eight Hundred Twelve Thousand Dollars and No Cents (\$14,812,000.00), with such capital investment consisting of Nine Million Four Hundred Twelve Thousand Dollars and No Cents (\$9,412,000.00) in real property improvements and an investment of Four Million Nine Hundred Thousand Dollars and No Cents (\$4,900,000.00) in personal property (**LS Tractor’s “Capital Investment”**). An estimated \$40 million in inventory shall also be maintained on the Properties. At



the PEDC’s request, LS Tractor shall provide tax records which may include but is not limited to, tax returns, receipts, cancelled checks, and bank statements, evidencing that LS Tractor has expended not less than \$9.412 million in real estate property improvements and not less than \$4.9 million in personal property improvements on or at the Properties, with such improvements being on or at the Properties and being in conformity with the City’s Home Rule Charter and Code of Ordinances.

(d) **Jobs to be Created.** On or before February 28, 2029, LS Tractor shall employ at least fifty (50) Full-Time Employees (“**FTEs**”) with a gross annual payroll of approximately \$1.5 million in accordance with the schedule below. On or before December 15 of each year of Project operations during the Period of Performance, LS Tractor shall provide verification of employment for each FTE employed by LS Tractor and engaged in Project operations during the immediately preceding year using the “Employment Verification Form” attached and incorporated hereto as **Exhibit D**.

- (i) **Year One.** Within the first year of Project operations, LS Tractor shall employ a minimum of twenty-eight (28) FTEs.
- (ii) **Year Two.** In the second year of Project operations, LS Tractor shall employ a minimum of an additional five (5) FTEs.
- (iii) **Year Three.** In the third year of Project operations, LS Tractor shall employ a minimum of an additional five (5) FTEs.
- (iv) **Year Four.** In the fourth year of Project operations, LS Tractor shall employ a minimum of an additional five (5) FTEs.
- (v) **By Year Five.** By the end of the fifth year of Project operations, LS Tractor shall employ a minimum of an additional seven (7) FTEs.

| SCHEDULE OF JOBS TO BE CREATED |  |                        |
|--------------------------------|--|------------------------|
| Year of Project Operations     |  | Number of FTEs Created |
| Year 1                         |  | 28 FTEs                |
| Year 2                         |  | 5 FTEs                 |
| Year 3                         |  | 5 FTEs                 |
| Year 4                         |  | 5 FTEs                 |
| Year 5                         |  | 7 FTEs                 |

**ARTICLE V**  
**Direct Incentives and Expenditures**

**5.02 Cash Incentive.** The PEDC agrees, subject to the terms and conditions of this Agreement, to make one payment of **One Hundred Thousand Dollars and No Cents (\$100,000.00)**

to LS Tractor, with such payment acting to reimburse LS Tractor for payment(s) made by LS Tractor to assist with the installation costs of the of fire suppression and safety infrastructure on the Properties. LS Tractor shall submit a written invoice to the PEDC requesting payment and provide proof of expenditures and payment(s) made for the cost of the fire suppression and safety infrastructure for which reimbursement is being requested. The PEDC shall tender payment within thirty (30) days after receipt of a written invoice. LS Tractor covenants and agrees that it is solely responsible for any costs, fees, and expenses for the installation of the fire suppression and safety infrastructure that exceed the maximum financial obligation of the PEDC, that amount being the Cash Incentive, and that it will not seek or make claim for additional reimbursement from the PEDC.

## **ARTICLE VI Term**

- 6.01** This Agreement shall be effective as of the Effective Date and shall terminate at the end of the ten (10) year period following the purchase of the Facility Property by LS Tractor, if not terminated earlier as provided herein.

## **ARTICLE VII Events of Default; Termination**

- 7.01 Declaration of Default.** During the period which this Agreement is effective, LS Tractor is in default if: (i) LS Tractor fails to comply with any of the terms of this Agreement; (ii) LS Tractor fails to comply with any of the terms of the Chapter 380 Economic Development Agreement; or, (iii) if any representation by LS Tractor in this Agreement is found to be false or misleading in any respect (“**Default**”).
- 7.02 Notice and Opportunity to Cure.** Unless otherwise stated herein this Agreement, if any Party fails to meet its obligations under this Agreement during the Period of Performance, the other Party will terminate this Agreement. Prior to such termination, the non-defaulting Party shall provide written notice to the defaulting Party of the default and intent to terminate this Agreement. Upon receipt of written notice of default, the defaulting Party shall be allowed a period of thirty (30) days to correct and cure such failure (**the “Cure Period”**).
- 7.03 Termination.**
- (a) **Default.** In the event LS Tractor defaults on or causes a default of this Agreement, this Agreement may then be terminated by the PEDC.
  - (b) **Ad Valorem Taxes.** In the event LS Tractor (i) allows the *ad valorem* taxes on the Properties to become delinquent or (ii) defaults under the Chapter 380 Economic Development Agreement, and fails to cure within the Cure Period, this Agreement may then be terminated by the PEDC.

- (c) **Discontinuation of Operations.** In the event the Facility is purchased and LS Tractor discontinues the operation of the farm machinery and equipment distribution center for any reason other than a force majeure event, as defined in this Agreement, for a period of more than one (1) year during the Period of Performance, then this Agreement shall terminate.
- (d) **Bankruptcy or Insolvency.** LS Tractor shall be deemed in default under this Agreement, which shall be deemed a breach hereunder, if LS Tractor experiences an Event of Bankruptcy or Insolvency; however, if LS Tractor retains ownership of its assets and maintains business operations under a bankruptcy reorganization, such event shall not constitute a default or breach of this Agreement. In any bankruptcy proceeding resulting from an Event of Bankruptcy or Insolvency, LS Tractor agrees to identify, on all bankruptcy schedules, the PEDC as a secured creditor of LS Tractor to the greatest extent allowed by law.

**7.04 Recapture.** If LS Tractor fails to meet any of its Performance Obligations as specified in this Agreement, then this Agreement shall terminate. LS Tractor has the obligation to and shall repay the PEDC the total amount of the Cash Incentive within thirty (30) days of LS Tractor's receipt of the PEDC's written notice of termination of this Agreement.

## **ARTICLE VIII Indemnification**

**LS TRACTOR, IN PERFORMING ITS OBLIGATIONS UNDER THIS AGREEMENT, IS ACTING INDEPENDENTLY, AND THE PEDC ASSUMES NO RESPONSIBILITIES OR LIABILITIES TO THIRD PARTIES IN CONNECTION WITH LS TRACTOR'S PROPERTY, THE PREMISES, TENANT IMPROVEMENTS, OR ANY OTHER IMPROVEMENTS TO LS TRACTOR'S PROPERTY. LS TRACTOR AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE PEDC, ITS OFFICERS, AGENTS, EMPLOYEES, AND VOLUNTEERS IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES FROM AND AGAINST CLAIMS, SUITS, DEMANDS, LOSSES, DAMAGES, CAUSES OF ACTION, AND LIABILITY OF EVERY KIND, INCLUDING BUT NOT LIMITED TO EXPENSES OF LITIGATION OR SETTLEMENT, COURT COSTS, AND ATTORNEY'S FEES WHICH MAY ARISE DUE TO ANY DEATH OR INJURY TO A PERSON OR THE LOSS OF, LOSS OF USE OF, OR DAMAGE TO PROPERTY ARISING OUT OF OR OCCURRING AS A CONSEQUENCE OF THE PERFORMANCE OF THIS AGREEMENT, INCLUDING ANY ERRORS OR OMISSIONS, OR NEGLIGENT ACT OR OMISSION OF THE PEDC, ITS OFFICERS, AGENTS, OR EMPLOYEES.**

## **ARTICLE IX Access to Information**

**10.01 Access to Information.** LS Tractor agrees to allow the PEDC, upon request, access to information necessary to ensure compliance with this Agreement.

