

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
Lisa Bowman, Admin. Assistant



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

Zoom Link:

<https://us06web.zoom.us/j/82638451617?pwd=mOCYgvb3LipMQaMPnhOiYbcY9WcEQj.1>

Meeting ID: 826 3845 1617

Passcode: 818442

One tap mobile

+13462487799,,82638451617#,,,,*818442# US

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/palestinetc/](https://www.facebook.com/palestinetc/)

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. DISCUSSION AND ACTION ITEMS

1. Consider approval of PEDC minutes from September 12, 2023.
2. Consider approval of PEDC minutes from September 18, 2023.
3. Consider approval of the September 2023 Financial Report.

4. Discussion and possible action regarding revisions to the PEDC Downtown Grant Guidelines.
5. Consideration of and possible action on Resolution No. R-06-23, a resolution of the PEDC declaring projects of the PEDC offering economic development grants to incentivize downtown and community development, and authorizing and directing staff to publish notice of the same.
6. Consideration of and possible action on Resolution No. R-07-23, a resolution of the PEDC declaring a project of the PEDC offering an economic development grant to incentivize LS Tractor USA, LLC. to expand its business operations to the City by granting certain incentives, those being direct cash incentives consisting of the expenditure of sales tax funds, in an amount not to exceed \$100,000.00, in exchange for the creation of fifty (50) fulltime primary jobs and a capital investment of approximately \$14.8 million located at the facility at 2002 Tile Factory Rd in Palestine, TX; authorizing the execution of a non-binding letter of intent; setting a public hearing; and authorizing and directing staff to publish notice of the same.

H. PUBLIC HEARINGS

1. Public Hearing to receive public comments regarding PEDC offering an economic development grant to incentivize Texas Futura, LLC.

I. 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.) ETEX Communications, LLC. - Revenue Sharing Agreement between PEDC and ETEX.
 - b.) Project W-505.
 - c.) Texas Futura, LLC.
2. Section 551.072 deliberation regarding real property: the purchase, exchange, lease, or value of real property.
 - a.) Project Short Line.
 - b.) Proposal for the possible sale of land acreage within the Willow Creek Business Park.

J. 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.) ETEX Communications, LLC. - Revenue Sharing Agreement between PEDC and ETEX.
- b.) Project W-505.
- c.) Texas Futura, LLC.

2. Section 551.072 deliberation regarding real property: the purchase, exchange, lease, or value of real property.

Take any action regarding:

a.) Project Short Line.

b.) Proposal for the possible sale of land acreage within the Willow Creek Business Park.

K. **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, October 6, 2023, at 4:30 p.m.**

A handwritten signature in blue ink that reads "Lisa Bowman". The signature is written in a cursive style and is positioned above a horizontal line.

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 or 903-731-8414.



Agenda Date: 10/10/2023
To: Palestine Economic Development Corporation
From: Lisa Bowman, Economic Development Admin
Agenda Item: Review monthly Director's Report.

SUMMARY:

Review monthly Director's Report.

RECOMMENDED ACTION:

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

Attachments

Director's Report



Economic Development Activities- September/October 2023

New Business/Investment

- Met with local residential property developer to discuss in-fill projects in the city of Palestine on 9/14/23.
- Conducted a Business Retention/Expansion site visit with plant manager of Wayne-Sanderson Farms to discuss labor & facility needs on 10/3/23.
- Attended panel discussion US Labor Shortage: A Perspective in East Texas facilitated by the Hibbs Institute for Business & Economic Research on 10/4/23.

Prospects

PEDC September leads: 0

No. of open leads

15

Marketing

- Held Leadership Training Seminar on 9/28/23 at the Hampton Inn & Suites. 25 registrants in attendance. Total project cost: \$7,484.48. Cost/attendee: \$299.38
- Sponsored venue and luncheon for Smart Principles of Marketing Messaging small business education seminar in conjunction with Trinity Valley SBDC.
- Continued work with Golden Shovel Agency on re-design of PEDC Website (palestinetexas.net)

Administration

- Possession of Suite B tendered to new tenant, Hospice Plus as of 10/1/2023.
- Attended the grand opening & ribbon cutting for Shoe Sensation at the Palestine Mall facilities on 9/29/23.
- Drafting initial legal documents (Project Declaration, Public Notice & Letter of Intent) for Prospect #1065.
- Received notification of termination of VA solicitation for project proposed in Willow Creek Business Park. Drafting release of land option due to cancellation.