**ARTICLE X**  
**Miscellaneous Provisions**

- 11.01 Mutual Assistance.** LS Tractor and the PEDC shall do all things necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out those terms and provisions.
- 11.02 Representation and Warranties.** LS Tractor represents and warrants to the PEDC that it has the requisite authority to enter into this Agreement. LS Tractor represents and warrants to the PEDC that it will not violate any Federal, State, or local laws in completing the Project and that all proposed improvements shall conform to all applicable building codes and all other applicable ordinances and regulations.
- 11.03 Section or Other Headings.** Section or other headings contained in this Agreement are for reference purposes only and shall not affect, in any way, the meaning or interpretation of this Agreement.
- 11.04 Attorney's Fees.** Except as otherwise expressly provided herein, each party shall bear its own costs and attorney's fees in connection with this Agreement, including any dispute relating thereto.
- 11.05 Entire Agreement.** This Agreement, the Exhibits attached hereto, along with the Chapter 380 Economic Development Agreement, embody the entire agreement between the Parties relative to the subject matter hereof, and there are no oral or written agreements between the Parties, nor any representations made by either Party relative to the subject matter hereof, which are not expressly set forth herein.
- 11.06 Amendment.** Except as otherwise provided in this Agreement, this Agreement shall be subject to changes, amendments, or modifications only in writing with the signatures and mutual consent of all Parties hereto.
- 11.07 Beneficiaries.** This Agreement shall bind and benefit the respective parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party. Nothing in this Agreement shall be construed to establish any third-party beneficiaries.
- 11.08 Force Majeure.** In the event either Party is rendered unable, wholly or in part, by Force Majeure to carry out any of its obligations under this Agreement, except the obligation to pay amounts owed or required to be paid pursuant to the terms of this Agreement, then the obligations of such Party, to the extent affected by such Force Majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided but

for no longer period. As soon as reasonably possible after the occurrence of the force majeure relied upon, the Party whose contractual obligations are affected thereby shall give notice and full particulars of such force majeure to the other Party. Such cause, as far as possible, shall be remedied with all reasonable diligence. The term “**Force Majeure**,” as used herein, shall include without limitation of the generality thereof, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, tornadoes, storms, floods, washouts, drought, arrests, restraint of government, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, partial or entire failure of water supply resulting in an inability to provide water necessary for operation of the water and wastewater systems hereunder, if any, and any other incapacities of any Party, whether similar to those enumerated or otherwise, which are not within the control or the Party claiming such inability, which such Party could not have avoided by the exercise of due diligence and care.

**11.09 Notice.** Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) delivering the same in person to such party; or (iii) utilizing an overnight or messenger delivery service that retains regular records of delivery and receipt. The initial addresses of the parties for the purpose of notice under this Agreement are as follows:

**If to the PEDC:**

**Palestine Economic Development Corporation**

*Attn: President*

100 Willow Creek Parkway, Ste. A  
Palestine, Texas 75801

**With a copy to:**

**Randle Law Office Ltd., L.L.P.**

*Attn: Heather N. Cook*

820 Gessner Road  
Suite 1570  
Houston, Texas 77024

**If to LS Tractor:**

**LS Tractor USA , LLC**

*Attn: Evan Lee, Chief Financial Officer*

6900 Corporation Parkway  
Battleboro, NC 27809

**11.10 Interpretation.** Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any Party.

**11.11 Applicable Law.** This Agreement and any amendment thereto shall be performable and enforceable in Anderson County, Texas, and shall be construed in accordance with the laws of the State of Texas. Nothing in this Agreement shall constitute a waiver by the PEDC of its governmental or sovereign immunity, to the extent applicable, nor shall the PEDC's enforcement of any legal right or assertion of any affirmative defense arising out of this Agreement constitute a waiver of the PEDC's governmental or sovereign immunity, to the extent applicable. Nothing in this Agreement shall be construed at the PEDC's express or implied consent to being sued, to the extent said consent is required by law.

**11.12 Severability.** In the event of any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporations, or circumstance, shall be held by a court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity, or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the application, validity, or constitutionality of the remaining parts of this Agreement shall not be affected thereby.

**11.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

**11.14 No Joint Venture.** Nothing contained in this Agreement is intended by the Parties to create a joint venture or any other joint partnership between the Parties.

[ EXHIBIT INDEX ]

*Exhibit A – Non-Binding Letter of Intent*

*Exhibit B – Legal Description of the Access Property*

*Exhibit C – Legal Description of the Facility Property*

*Exhibit D – Employment Verification Form*

*Exhibit E – Additional Declarations and Acknowledgments*

IN WITNESS WHEREOF, and in acknowledgment that the Parties hereto have read and understood each and every provision hereof, the Parties have executed this Agreement on the dates subscribed below:

**PEDC:**

**PALESTINE ECONOMIC DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
**BEN CAMPBELL, President**

Date of Execution by the PALESTINE ECONOMIC DEVELOPMENT CORPORATION: \_\_\_\_\_, 2023

ATTEST:

By: \_\_\_\_\_  
Kim Willmott, *PEDC Secretary*

STATE OF TEXAS §  
§  
ANDERSON COUNTY §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_ 2023, by Ben Campbell, *President, Palestine Economic Development Corporation*, on behalf of said municipal corporation.

\_\_\_\_\_  
NOTARY PUBLIC, State of Texas

LS TRACTOR:

LS TRACTOR USA, LLC

By: \_\_\_\_\_  
Evan Lee, *Chief Financial Officer*

Date of Execution by LS TRACTOR USA, LLC: \_\_\_\_\_, 2023

STATE OF TEXAS §  
§  
ANDERSON COUNTY §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_  
2023, by **Evan Lee, Chief Financial Officer, LS Tractor USA, LLC**, on behalf of said business  
entity.

\_\_\_\_\_  
**NOTARY PUBLIC, State of Texas**





Agenda Date: 12/12/2023  
To: Palestine Economic Development Corporation  
From: Lisa Bowman, Economic Development Admin  
Agenda Item: Consideration and possible action regarding Resolution No. R-08-23.

---

**SUMMARY:**

Consideration of and possible action on Resolution No. R-08-23, a resolution declaring its desire and intent to grant Trinity Valley Community College certain economic development incentives in exchange for the construction of a new correctional training facility located on their Palestine campus, for the purpose of providing an expanded criminal justice training program for the benefit of the community within the City of Palestine, Anderson County, Texas.

**RECOMMENDED ACTION:**

Staff recommends the board approve Resolution No. R-08-23.