Economic Climate

➤ Retail Sector

- ❖ Retail Sector data for the reporting period of October 2023 will become available from the Texas State Comptroller on 10/13/23 and will be included in next month's report to the PEDC Board.

➤ **Workforce Data**

Unemployment Rates in Anderson & Index Counties – August 2023:

Anderson County – 4.0%

State of Texas – 4.1%

Henderson County – 4.4%

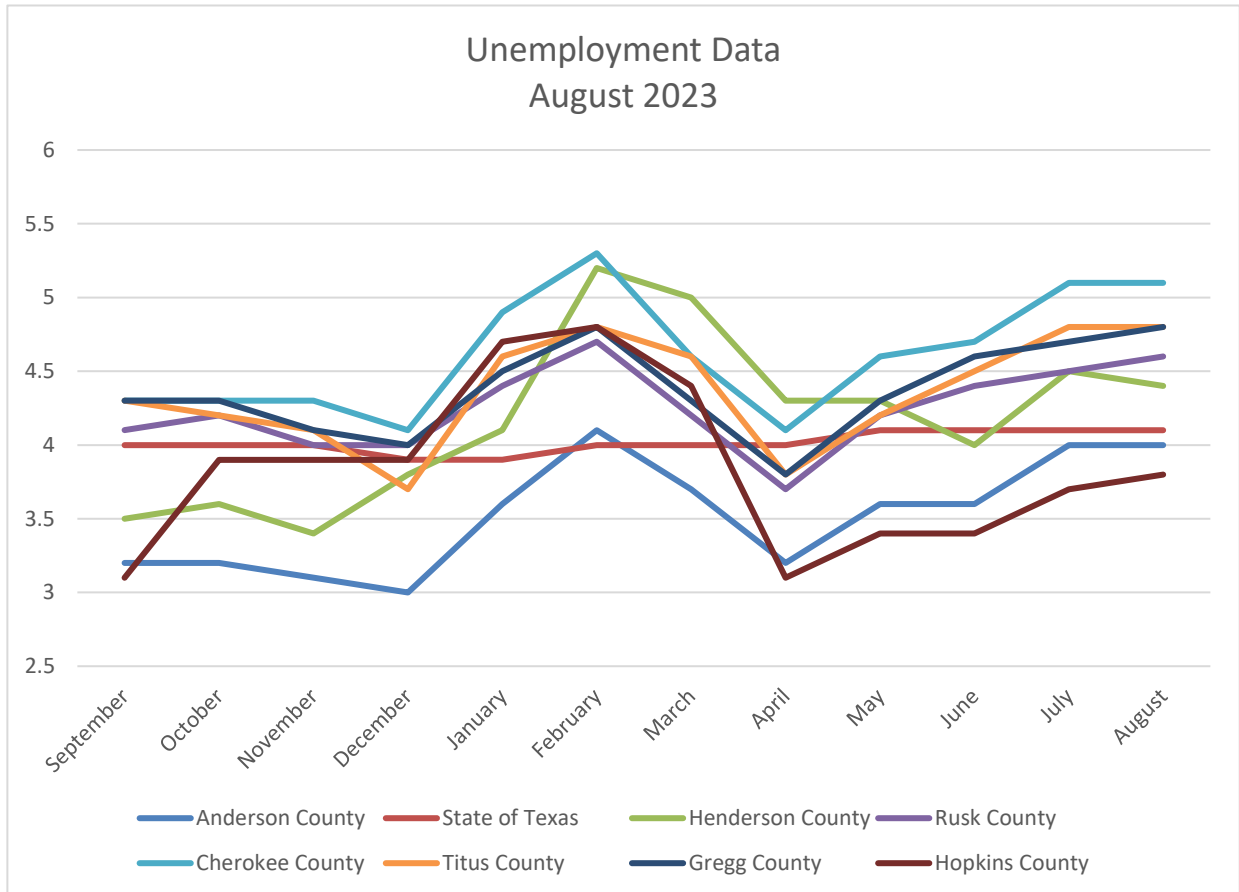
Rusk County – 4.6%

Cherokee County – 5.1%

Titus County – 4.8%

Gregg County – 4.8%

Hopkins County – 3.8%



Source: Texas Labor Market Information; Local Area Unemployment Statistics



Agenda Date: 10/10/2023
To: Palestine Economic Development Corporation
From: Lisa Bowman, Economic Development Admin
Agenda Item: Consider approval of PEDC minutes from September 12, 2023.