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**Attachments**

Resolution R-8-23

**PEDC RESOLUTION NO. R-08-23**

**A RESOLUTION OF THE PALESTINE ECONOMIC DEVELOPMENT CORPORATION, A "TYPE B" ECONOMIC DEVELOPMENT SALES TAX CORPORATION, DECLARING A PROJECT OF THE CORPORATION, DIRECTING STAFF TO PUBLISH NOTICE OF SAME, AND SETTING A PUBLIC HEARING**

**WHEREAS**, the **Palestine Economic Development Corporation (the "PEDC")** was created by the City of Palestine, Texas, a home-rule municipality with an estimated population of approximately 18,750 (**the "City"**), in accordance with and pursuant to Chapters 501 and 505 of the Local Government Code, as amended (**the "Local Government Code"**); and,

**WHEREAS**, the PEDC wishes to participate in a project, as that term is defined under Chapter 501 of the Local Government Code, to directly incentivize the economic development of the City through the development and diversification of the economy, the elimination of unemployment and underemployment, and the development and expansion of commerce within the State of Texas; and,

**WHEREAS**, the PEDC wishes to participate in a specific type of project, that consisting of land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements found by the PEDC's Board of Directors to promote new or expanded business development (Section 505.158, Local Government Code); and,

**WHEREAS**, furthermore, the PEDC wishes to participate in a specific type of project, that consisting of land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements found by the PEDC's Board of Directors to be required or suitable for the development, retention, or expansion of primary job training facilities for use by institutions of higher education (Section 501.101, Local Government Code); and,

**WHEREAS**, the PEDC desires to grant Trinity Valley Community College (TVCC) certain economic development incentives in exchange for TVCC's construction of a new correctional training facility on its Palestine Satellite Campus located at 2970 North Highway 19, Palestine, Texas 75801, for the purpose of providing expanded criminal justice training programs for the benefit of the community within the City of Palestine, Anderson County, Texas (**the "Project"**); and,

**WHEREAS**, the PEDC's Board of Directors has found that the expenditures proposed hereunder are an economic investment in the City and are required or suitable for the development, retention, and expansion of primary job training facilities for use by TVCC, and institution of higher education; and,;

**WHEREAS**, it is hereby officially found and determined that the PEDC Meeting at which this Resolution was passed was open to the public, and public notice of the time, place, and purpose at which it was considered and approved was given in accordance with Chapter 551 of the Government Code;

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PEDC THAT:**

- Section 1.** The above and foregoing premises and recitals are true and correct and are incorporated herein and made a part hereof for all purposes.
- Section 2.** As authorized by Sections 501.101 and 505.158 of the Local Government Code, the PEDC hereby proposes to undertake the Project, described above, to incentivize TVCC's construction of a new correctional training facility for the purpose of providing expanded criminal justice training programs by granting to TVCC certain economic development incentives, those being direct cash incentives consisting of the expenditure of sales tax funds, in exchange for TVCC's capital investment on its Palestine Satellite Campus.
- Section 3.** The PEDC hereby finds that the funds expended will be used for eligible "costs" of "projects" as those terms are defined in Chapters 501 and 505 of the Local Government Code.
- Section 4.** As required by Section 505.159 of the Local Government Code, the PEDC hereby sets a public hearing for such Project on January 9, 2024, at 10:00 a.m., at its regularly scheduled meeting, the agenda and location for which will be posted no less that seventy-two (72) hours ahead of time on a bulletin board at a place convenient for the public and at [www.palestinetexas.net](http://www.palestinetexas.net).
- Section 5.** The PEDC hereby authorizes and directs staff to publish public notice of both the Project and the public hearing to be held on the Project in the newspaper of general circulation, that being the Palestine Herald Press.

**PASSED AND APPROVED this 12th day of December 2023.**

---

**Ben Campbell, *President***

**ATTEST:**

---

**Kim Willmott, *Secretary***



Agenda Date: 12/12/2023  
To: Palestine Economic Development Corporation  
From: Lisa Bowman, Economic Development Admin  
Agenda Item: Consider and take possible action on the Downtown Grant Performance Agreement with A&R Treasures.

---

**SUMMARY:**

Consider and take possible action on the Downtown Grant Performance Agreement with A&R Treasures.

**RECOMMENDED ACTION:**

Staff recommends the board approve the Downtown Grant Performance Agreement with A&R Treasures.

---

**Attachments**

AR Treasure Perf. Agreement

## **DOWNTOWN GRANT PERFORMANCE AGREEMENT**

This Downtown Grant Performance Agreement ("GRANT AGREEMENT") is executed by and between the Palestine Economic Development Corporation, a Texas Section 4B Economic Development Corporation ("PEDC"), whose address is 100 Willow Creek Pkwy. Suite A, Palestine, Texas 75801, and Alejandro Rodriguez Jr, sole proprietor of AR Treasures ("APPLICANT" whether one or more), whose current address 115 W. Oak St. Palestine, TX 75801

### **RECITALS**

**WHEREAS**, the PEDC is an Economic Development Corporation, organized under the Texas Development Corporation Act of 1979, Article 5190.6, Section 4B of Vernon's Texas Civil Statutes, now Section 501 et seq. of the Texas Local Government Code (the Act), and authorized by the City of Palestine, Texas (City).

**WHEREAS**, the PEDC has adopted, and the City approved, a Downtown Grant Program ("GRANT PROGRAM").

**WHEREAS**, the APPLICANT submitted its Application dated October 30, 2023 for a Downtown Grant ("APPLICATION").

**WHEREAS**, the APPLICANT plans to make real property capital investments of \$34,933.77 for the purpose of full replacement of an HVAC system at the business property of AR Treasures, that being 115 W Oak St. Palestine, TX 75801. PEDC has found that the proposed improvements of APPLICANT's property will encourage economic development in the City and will add to the local City ad valorem tax rolls and other local taxing entities' and the PEDC and City have approved a cash performance grant to APPLICANT that matches funds expended by APPLICANT not to exceed a grant of \$26,200.32 ("GRANT").

**NOW, THEREFORE**, in consideration of mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

### **1. APPLICANT'S OBLIGATIONS**

1.1. The GRANT PROGRAM, APPLICATION, and APPLICATION GRANT APPROVAL are incorporated herein by reference as if specifically set forth herein.

1.2. APPLICANT accepts such grant subject to PEDC and City approval.

1.3. APPLICANT recognizes that, pursuant to the terms and provisions of Texas law, this GRANT AGREEMENT will not be valid and binding on PEDC until it is approved by the City Council of the City of Palestine, Texas.

1.4. APPLICANT will secure completion of the improvements in compliance within its APPLICATION, the GRANT APPLICATION APPROVAL, and the GRANT PROGRAM before September 12, 2024.

1.5. APPLICANT will obtain all permits required by the CITY or other required by other government authorities for the improvement project.

1.6. PEDC, by its designated representative, shall have the right to inspect during the construction of the improvements and, following APPLICANT'S notice of completion, to evaluate APPLICANT's compliance with the APPLICATION, the GRANT APPLICATION approval, and the GRANT PROGRAM.

## **2. FUNDING**

2.1. APPLICANT will be provided with 50% of the total grant award upon execution of this GRANT AGREEMENT.

2.2. APPLICANT shall provide PEDC with written notification of project completion by letter stating that all improvements have been completed in accordance with the APPLICATION and GRANT APPLICATION APPROVAL and GRANT PROGRAM, and that full payments have been made for all labor and materials with attached paid receipts for materials and labor, required permits, inspection reports, and project photographs.

2.3. Upon PEDC's receipt of APPLICANT's notification of completion, an on-site inspection may be made by a representative or representatives of PEDC. Such inspection shall not be considered in any way as a reflection of PEDC's approval on the quality, safety, or reliability of the improvements, such being the sole responsibility of APPLICANT.

2.4. Following on-site inspection, PEDC will review the findings and may request additional information if needed, and notify the APPLICANT of compliance or identify items of non-compliance. APPLICANT's failure to correct the items of non-compliance within thirty (30) days of notice thereof shall be cause for cancellation of the GRANT AGREEMENT and the APPLICANT's refund of any grant monies received to date, if any.

2.5. Upon the PEDC board of directors making a finding of completion of the project, as per the terms of the APPLICATION, the GRANT APPLICATION APPROVAL and the GRANT AGREEMENT, payment of the remaining 50% of the total grant award will be made.