SUMMARY:

Consider approval of PEDC minutes from September 12, 2023.

RECOMMENDED ACTION:

Staff recommends approval of PEDC minutes from September 12, 2023.

Attachments

PEDC Minutes 9.12.23

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

The Economic Development Board of the City of Palestine convened in a regular meeting on Tuesday, September 12, 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; Directors: Joseph Thompson & Charles Drane.

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

Others Present: Grady Randle of Randle Law Office Ltd., L.L.P (via zoom), City Manager Teresa Herrera

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

There were none.

C. PUBLIC COMMENTS

President Campbell expressed his concern about the long-term viability of the Texas State Railroad and the imperative of establishing an industrial rail park. Furthermore, President Campbell voiced strong support for the Texas Futura, LLC project, emphasizing the substantial advantages it would bring to the community of Palestine.

D. CONFLICT OF INTEREST DISCLOSURES

President Campbell recused himself from all discussions regarding project Short Line & 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.
- Quarter 1 - 2023 - wage data
- Tahwahkaro Distillery – Ribbon Cutting / Grand Opening

G. DISCUSSION AND ACTION ITEMS

1. Consider approval of PEDC Minutes from August 8, 2023

Motion by Vice President Bochsler, seconded by Director Thompson to approve item as presented. Upon vote, the motion carried unanimously 4-0.

2. Consider approval of the August 2023 Financial Report.

Board members reviewed and discussed the August 2023 Financial Report.

Motion by Vice President Bochsler, seconded by Director Drane to approve item as presented. Upon vote, the motion carried unanimously 4-0.

3. Discussion and possible action regarding a presentation by Parks & Recreation Director, Patsy Smith, for a Community Development Grant application.

Pasty Smith, the Director of Parks & Recreation for the City of Palestine, delivered a presentation to the PEDC Board seeking financial support through a Community Development Grant request totaling \$40,000. The proposed project aims to undertake restroom renovations at Greens Park in Palestine, TX.

Director Dickens entered the board meeting at 10:26 a.m.

Motion by Vice President Bochsler, seconded by Director Thompson to award \$40,000 in Community Development Grant funds to the City of Palestine Parks & Recreation Department for restroom renovations at Greens Park in Palestine, TX. Upon vote, the motion carried unanimously 5-0.

4. Discussion and possible action regarding PEDC's 3rd position job description.

Director Trahan presented the board with the Business Intelligence & Marketing Analyst job description, which had been reviewed and formatted by the City of Palestine Human Resources Department. The job description's content remains unchanged from what was initially presented to the board during the July 11th meeting. The job posting will first be circulated internally for two days before being made available externally.

Motion by Director Dickens, seconded by Vice President Bochsler to approve the job description as presented for PEDC's Business Intelligence & Marketing Analyst position. Upon vote, the motion carried unanimously 5-0.

5. Discussion and possible action regarding revisions to the Palestine EDC Downtown Grant Program.

Director Trahan presented to the board the following revisions and additions to the Palestine EDC Downtown Grant for Fiscal Year 2023-2024:

- Increase maximum grant amount to \$75,000 for all eligible improvements
- Increasing the PEDC's matching percentage from 50% to 75%
- Modifications to eligible improvements

- Microgrants of \$10,000 or less that can be approved by PEDC Board without City Council approval
- Distribution of 50% of grant award upon execution of performance agreement and 50% upon project completion

NO ACTION TAKEN

H. CLOSED SESSION

President Campbell announced the Board would go into Closed Session pursuant to Texas Government Code, Chapter 551, Subchapter D. The time was 11:03 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.) ETEX Communications, LLC. – Revenue Sharing Agreement between PEDC and ETEX.
- b.) Project W-505.

President Campbell recused himself from the board meeting at 12:20 p.m.

- c.) Texas Futura, LLC.

2. Section 551.072 deliberation regarding real property: the purchase, exchange, lease, or value of real property.

- a.) Project Short Line.

3. Section 551.074 personnel matters: to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

President Campbell re-entered the board meeting at 1:07 p.m.

- a.) PEDC Administrative Assistant

I. RECONVENE IN REGULAR SESSION

President Campbell reconvened the Board Meeting into open session at 1:17 p.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.) ETEX Communications, LLC. – Revenue Sharing Agreement between PEDC and ETEX. – NO ACTION TAKEN.
- b.) Project W-505. – NO ACTION TAKEN.
- c.) Texas Futura, LLC. – NO ACTION TAKEN.