## **3. REPRESENTATION AND WARRANTIES**

APPLICANT represents and warrants to PEDC that:

3.1. APPLICANT has the power and authority, corporate or otherwise, to conduct its business and to perform all of its obligations under this GRANT AGREEMENT and will maintain, in

good standing, its corporate existence in the State of Texas for the duration of this GRANT AGREEMENT.

3.2. APPLICANT's execution, delivery, and performance of this GRANT AGREEMENT has been duly authorized by all necessary action, corporate or otherwise, and does not and will not violate any provision of any existing law, rule, regulation, contract or lien by which APPLICANT or its property or assets is bound or affected.

3.3. To the best of APPLICANT's knowledge neither it, nor any division, branch, subsidiary, or related agency of the APPLICANT, is a party to any administrative or legal proceeding that is active or threatened against the APPLICANT or APPLICANT'S officers which may result in any material adverse change in APPLICANT'S business operations or assets which may be the subject of this GRANT AGREEMENT.

3.4. APPLICANT represents and warrants that they are not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Government Code.

3.5. Information, documentation, and other material in connection with the GRANT AGREEMENT may be subject to public disclosure pursuant to Chapter 552 of the Government Code (the "**Public Information Act**"). To the extent, if any, that any provision of the Agreement is in conflict with the Public Information Act, such provision shall be void and have no force or effect.

In accordance with Section 2252.907 of the Government Code, APPLICANT is required to make any information created or exchanged with the PEDC pursuant to the GRANT AGREEMENT, regardless of contrary provisions contained herein, and not otherwise excepted from disclosure under the Public Information Act, available in a format that is accessible by the public at no additional charge to the PEDC.

3.6. **No Indemnification by the PEDC.** APPLICANT and the PEDC expressly acknowledge that the PEDC's authority to indemnify and hold harmless any third party may be governed by Article XI, Section 7, of the Texas Constitution and any provision that purports to require indemnification by the PEDC is invalid. Nothing in this GRANT AGREEMENT requires that the PEDC incur debt, assess or collect funds, or create a sinking fund.

3.7. APPLICANT is aware of the limitations imposed on this GRANT and the use of funds by law and acknowledges that the funds herein granted shall be utilized solely for purposes authorized under law and by the terms of this GRANT AGREEMENT. In the event that an audit determines that the financial incentives granted under this GRANT AGREEMENT were not used for proper purposes, APPLICANT agrees to reimburse PEDC for the sums of money spent for purposes not authorized by law or this GRANT AGREEMENT, with interest at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the City) as its prime or base commercial lending

rate. The payment of interest shall be from the date that the money was spent for purposes not authorized by law or this GRANT AGREEMENT.

3.8. APPLICANT does not and will not knowingly employ an undocumented worker, as that term is defined by Tex. Gov't. Code Sec. 2264.001, directly or indirectly through a contractor or subcontractor. If, after receiving the funds herein granted, APPLICANT is convicted of a violation under 8 U.S.C. § 1324a(t), APPLICANT shall repay the amount of the grant paid by PEDC to APPLICANT with interest at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the City) as its prime or base commercial lending rate. The payment of interest shall be, no later than 120 days after the date that APPLICANT receives notification of such a violation.

3.9. APPLICANT shall fully comply with all local, state and federal laws applicable or otherwise implicated by Applicant's receipt of funds under this GRANT PROGRAM, which includes but is not limited to Applicant's compliance with Title VII, Civil Rights Act of 1964, as amended, the Texas Labor Code, the Drug Free Workplace Act of 1988, and the Americans with Disabilities Act, as well as Applicant's refraining from discrimination of persons based on race, color, religion, sex (including pregnancy, childbirth, and related medical conditions; sexual orientation), national origin, disability, age, citizenship status, genetic information, political affiliation or participation in civil rights activities. Furthermore, while the City of Palestine fully supports the exercise of freedom of speech, the City of Palestine will not financially support or fund projects that incorporate or promote ideas of hate or which are intended to vilify, humiliate, or incite hatred against a group or a class of persons on the basis of race, religion, skin color, sexual identity, gender identity, ethnicity, disability or national origin.

3.10. APPLICANT will use all reasonable commercial efforts to continue operations in Palestine, Anderson County, Texas.

3.11. APPLICANT shall timely pay when due all ad valorem taxes due and owed by it to the CITY and all other taxing authorities having jurisdiction over the APPLICANT's property. APPLICANT shall also timely pay when due any and all water and sewer bills owed to the CITY. In addition, APPLICANT shall timely pay when due all employment, income, franchise, and all other taxes owed by it to all local, state, and federal government entities.

3.12. APPLICANT shall properly render all capital improvements, personal property and equipment with the Anderson County Appraisal District and shall list the City of Palestine as the taxable situs of all of its personal property located on the property.

3.13. If APPLICANT'S operations, past or present, cause the CITY or PEDC to be fined by any governmental entity, this AGREEMENT shall terminate immediately and the PEDC will have no further obligations under this GRANT AGREEMENT and APPLICANT agrees to repay the CITY or PEDC for such fines, penalties, and expenses within thirty (30) days.



3.14. If the business property, that being 115 W Oak St. Palestine, Texas 75801, is sold or conveyed for a purpose not originally intended by the GRANT APPLICATION, whether by owner or by leasing tenant, within one year of grant funding being awarded to APPLICANT, APPLICANT may be required to reimburse the PEDC immediately for the full amount of the grant.

#### **4. REMEDIES**

4.1. Upon default, the non-defaulting party shall have the right to seek any remedy available in law or equity including, termination of this GRANT AGREEMENT, recovery of Grant funds, reasonable and necessary attorney fees incurred, and pre-judgment and post-judgment interest at the rate provided by law or as otherwise provided by this GRANT AGREEMENT (whichever is greater).

4.2. Any controversy between the parties to the GRANT AGREEMENT involving the performance, construction, or application of any of the terms, covenants, or conditions of this GRANT AGREEMENT shall be resolved first through good faith negotiations and discussions by the parties to the GRANT AGREEMENT including the assistance of professional mediation if requested by any party. If such efforts are unsuccessful, on the written request of one party served on the other, the controversy shall first be submitted to arbitration, and such arbitration shall comply with and be governed by the provision of the Texas General Arbitration Act (Texas Civil Practice and Remedies Code Section 171.001 et seq.) Should any lawsuit be commenced between parties to this GRANT AGREEMENT, concerning this GRANT AGREEMENT or the rights and duties of each party under this GRANT AGREEMENT, the party prevailing in such lawsuit shall be entitled, in addition to any other relief granted, to recover its attorney's fees and other expenses incurred in such lawsuit.

#### **5. MISCELLANEOUS PROVISIONS**

5.1. All representations, warranties, covenants, and agreements, as well as rights and benefits for the parties to this GRANT AGREEMENT shall survive the payment of grant funds to APPLICANT.

5.2. This GRANT AGREEMENT may not be assigned by APPLICANT without the prior written consent of PEDC. No such assignment shall relieve APPLICANT of any of its obligations under this GRANT AGREEMENT.

5.3. The GRANT AGREEMENT may not be amended, modified, altered, or changed unless in writing, signed by both parties to this GRANT AGREEMENT and approved by the City of Palestine.

**5.4. APPLICANT SHALL INDEMNIFY AND HOLD THE PEDC, ITS EMPLOYEES, AND ITS AGENTS HARMLESS FOR ANY DAMAGES, BOTH PERSONAL AND PROPERTY, WHICH MAY RESULT DIRECTLY OR INDIRECTLY FROM ANY INCIDENT ASSOCIATED WITH PROJECT BOTH DURING AND AFTER**

**CONSTRUCTION, AND THAT PEDC, ITS EMPLOYEES, AND ITS AGENTS SHALL NOT BE LIABLE FOR ANY DEBTS INCURRED IN ASSOCIATION WITH THE EXECUTION AND COMPLETION OF THE SUBJECT PROJECT OF THIS APPLICATION.**

5.5. PEDC, its employees, and its agents do not attest to the quality, safety, or construction of a project eligible for, or receiving grant funding.

5.6. This GRANT AGREEMENT shall be binding upon an inure to the benefit of the parties and their respective heirs, administrators, and assigns.

5.7. No failure or delay on the part of the PEDC in exercising any right, power, or exercise hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. No notice to or demand on APPLICANT in any case shall entitle APPLICANT to any other or further notice or demand in similar or other circumstances.

5.8. All notices, consents, requests, demands, and other communication hereunder shall be in writing and shall be deemed to have been duly given to the party hereto if mailed by certified mail, prepaid, to the APPLICANT's address shown above as first written.

5.9. Time is of the essence of this agreement.

5.10. Neither party will be liable for delays or failure in its performance hereunder to the extent that such delay or failure is caused by acts of God, war, terrorism, or threats of terrorism, natural disaster, strike, lockout, labor dispute, work stoppage, fire, third-party criminal act, quarantine restriction, epidemic, pandemic, act of government, or other events outside of the reasonable control of a party (a "Force Majeure Event"); provided that the delayed party took reasonable precaution to prevent the impact of the Force Majeure Event.

5.11. This GRANT AGREEMENT shall be deemed contracts made under the laws of the State of Texas and for all purposes shall be construed in accordance with the Laws of said State. The venue shall be in Anderson County, Texas.

5.12. The term APPLICANT as used herein and shall include any and all co- APPLICANTS.

5.13. The providing of this GRANT AGREEMENT by PEDC to APPLICANT by any means of delivery constitutes an offer by PEDC to APPLICANT to accept this GRANT AGREEMENT on the terms and conditions contained therein, subject to approval by the City of Palestine City Council. If APPLICANT has not accepted the offer by ninety (90) days from the date approved by the City Council of the City of Palestine, Texas, the offer will lapse, and the offer and this GRANT AGREEMENT shall become null and void.

**AGREED** and **SIGNED** to be effective as of the Effective Date.

**For the Applicant(s):**

A&R Treasures

By \_\_\_\_\_ Date \_\_\_\_\_  
**Alex Rodriguez, Owner**

**For the PEDC:**

Palestine Economic Development Corporation

By \_\_\_\_\_ Date \_\_\_\_\_  
**Ben Campbell, Board President**

**APPROVED:**

City of Palestine, Texas

By \_\_\_\_\_ Date \_\_\_\_\_  
**Mitchell Jordan, Mayor**



Agenda            12/12/2023  
Date:  
To:                Palestine Economic Development Corporation  
From:             Lisa Bowman, Economic Development Admin  
Agenda Item: Discussion and possible action regarding tree removal in the Willow Creek Business Park.

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**SUMMARY:**

Discussion and possible action to approve costs for tree removal in the Willow Creek Business Park.

**RECOMMENDED ACTION:**

Staff recommends the board approve the costs for tree removal in the Willow Creek Business Park.

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Agenda Date: 12/12/2023  
To: Palestine Economic Development Corporation  
From: Lisa Bowman, Economic Development Admin  
Agenda Item: Discussion and possible action regarding PEDC By Law, Article III, Section 1. Number, Term of Office and Residency.

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**SUMMARY:**

Discussion and possible action regarding PEDC By Law, Article III, Section 1. Number, Term of Office and Residency.

**RECOMMENDED ACTION:**

Staff recommends the PEDC Board discuss and take possible action regarding PEDC By Law, Article III, Section 1. Number, Term of Office and Residency.

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**Attachments**

Current By-Laws  
Proposed By-Laws

# ORIGINAL

## AMENDED AND RESTATED BY-LAWS OF THE PALESTINE ECONOMIC DEVELOPMENT CORPORATION

These Amended and Restated Bylaws govern the affairs of the Palestine Economic Development Corporation, a Type B economic development and nonprofit corporation (the "Corporation").

### ARTICLE I

#### Offices

##### **Section 1. Principal Office.**

The principal office of the Corporation is located at 100 Willow Creek Parkway, Suite A, in the City of Palestine, Anderson County, Texas. The Corporation may have such other offices, within the city limits of the City of Palestine, Texas, as the Board of Directors may determine are necessary and appropriate, subject to approval by the City Council of the City of Palestine, Texas (the "City Council").

##### **Section 2. Registered Office.**

The Corporation shall maintain a registered office located within the corporate limits of the City of Palestine, Texas. The registered office may, but need not, be identical to the Corporation's principal office. The Board of Directors may change the registered office as permitted under The Development Corporation Act, Chapters 501 and 505 of the Texas Local Government Code, as amended (the "Act").

##### **Section 3. Registered Agent.**

The Corporation shall designate a registered agent who must be an individual and a resident of the state of Texas. The Board of Directors may change the registered agent as permitted under the Act.

### ARTICLE II

#### Members and Stock

The Corporation has no members and is a non-stock corporation.

### ARTICLE III

#### Board of Directors

##### **Section 1. Number, Term of Office and Residency**

The business and property of the Corporation shall be managed and controlled by a Board of Directors consisting of seven (7) directors ("Directors").

The City Council shall appoint each Director who shall serve at the pleasure of the City Council for a Term of two (2) years. The Term of three (3) Directors shall begin on odd-numbered years and the Term of four (4) Directors shall begin on even-numbered years. Each Term shall begin on October 1<sup>st</sup> and end September 30<sup>th</sup> so as to coincide with the Corporation's fiscal year; however, each Director shall serve until his or her successor is appointed even if such service extends beyond his or her appointed Term.

Three (3) Directors shall be a resident of the City of Palestine. Up to four (4) Directors may be non-residents of the City of Palestine but must be residents of Anderson County and must reside within 10 miles of the City of Palestine's corporate boundaries. No more than two (2) Directors may be a City employee or officer. City Council members shall not serve on the Board of Directors. Each Director shall be entitled to one vote upon the business of the Corporation. A Director may not vote by proxy.

The Offices and Terms of the Directors of the Corporation shall comply with the Act, as amended.

## **Section 2. Vacancies**

In the case of a vacancy on the Board of Directors through removal, death, resignation, disqualification, failure to maintain proper residency, or other cause, a successor director shall be appointed by the City Council to serve for the remainder of the Director's remaining Term. The filling of vacancies shall at all times comply with the Act and Section 22.212 of the Texas Business Organization Code, as amended.

## **Section 3. Annual and Regular Meetings; Place of Meeting**

Regular meetings of the Board of Directors shall be held at the Principal Office established by the Corporation, unless otherwise determined by the President, a quorum of Directors, or the Director of Economic Development. A meeting of the Board of Directors for the election of officers and the transaction of such other business shall be held in October of each year, unless changed by resolution of the Board of Directors, which shall qualify as the annual meeting of the Corporation. All meetings, regular or special, shall be called and held in accordance with the Texas Open Meetings Act, Chapter 551, Texas Government Code. At a minimum, the Board of Directors shall conduct a regular meeting quarterly.

## **Section 4. Special Meetings**

Special meetings of the Board of Directors shall be held whenever called by the President, by one-third of the Directors, or by the Director of Economic Development.