2. Section 551.072 deliberation regarding real property: the purchase, exchange, lease, or value of real property.

Take any action regarding:

- a.) Project Short Line. - NO ACTION TAKEN.

3. Section 551.074 personnel matters: to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

Take any action regarding:

- a.) PEDC Administrative Assistant

Motion by Vice President Bochsler, seconded by Director Thompspon to implement a pay increase. Upon vote, the motion carried unanimously 5-0.

J. DISCUSSION AND ACTION ITEMS

Consideration of and possible action on Resolution No. R-05-23, a resolution of the PEDC declaring a project of the PEDC offering an economic development grant to incentivize Texas Futura, LLC., to expand its business operations to the City by granting certain incentives, those consisting of land and other direct cash incentives consisting of the expenditure of sales tax funds, in an amount not to exceed \$150,000.00, in exchange for the creation of thirty-three (33) fulltime primary jobs and a capital investment of approximately \$2.15 million within the boundaries of the PEDC's Willow Creek Business Park; authorizing the execution of a non-binding letter of intent; setting a public hearing; and authorizing and directing staff to publish notice of the same.

Motion by Vice President Bochsler, seconded by Director Thompson to approve Resolution No. R-05-23 as presented. Upon vote, the motion carried unanimously 4-0 (President Campbell abstained).

ADJOURN

With no other business to come before the Board, President Campbell adjourned the meeting at 1:21 p.m.

PASSED AND APPROVED THIS 10th DAY OF October 2023.

Ben Campbell, President

ATTEST:

Lisa Bowman, Administrative Assistant

DRAFT



Agenda Date: 10/10/2023
To: Palestine Economic Development Corporation
From: Lisa Bowman, Economic Development Admin
Agenda Item: Consider approval of PEDC minutes from September 18, 2023.

SUMMARY:

Consider approval of PEDC minutes from September 18, 2023.

RECOMMENDED ACTION:

Staff recommends approval of PEDC minutes from September 18, 2023.

Attachments

PEDC Minutes 9.18.23

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 Tuesday, September 18, 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; Directors: Joseph Thompson & Suzanne Eiben.

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

Others Present: City Manager Teresa Herrera

A. CALL TO ORDER

With a quorum present, President Campbell called the meeting to order at 10:03 a.m.

B. PROPOSED CHANGES OF AGENDA ITEMS

There were none.

C. PUBLIC COMMENTS

There were none.

D. CONFLICT OF INTEREST DISCLOSURES

President Campbell recused himself from all discussions regarding project Short Line.

E. ITEMS FROM BOARD

There were none.

G. DISCUSSION AND ACTION ITEMS

1. Discussion and possible action regarding the Performance Agreement for COP Parks & Rec. Comm. Dev. Grant for FY 2022-2023.

Director Trahan provided the PEDC Board with an overview of the Performance Agreement for the City of Palestine Parks & Recreation Department for its Community Development Grant Application approved on September 12, 2023 by the PEDC Board.

Motion by Director Thompson, seconded by Vice President Bochsler, seconded by Director Thompson to approve the Performance Agreement for the City of Palestine Parks & Recreation Department and to submit to City Council on September 25, 2023 for approval. Upon vote, the motion carried unanimously 4-0.

H. CLOSED SESSION

President Campbell announced the Board would go into Closed Session pursuant to Texas Government Code, Chapter 551, Subchapter D. The time was 10:06 a.m.

President Campbell recused himself from the board meeting at 10:06 a.m.

1. Section 551.072 deliberation regarding Economic Development negotiations: a business prospect locating staying or expanding in or near the City of Palestine which the PEDC is conducting economic development negotiations, including financial or other incentives.

a.) Project Short Line.

Linda Dickens entered the board meeting at 10:07 a.m.

Charles Drane entered the board meeting at 10:14 a.m.

I. RECONVENE IN REGULAR SESSION

President Campbell re-entered the board meeting at 11:32 a.m.

Vice President Bochsler reconvened the Board Meeting into open session at 11:32 a.m.

1. Section 551.072 deliberation regarding Economic Development negotiations: a business prospect locating staying or expanding in or near the City of Palestine which the PEDC is conducting economic development negotiations, including financial or other incentives.

Take any action regarding:

a.) Project Short Line.

Motion by Director Thompson, seconded by Director Dickens to approve the Purchase and Sale Agreement for the subject property for Project Short Line as received from PEDC attorney J. Grady Randle. Upon vote, the motion carried unanimously 5-0 (President Campbell Abstained).

ADJOURN

With no other business to come before the Board, Vice President Bochsler adjourned the meeting at 11:34 a.m.

PASSED AND APPROVED THIS 10th DAY OF October 2023.

Ben Campbell, President

ATTEST:

Lisa Bowman, Administrative Assistant



Agenda Date: 10/10/2023
To: Palestine Economic Development Corporation
From: Lisa Bowman, Economic Development Admin
Agenda Item: Consider approval of the September 2023 Financial Report.

SUMMARY:

Consider approval of the September 2023 Financial Report.

RECOMMENDED ACTION:

Staff recommends approval of the September 2023 Financial Report.



Agenda Date: 10/10/2023
To: Palestine Economic Development Corporation
From: Lisa Bowman, Economic Development Admin
Agenda Item: Discussion and possible action regarding revisions to the PEDC Downtown Grant Guidelines.

SUMMARY:

Discussion and possible action regarding revisions to the PEDC Downtown Grant Guidelines.

RECOMMENDED ACTION:

Staff recommends the board discuss and take possible action regarding revisions to the PEDC Downtown Grant Guidelines.

Attachments

DT Grant Guidelines



PALESTINE ECONOMIC DEVELOPMENT CORPORATION DOWNTOWN GRANT PROGRAM GUIDELINES

Section 1. Sponsor

Palestine Economic Development Corporation (PEDC)

Section 2. Purpose

The purpose of this Program is to enhance the economic vitality of the City of Palestine by encouraging visually appealing physical improvements to distressed property located within the downtown area of Palestine, TX. Eligible properties must reside within the city limits of Palestine, Texas, and within the areas within the Main Street Overlay District included in this packet. Rehabilitation to properties located within any City of Palestine historic district must obtain approval from the appropriate city boards & commissions prior to grant approval.

Section 3. Grant Amounts

- A. All eligible improvements can be considered for a matching grant for up to 75% of the actual, eligible costs, with maximum grant amount of \$75,000.
- B. **Microgrants:** In accordance with Texas Local Government Code Section 505.158, the PEDC Board has the authority to consider grants in amounts of less than \$10,000 without requiring final approval from the City of Palestine City Council. All other requirements & restrictions as outlined in these guidelines are still required including the execution of a Performance Agreement between PEDC and Applicant.

Section 4. Eligible Area

Any existing commercial structure within the Palestine City Limits and located in the Main Street Overlay District. Property addresses will be verified to be within the actual official boundary of the Main Street Overlay District with the official City of Palestine Zoning Map, current as of the date of the grant application.

Section 5. Eligible Improvements

A. FAÇADE IMPROVEMENT:

Principal Façade: Improvements to the exterior portion of a building or structure which contains the principal entrance(s) of the building that is visible from the public right of way. Improvements including, but not limited to, items such as removal of non-contributing false façade, painting, reconstruction, rehabilitation and preservation of the façade, building cleaning, tuck pointing masonry, renovation or replacement of exterior lighting, awnings or other similar improvement (must be in conjunction with other façade improvements).

Side (or rear) Façade: Any exterior portion of a building or structure, not including the primary façade, but that is *visible from the public right of way*.

B. BUILDING STABILIZATION:

Roof replacement and/or repair; Interior structural improvements (floor joists, ceiling repairs or other similar improvements); Building systems improvements (electrical, plumbing, HVAC); **improvements made to suit American Disability Act (ADA) standards;** other improvements for building stabilization as approved by PEDC Board.

C. SIGN IMPROVEMENTS:

New signs, renovation, or removal of existing signs. Signage must meet the requirements of the City of Palestine signage ordinances and receive the appropriate signage permits to be considered.

D. PROPERTY IMPROVEMENTS:

Items such as fencing, driveway improvement, and parking lot improvements that are visible from the public right of way.

E. MIXED-USE PROPERTY IMPROVEMENTS:

The PEDC can consider funding improvements to properties that serve a mixed use (commercial & residential). However, additional information may be required as a part of the application process to determine the proportionality of the effect of the proposed improvements on the commercial capacity of the building. Properties considered under this category may not be eligible for all forms of improvements listed in Items A – D of this Section but will be considered on a case-by-case basis.