## **Section 5. Notice of Meetings**

The Director of Economic Development of the Corporation, or his or her designee, shall cause notice of the time and place of each meeting of the Board of Directors to be given to each Director. Such notice may be in writing, in person, by telephone, or by electronic mail. Notice of

# PROPOSED

## AMENDED AND RESTATED BY-LAWS OF THE PALESTINE ECONOMIC DEVELOPMENT CORPORATION

These Amended and Restated Bylaws govern the affairs of the Palestine Economic Development Corporation, a Type B economic development and nonprofit corporation (the "Corporation").

### ARTICLE I

#### Offices

##### **Section 1. Principal Office.**

The principal office of the Corporation is located at 100 Willow Creek Parkway, Suite A, in the City of Palestine, Anderson County, Texas. The Corporation may have such other offices, within the city limits of the City of Palestine, Texas, as the Board of Directors may determine are necessary and appropriate, subject to approval by the City Council of the City of Palestine, Texas (the "City Council").

##### **Section 2. Registered Office.**

The Corporation shall maintain a registered office located within the corporate limits of the City of Palestine, Texas. The registered office may, but need not, be identical to the Corporation's principal office. The Board of Directors may change the registered office as permitted under The Development Corporation Act, Chapters 501 and 505 of the Texas Local Government Code, as amended (the "Act").

##### **Section 3. Registered Agent.**

The Corporation shall designate a registered agent who must be an individual and a resident of the state of Texas. The Board of Directors may change the registered agent as permitted under the Act.

### ARTICLE II

#### Members and Stock

The Corporation has no members and is a non-stock corporation.

### ARTICLE III

#### Board of Directors

##### **Section 1. Number, Term of Office and Residency**

The business and property of the Corporation shall be managed and controlled by a Board of Directors consisting of seven (7) directors ("Directors").



The City Council shall appoint each Director who shall serve at the pleasure of the City Council for a Term of two (2) years. The Term of three (3) Directors shall begin on even-numbered years and the Term of four (4) Directors shall begin on odd-numbered years. Each Term shall begin on January 1<sup>st</sup> and end December 31<sup>st</sup> so as to coincide with the Corporation's fiscal year; however, each Director shall serve until his or her successor is appointed even if such service extends beyond his or her appointed Term.

Three (3) Directors shall be a resident of the City of Palestine. Up to four (4) Directors may be non-residents of the City of Palestine but must be residents of Anderson County and must reside within 10 miles of the City of Palestine's corporate boundaries. No more than two (2) Directors may be a City employee or officer. City Council members shall not serve on the Board of Directors. Each Director shall be entitled to one vote upon the business of the Corporation. A Director may not vote by proxy.

The Offices and Terms of the Directors of the Corporation shall comply with the Act, as amended.

## **Section 2. Vacancies**

In the case of a vacancy on the Board of Directors through removal, death, resignation, disqualification, failure to maintain proper residency, or other cause, a successor director shall be appointed by the City Council to serve for the remainder of the Director's remaining Term. The filling of vacancies shall at all times comply with the Act and Section 22.212 of the Texas Business Organization Code, as amended.

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Ben Campbell, President  
Suzanne Eiben, Vice President  
Kim Willmott, Secretary/Treasurer  
Dan Bochsler, Director  
Joseph Thompson, Director  
Linda Dickens, Director  
Charles Drane, Director



Christophe Trahan,  
EDC Director  
Lisa Bowman,  
Admin. Assistant

**ADDENDUM**  
**To the Agenda for Tuesday, December 12, 2023**  
**ECONOMIC DEVELOPMENT BOARD**  
**December 12, 2023**  
**10:00 A.M.**  
**PEDC Office**  
**100 Willow Creek Pkwy, Suite A**  
**Palestine, TX**

**I. DISCUSSION AND ACTION ITEMS**

8. Discussion and possible action regarding Rotary Club of Palestine Community Development Grant Application in the amount of \$7,000.

I certify that the above Notice of Meeting was posted at the main entrance of the Palestine Economic Development Corporation located at 100 Willow Creek Parkway, Suite A, Palestine, Texas, in compliance with Chapter 551 of the Texas Government Code on **Friday, December 8, 2023, at 5:30 p.m.**



Lisa Bowan, EDC Admin. Assistant

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA) PERSONS IN NEED OF SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, CONTACT THE CITY SECRETARY'S OFFICE VIA EMAIL AT [citysecretary@palestine-tx.org](mailto:citysecretary@palestine-tx.org) or 903-731-8414.



Agenda Date: 12/12/2023  
To: Palestine Economic Development Corporation  
From: April Jackson, City Secretary  
Agenda Item: Rotary Club of Palestine Community Development Grant Application in the amount of \$7,000

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**SUMMARY:**

Discussion and possible action regarding Rotary Club of Palestine Community Development Grant Application in the amount of \$7,000.

**RECOMMENDED ACTION:**

Staff recommends discussion and possible action regarding Rotary Club of Palestine Community Development Grant Application in the amount of \$7,000.

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**Attachments**

Community Development Grant Outline - Rotary Club of Palestine - 2023  
PEDC Community Development Grant Application - Rotary Club of Palestine

**Contact: Mary Raum**  
Rotary Club of Palestine P.O. Box 612  
Phone: (903) 723-3014 Palestine, TX 75802  
Cell: (818) 943-8626 msraum@gmail.com



## Community Development Grant Application 2023

### Applying Organization

Rotary is a global network of 1.4 million neighbors, friends, and leaders volunteer their skills and resources to solve issues and address community needs. We are an international service organization whose stated human rights purpose is to bring together business and professional leaders to provide humanitarian services, encourage high ethical standards in all vocations, and to advance goodwill and peace around the world. The organization was founded in February 1905 and the Rotary Club of Palestine was founded in 1913 and chartered a year later in 1914. Today, the Palestine club is the 8<sup>th</sup> oldest club in Texas with 91 members and growing!

While every Rotary Club is a little different, the Rotary Club of Palestine focuses its efforts on youth development and leadership. Our programs include:

- Safety Town – Interactive and immersive set of hands-on short courses about various types of safety for Anderson County 1<sup>st</sup> graders
- Dictionary Project – Classroom session with all 3<sup>rd</sup> graders teaching them how to use a dictionary using the 4-way test. Every child gets to keep their own dictionary.
- First Blessings Shoe Giveaway – Actively volunteers each year to provide local children with a free pair of socks & shoes before school starts.
- Rotary Youth Leadership Awards – 20 high school Juniors are sent on a weekend packed with leadership training and networking.
- Rotary Youth Exchange – Each year we host a foreign exchange student. They attend all Rotary meetings and participate in events and service opportunities throughout the year.
- Scholarships – Each year we award a minimum of \$12,000 to graduating seniors through an internal application process.

These programs are unduplicated and important to our rural community. They help promote youth leadership development, education, and address and solve community needs.

### Project

The Rotary Club of Palestine identified a need within our community that can be utilized by every resident and visitor. The project will revitalize the Upper Lake Trail which is approximately 1.6 miles through the Palestine Community Forest. Today it is completely overgrown in many areas and impassable 10 or 12 months of the year due to low lying areas being underwater when it rains.

The trails were developed over 30 years ago as an Eagle Scout project, but not maintained in recent years. The current low water crossings are rotting and deteriorating, and the path is made of a sandy soil that makes it hard for wheeled equipment such as bicycles, strollers, scooters, and motorized wheelchairs to access and traverse the trail.

Within the scope of work, we are planning to clear the trail, lay new path base material, and create new signage that will be installed along the route identifying the route, native trees and plants and facts about the natural wildlife in the area. Additionally, there are a few bridges that need to be replaced and a few new

benches along the trail. The project will commence in winter 2024 with a phased plan and a series of group workdays.

|              |  |
|--------------|--|
| August 2023  | Project identified, and permission granted by the City of Palestine  |
| Oct 2023     | Project awarded by Rotary District 5910  |
| Nov/Dec 2023 | Committee sub-chairs identified and team meetings to discuss partnerships and strategies.  |
| Jan 2023     | Presentation of the project to City Council  |
| Jan/Feb 2024 | Community workdays to clear overgrowth, debris and clean up and remove old bridges and signage. Partner with City to rebuild boardwalk/bridge. Install new signage and benches throughout the trail. |
| Mar/Apr 2024 | Project Wrap Up and Completion no later than April 29  |

Once the project is complete, visitors and residents will be able to safely utilize the trail for walking, hiking, bike riding and trail runs. We also expect that it will become an excellent course for cross country track events and will be utilized for many things from birdwatching to geocaching. It will be open to the public and there will be no fee for its use.

By completing this project, we will have added to the list of projects that we have completed to better serve our community. Other projects we have completed include the pavilion at Davey Dogwood Park, Public Restrooms in Davey Dogwood Park, purchase, and restoration of a vacant building in Palestine Main Street, maintenance and beautification of the Rotary Park in Main Street, restoration of the Welcome to Palestine gateway signage on Hwy 155 to name a few. We look for projects that we can complete that will provide lasting change within our community.

Starting in October 2024, we will continue to enhance the trail by layering in a pollinator project to seed native flowering plants and will host an annual workday each year to ensure the trail remains accessible.

This project aligns with the following strategies adopted by the Palestine Economic Development Corporation by supporting and enhancing the awareness and visibility of cultural, sports, entertainment and community assets that contribute to quality of life, business development and growth of Palestine sales tax revenue. It also aligns with the Economic Development strategy to highlight and promote Palestine as a unique destination for residents and visitors alike and meet citizen needs for quality-of-life improvements, business development and sustainable economic growth for residents in the City of Palestine. This project also will create a sense of place for our community and will highlight and promote Palestine as a unique destination for residents and visitors just through the nature of the product.

The project is expected to have a lifespan of 10 years and will continue to produce direct and indirect sales tax revenue for the full life cycle of the program. In discussion with the City of Palestine Park & Recreation Director, this area has been on the list of projects to be completed for many years, but they have not had the manpower or budget to go in and get it cleaned up. With our efforts, the city will be able to maintain the trails.

## Financial

The Rotary Club of Palestine [rides itself on working partnerships to meet a common goal. We always start with funds supplied through our club. This project requires that Rotary Club and Rotary District Grant funds are used before any other funds. You will also notice that there are no labor costs in our budget. Our project is to be executed by Rotarians and volunteer labor. This allows our dollars to go further. If in the event we receive additional donations or in-kind materials, we may not need the full request.

Below you will see the Project Budget Outline with revenue and expenses.

| Project Expenses - Upper Lake Trail |                 |                 |
|-------------------------------------|-----------------|-----------------|
|                                     | Income          | Expenses        |
| Rotary Funds                        | \$3,000         |                 |
| Rotary District Grant               | \$3,000         |                 |
| HOT Grant                           | \$1,000         |                 |
| In Kind Services                    | \$4,000         |                 |
| Additional Funding Request          | \$7,000         |                 |
|                                     | <b>\$18,000</b> |                 |
| Bridges (x3)                        |                 | \$8,000         |
| Trail Base Material                 |                 | \$3,500         |
| Equipment Rental                    |                 | \$2,000         |
| Trailhead/Gateway Signs             |                 | \$2,000         |
| Nature Trail Signage                |                 | \$1,500         |
| Fuel                                |                 | \$400           |
| Meals/Water for Volunteers          |                 | \$400           |
| Cement                              |                 | \$200           |
|                                     |                 | <b>\$18,000</b> |

### Marketing & Outreach

The Rotary Club of Palestine has been networking within the community and talking about this project since August 2023. We have already identified several groups that have requested to be part of the project in ways that are meaningful to their organizations. As we build momentum, we will be working with the Palestine Herald Press to create excitement about the project within the community. We will be utilizing our social media to introduce the project and show the progress from start to finish. We will wrap up the project with a ribbon cutting at the trailhead. City leadership, local organizations and residents will be invited to walk the trail to encourage and facilitate foot traffic on the trail.

### Metrics to Evaluate Success

The results of this project are more tangible than a set of metrics could produce. The goals outlined previously are our established metrics:

- Regular increased foot traffic on the trail year-round.
- Trail is utilized for strollers, scooters, bikes, and other city approved devices.
- Trail featured in promotional materials generated by Visit Palestine defined as a nature tourism destination.



## PALESTINE ECONOMIC DEVELOPMENT CORPORATION Community Development Grant Application

### IMPORTANT:

- Please read the "Palestine Community Development Grant Program Guidelines & Criteria" prior to completing this application.
- The Grant Guidelines & Criteria and Application are available at [www.palestinetexas.net](http://www.palestinetexas.net); by calling 903.729.4100 or by emailing [edcadmin@palestine-tx.org](mailto:edcadmin@palestine-tx.org)
- Please call to discuss your plans for submitting an application **in advance** of completing the form. Completed application and all supporting documents are required to be submitted electronically for consideration by the PEDC Board. Please submit the application to:

[edcdirector@palestine-tx.org](mailto:edcdirector@palestine-tx.org)

*Applications must be completed in full, using this form, and received by PEDC electronically, or in person.*

### Funding requested must meet the following criteria:

#### **Project Grant**

Quality of Life projects that are eligible for funding in accordance with the Type B sales tax statute (refer to examples in Grant Guidelines) and that advance the mission of PEDC.

## APPLICATION

### ORGANIZATION INFORMATION

Name: Rotary Club of Palestine

Federal Tax I.D.: 75-6036799

Incorporation Date: June 3, 1912

Mailing Address: P.O. Box 612

City Palestine

ST: Texas

Zip: 75802

Phone: 818-943-8626

Fax:

Email: [lmartini64@yahoo.com](mailto:lmartini64@yahoo.com)

Website: [PalestineRotary.org](http://PalestineRotary.org)

**Check One:**

- Nonprofit – 501(c)(3) Attach a copy of IRS Determination Letter
- Governmental entity
- Other

Professional affiliations and organizations to which your organization belongs: Rotary International

**REPRESENTATIVE AUTHORIZED TO COMPLETE / SUBMIT APPLICATION:**

Name: Mary Raum

Title: Club President

Mailing Address: PO Box 612

City: Palestine

ST: Texas

Zip: 75802

Phone: 818-943-8626

Fax:

Email: msraum@gmail.com

**DESIGNATED CONTACT FOR COMMUNICATION BETWEEN PEDC AND ORGANIZATION:**

Name: Mary Raum

Title: Club President

Mailing Address: PO Box 612

City: Palestine

ST: Texas

Zip: 75802

Phone: 818-943-8626

Fax:

Email: msraum@gmail.com

**FUNDING**

Total amount requested: \$7,000

Matching Funds Available: \$7,000

**PROJECT**

Start Date: January 2024

Completion Date: April 2024



**BOARD OF DIRECTORS** (*may be included as an attachment*)

**President – Mary Raum**

**Past President – Richard Rutledge**

**President Elect – Dr. Michael Gorby**

**Treasurer – Rhonda Herrington**

**Secretary – LeeAnn Martine**

**Service – Ernie Williams**

**Youth – Brett Weisenburn**

**Foundation – Ben Rhone**

**Membership – Chris Keller**

**Director at Large – Hugh Summers**

**President Nominee – Greg Lindsey**

**Public Relations – Angela Howell-Fields**

**LEADERSHIP STAFF** (*may be included as an attachment*)

**The Rotary Club of Palestine does not maintain staff however, our District Grant Project Coordinator is Bill Kilma**

**Using the outline below, provide a written narrative no longer than 5 pages in length:**

**I. Applying Organization**

Describe the mission, strategic goals and objectives, scope of services, day to day operations and number of paid staff and volunteers.