Example: A roof replacement that will cost \$100,000 on a mixed-use property of 5,000 square feet for which 2,500 square feet is used for retail and 2,500 square feet is used for residential. The total project cost may be proportionally observed to equally effect both uses of the building based on square footage, therefore the maximum project cost that could be considered for the grant would be \$50,000 with the PEDC considering funding up to \$37,500 (75% of \$50,000).

Example: ADA improvements that will cost \$25,000 to improve access to the storefront of a building that also has rear access to the second floor containing apartments. The total project cost can be considered for the grant since the improvements exclusively improve access to the store front which does not provide primary access to the second floor, therefore the maximum grant that could be considered would be \$25,000 with the PEDC funding \$18,750 (75% of \$25,000)

Section 6. Application & Approval

- A. Applications must be made on a form provided by PEDC and may be obtained at the Palestine Economic Development Corporation office located at 100 Willow Creek Parkway, Suite A, Palestine, Texas 75801 or on the PEDC website at www.palestinetexas.net.
- B. Applications must be submitted to the PEDC office located at 100 Willow Creek Parkway, Suite A, Palestine, Texas 75801 or via email to edcadmin@palestine-tx.org.
- C. Proof of ownership (i.e., Warranty Deed) of the property will be required of Applicants.

- D. An Applicant operating in a leased facility may apply with the consent of the property owner. Copies of an executed lease agreement and proof of ownership will be required.
- E. All applications must contain competitive cost estimates (bids) from a minimum of two (2) licensed and bonded contractors or suppliers. Detailed cost estimates, including material types, paint color samples and finishes are required. If two cost estimates are unable to be obtained, a written declination to bid by a licensed and bonded contractor may be considered as a substitute for one of the required estimates.
- F. PEDC may request additional information or clarification from Applicant.
- G. Application should include photos of the existing condition to be improved and a rendering of improvements to be made.
- H. PEDC may approve an application grant with provisions, conditions, or other requirements as it may from time to time deem appropriate.
- I. Applicants will be notified in writing of PEDC's approval or disapproval of an application.
- J. PEDC will present approved applications for grants totaling \$10,000 or more to the City of Palestine City Council for final approval. **Applications that do not receive City Council approval shall be deemed as denied.**
- K. If approved, Applicant will be required to enter into a Performance Agreement with PEDC detailing the full terms and conditions of their specific grant.

Section 7: Restrictions

- A. Labor provided by the Applicant or his/her employees may not be included in the cost estimate of the project and is not reimbursable through this Grant Program or attributable as part of the Applicant's match of funds.
- B. Grant funding will be limited to one (1) grant to any one (1) Address during a fiscal year. **Total possible funding per grant application is \$75,000 maximum.**
- C. Business facilities that also serve certain residential purposes (i.e. mixed-use buildings) can be considered. **However, any buildings that serve as the domicile of the building's owner (regardless of proportionality) are not eligible for grant funds.**
- D. If a property 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 the applicant, the applicant may be required to reimburse the PEDC immediately for the full amount of the grant.
- E. Applicants, businesses and/or property owners which owe outstanding financial obligations to PEDC or the City of Palestine, such as liens, court fines, city utility bills, or delinquent sales or property taxes are not eligible.
- F. Applicants, business and/or property owners with threatened, contemplated or active lawsuit or other legal administrative or dispute resolution proceeding against the PEDC or the City of Palestine are not eligible.
- G. Improvements must be made in accordance with project drawings, specifications, and information provided in the application, and as approved by PEDC and the appropriate city departments. Any modifications to the scope of any proposed improvements shall be subject to PEDC and City of Palestine review.
- H. Applicant must obtain all applicable permits related to the improvement project prior to any grant funds being distributed.

- I. Applicant may not knowingly employ an “undocumented worker” as that term is defined by Tex. Gov’t. Code Sec. 2264.001.
- J. Improvements as described in Section 5 Items A – E of these guidelines **may not commence prior to** execution of a Performance Agreement by the PEDC, and Performance Agreements for grants of \$10,000 or more will require approval by the City of Palestine City Council before the agreement can be executed.
- K. Improvements must commence within sixty (60) days of and be completed within nine (9) months of the approval of the Performance Agreement by PEDC and the City of Palestine. Any extensions to the project completion date can be considered as an amendment to the Performance Agreement subject to approval by PEDC and the City of Palestine.
- L. Grants of \$10,000 or more are subject to final approval by the City of Palestine City Council. Applications that do not receive City Council approval shall be deemed as denied.
- M. Applicant shall fully comply with all federal and Texas laws 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.

Section 8. Evaluation of Applications

- A. PEDC reserves the sole discretion to recommend or deny approval of a grant application to City Council. The Applicant accepts that decisions relating to the recommendation to award grant funds involves subjective judgments on the part of PEDC, including the aesthetics of the proposed project, the proposed project as an improvement to the property, the benefit to the City of Palestine, total funds to be expended by Applicant, productive life of improvements and the availability of funds budgeted by PEDC.
- B. The following factors shall be considered in determining whether or not to award grant:

Visual Appeal: Improvement in the attractiveness of the location and the level of blight or deterioration removed; design chosen is complimentary to the building’s architecture and is tasteful and consistent with surrounding businesses; paint chips/sign material are to be submitted with application and final project must reflect what was submitted and approved; level of improvement impact on overall appearance of facility.

Economic Impact: Amount of additional funding expended by business; appropriateness of business to overall economic development in the surrounding neighborhood; improvements that add to the tax roll value; traffic level of roadways adjacent to improvement; mitigation of health and safety issues; reuse of vacant or underutilized property.

Improvements Made for Accessibility: Improvements and modifications implemented to ensure that buildings and businesses are usable and inclusive for individuals with disabilities. These improvements aim to remove barriers and create environments that accommodate people with diverse needs.

Accessibility improvements can include the installation of ramps, elevators, and wider doorways in buildings, the addition of tactile signage, and improvements to publicly accessible restroom facilities to suit ADA standards.

Historic Preservation: Improvements made to protect and conserve historically significant buildings, structures, sites, and cultural artifacts for the benefit of present and future generations. Historic preservation efforts can involve restoration, rehabilitation, or adaptive reuse of historic properties to ensure they remain functional and relevant while preserving their historical character. This practice helps communities maintain a sense of identity, fosters tourism, and contributes to the overall cultural richness of a region.

- C. PEDC reserves the right to utilize outside resources it deems necessary for assistance in its decision-making process.
- D. PEDC reserves the right to waive any requirement(s) herein contained, and/or add any requirements it deems appropriate in making its determination of approval or disapproval of a grant application.

Section 9. Funding

- A. Upon execution of a Performance Agreement, the PEDC shall furnish Applicant with 50% of its total grant award as outlined in the Performance Agreement.
- B. Applicant shall provide PEDC with written notification and verification of project completion by letter stating that all improvements have been completed in accordance with the application, approval and Grant Agreement, and that full payments have been made for all labor and materials with attached paid receipts for materials and labor, cancelled checks, required permits, inspection reports, release of liens and project photographs. Incomplete improvements or projects that are completed for less than the initially estimated costs will be remedied in accordance with the provisions of the Performance Agreement.
- C. Upon the PEDC's receipt of a 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.
- D. Following on-site inspection, PEDC will review the findings and request additional information, if needed, and notify the Applicant of compliance or items of non-compliance. Failure to correct the items of non-compliance within thirty (30) days of notice thereof shall be cause for cancellation of the Performance Agreement and result in any remedies contained therein.
- E. Upon a finding by the PEDC board of directors of project completion and approval, payment of the remaining 50% grant funds will be made.

Section 10. General

- A. The PEDC Board and City of Palestine City council reserves the right to amend or end this Grant Program as it may from time to time find desirable.
- B. This Grant Program does not vest any person with any legal rights not related to the enforcement of a Performance Agreement executed pursuant to this Grant Program.
- C. The provision or delivery of these guidelines and criteria to an interested party does not constitute an offer of an improvement grant to that party.
- D. The adoption of these guidelines and criteria does not limit PEDC's discretion whether to recommend or deny a grant to an applicant, which absolute right of discretion PEDC and the City of Palestine City Council reserves, whether or not such discretion may be deemed arbitrary or without basis of fact.

- E. The adoption of these guidelines and criteria does not create any property, contract, or other legal rights in any person to have PEDC provide grant funding.
- F. **PEDC, ITS EMPLOYEES, AND ITS AGENTS, DO NOT ATTEST TO THE QUALITY, SAFETY, OR CONSTRUCTION OF A PROJECT ELIGIBLE FOR, OR RECEIVING GRANT FUNDING. THEREFORE, PEDC, ITS EMPLOYEES AND AGENTS SHALL BE HELD HARMLESS BY THE APPLICANT/APPLICANTS FOR ANY PROJECT WHOSE APPLICATION HAS BEEN APPROVED OR HAS RECEIVED ACTUAL GRANT FUNDING.**



Agenda Date: 10/10/2023
To: Palestine Economic Development Corporation
From: Lisa Bowman, Economic Development Admin
Agenda Item: Consideration of and possible action on Resolution No. R-06-23.