Disclose and summarize any significant, planned organizational changes and describe their potential impact on the Project for which funds are requested.

**II. Project**

- Outline details of the Project for which funds are requested. Include information regarding scope, goals, objectives, target audience.
- Describe how the proposed Project fulfills strategic goals and objectives for your organization.
- Please also include planned activities, time frame/schedule, and estimated attendance and admission fees if applicable.
- Include the location for Project.
- Provide a timeline for the Project.
- Detail goals for growth/expansion in future years.

**Project Grants – please complete the section below:**

- |                             |   |  |
|-----------------------------|---|--|
| • An expansion/improvement? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| • A replacement/repair?     | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| • A multi-phase project?    | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| • A new project?            | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |

**Has a feasibility study or market analysis been completed for this proposed project?** *If so, please attach a copy of the Executive Summary.* No

**Provide specific information to illustrate how this Project aligns with one or more of the goals and strategies adopted by Palestine Economic Development Corporation:**

- Eligible for PEDC consideration under Sections 501 to 505 of the Texas Local Government Code (refer to PEDC Grant Guidelines & Criteria)
- Support cultural, sports, fitness, entertainment and community projects that attract resident and visitor participation and contribute to quality of life, business development and growth of Palestine sales tax revenue
- Highlight and promote Palestine as a unique destination for residents and visitors alike
- Meet citizen needs for quality of life improvements, business development and sustainable economic growth for residents in the City of Palestine
- Demonstrate informed financial planning – addressing long-term costs, budget consequences and sustainability of projects for which funding is requested
- Educate the community about the impact local dining and shopping has on investment in quality of life improvements in Palestine

**Indicate which goal(s) listed above will be supported by the proposed Project:**

---

**Has a request for funding, for this Project, been submitted to PEDC in the past?**

- Yes                       No      If yes, list date of submittal: \_\_\_\_\_

**III. Financial**

- Provide an overview of the organization’s financial status including the impact of this grant request on organization mission and goals.
- Please attach your budget for the current year and audited financial statements for the preceding two years. If audited financials are not available, please indicate why.

**What is the estimated total cost for this Project?**

**\$18,000.00**

**(Include a budget for the proposed Project)**

## What percentage of Project funding will be provided by the Applicant?

Are Matching Funds available?  Yes  No

|                    |                                 |              |
|--------------------|---------------------------------|--------------|
| Cash \$ 7,000.00   | Source Rotary Club of Palestine | 39% of Total |
| In-Kind \$4,000.00 | Source Labor and materials      | 22% of Total |

**Are other sources of funding available?** *If so, please list source and amount.* We do have a fund balance that could be utilized with board approval.

**Have any other federal, state, or municipal entities or foundations been approached for funding?** *If so, please list entity, date of request and amount requested.* Yes, the City of Palestine Tourism Advisory Board awarded the project \$1000 to go towards the signs at the gateways and throughout the trail.

### IV. Marketing and Outreach

Describe marketing plans and outreach strategies for your organization, for the Project for which you are requesting funding – and how they are designed to help you achieve current and future goals.

### V. Metrics to Evaluate Success

Outline the metrics that will be used to evaluate success of the proposed Project. If funding is awarded, a final report will be required summarizing success in achieving objectives outlined for the event.

## Acknowledgements

*If funding is approved by the PEDC board of directors, Applicant will assure:*

- The Project for which financial assistance is sought will be administered by or under the supervision of the applying organization;
- All funds awarded will be used exclusively for the purpose described in this application;
- PEDC will be recognized in all marketing, outreach, advertising and public relations as a funder of the Project. Specifics to be agreed upon by applicant and PEDC and included in an executed performance agreement;
- Organization's officials who have signed the application are authorized by the organization to submit the application;
- Applicant will comply with the PEDC Grant Guidelines in executing the Project for which funds were received.
- A final report detailing the success of the Project, as measured against identified metrics, will be provided to PEDC no later than 30 days following the completion of the Project.
- An Applicant may submit a request for a partial reimbursement during the course of the Project but prior to the Project's final completion. Requests for partial reimbursement received prior to final Project completion may not exceed 80% of the total approved Project grant amount. Requests for partial reimbursement submitted to the PEDC must be accompanied by copies of paid invoices/receipts and proof of payment and release of liens. Once verified, PEDC Board approval will be required before payment is delivered to the Applicant. The remaining 20% of the grant proceeds

may be paid to the Applicant following the PEDC's receipt of all paid invoices/receipts, proof of payment and release of liens; documentation of fulfillment of obligations to PEDC, including the Applicant's final report on the Project.

- The required performance agreement will contain a provision certifying that the applicant does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. Further, should the applicant be convicted of a violation under 8 U.S.C. § 1324a(f), the applicant will be required to repay the amount of the public subsidy provided under the agreement plus interest, at an agreed to interest rate, not later than the 120<sup>th</sup> day after the date the PEDC notifies the applicant of the violation.

**We certify that all figures, facts and representations made in this application, including attachments, are true and correct to the best of our knowledge.**

**Chief Executive Officer**

  
\_\_\_\_\_  
Signature

Printed Name Mary Raum

Date 12/06/2023

**Representative Completing Application**

  
\_\_\_\_\_  
Signature

Printed Name Mary Raum

Date 12/06/2023

***INCOMPLETE APPLICATIONS, OR THOSE RECEIVED AFTER THE DEADLINE, WILL NOT BE CONSIDERED.***

**CHECKLIST:**

**Completed Application:**

- Use the form/format provided
- Organization Description
- Outline of Project; description, goals and objectives
- Indicate PEDC goal(s) that will be supported by this Project
- Project timeline and location
- Plans for marketing and outreach
- Evaluation metrics
- List of board of directors and staff

**Attachments:**

- Financials: organization's budget for current fiscal year; Project budget; audited financial statements
- Feasibility Study or Market Analysis if completed (Executive Summary)
- IRS Determination Letter (if applicable)

***A FINAL REPORT IS TO BE PROVIDED TO PEDC WITHIN 30 DAYS OF THE PROJECT COMPLETION. FINAL PAYMENT OF FUNDING AWARDED WILL BE MADE UPON RECEIPT OF FINAL REPORT. PLEASE USE THE FORM/FORMAT OUTLINED ON THE NEXT PAGE.***



## **PALESTINE ECONOMIC DEVELOPMENT CORPORATION**

### **COMMUNITY DEVELOPMENT GRANT**

#### **Final Report**

**Organization:**

**Funding Amount:**

**Project:**

**Start Date:**

**Completion Date:**

**Location of Project:**

**Please include the following in your report:**

- Narrative report on the Project
- Identify goals and objectives achieved
- Financial report – budget as proposed and actual expenditures, with explanations for any variance
- Samples of printed marketing and outreach materials
- Screen shots of online promotions
- Photographs, videos, etc.
- Performance against metrics outlined in application

**Please submit Final Report no later than 30 days following the completion of the Project:**

Palestine Economic Development Corporation  
100 Willow Creek Pkwy., Suite A  
Palestine, TX 75801

Attn: Christophe Trahan, Director of Economic  
Development [edcdirector@palestine-tx.org](mailto:edcdirector@palestine-tx.org)