SUMMARY:

Consideration of and possible action on Resolution No. R-06-23, a resolution of the PEDC declaring projects of the PEDC offering economic development grants to incentivize downtown and community development, and authorizing and directing staff to publish notice of the same.

RECOMMENDED ACTION:

Staff recommends the board consider and take possible action on Resolution No. R-06-23, a resolution of the PEDC declaring projects of the PEDC offering economic development grants to incentivize downtown and community development, and authorizing and directing staff to publish notice of the same.

Attachments

Resolution R-6-23
Public Notice R-6-23

PEDC RESOLUTION NO. R-06-23

A RESOLUTION OF THE PALESTINE ECONOMIC DEVELOPMENT CORPORATION, A “TYPE B” ECONOMIC DEVELOPMENT SALES TAX CORPORATION, DECLARING PROJECTS OF THE CORPORATION, DIRECTING STAFF TO PUBLISH NOTICE OF SAME

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 18,544 (**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 projects, 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 general 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, the PEDC desires to offer economic development grants as incentives targeted to downtown and community development projects to be considered within the City of Palestine;

WHEREAS, the PEDC wishes to participate in the Project during FY 2023-2024 and, through such desire, after careful contemplation, wishes to memorialize, declare, and publish its intent to participate in such a project;

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 Section 505.158 of the Local Government Code, the PEDC hereby proposes to undertake the Projects, described above, to incentivize downtown and community development projects in the City of Palestine.

Section 3. The PEDC will receive applications, determine eligibility, hold any public hearings on specific funding agreements as required by Section 505.159 of the Local Government Code, and determine 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. The PEDC will hereby fund the respective programs in accordance with its approved FY 2023-2024 budget as follows:

- A. Downtown Grant Program, in an amount not to exceed \$150,000
- B. Community Development Grant Program, in an amount not to exceed \$50,000

Section 5. The PEDC hereby authorizes and directs staff to publish public notice of both Projects in the newspaper of general circulation, that being the Palestine Herald Press.

PASSED AND APPROVED this 10th day of October 2023.

Ben Campbell, Board President

Kim Willmott, Secretary



Notice for Publication

Public Notice of Project Program

October 12, 2023

NOTICE TO THE PUBLIC

In accordance with Texas Local Government Code, Chapter 505, notice is hereby published regarding the planned expenditure of Type B sales tax proceeds on eligible projects.

Palestine Economic Development Corporation gives notice of the intent to fund the following:

- A. Downtown Grant Program, in an amount not to exceed \$150,000
- B. Community Development Grant Program, in an amount not to exceed \$50,000

Please publish in the legal section and send publishers invoice and affidavit to:

Palestine Economic Development Corporation

100 Willow Creek Pkwy, Suite A

Palestine, Texas 75801



Agenda Date: 10/10/2023
To: Palestine Economic Development Corporation
From: Lisa Bowman, Economic Development Admin
Agenda Item: Consideration and possible action regarding Resolution No. R-7-23.

SUMMARY:

Consideration of and possible action on Resolution No. R-07-23, a resolution of the PEDC declaring a project of the PEDC offering an economic development grant to incentivize LS Tractor USA, LLC. to expand its business operations to the City by granting certain incentives, those being direct cash incentives consisting of the expenditure of sales tax funds, in an amount not to exceed \$100,000.00, in exchange for the creation of fifty (50) fulltime primary jobs and a capital investment of approximately \$14.8 million located at the facility at 2002 Tile Factory Rd in Palestine, TX; authorizing the execution of a non-binding letter of intent; setting a public hearing; and authorizing and directing staff to publish notice of the same.

RECOMMENDED ACTION:

Staff recommends the board consider and take possible action on Resolution No. R-07-23, a resolution of the PEDC declaring a project of the PEDC offering an economic development grant to incentivize LS Tractor USA, LLC. to expand its business operations to the City by granting certain incentives, those being direct cash incentives consisting of the expenditure of sales tax funds, in an amount not to exceed \$100,000.00, in exchange for the creation of fifty (50) fulltime primary jobs and a capital investment of approximately \$14.8 million located at the facility at 2002 Tile Factory Rd in Palestine, TX; authorizing the execution of a non-binding letter of intent; setting a public hearing; and authorizing and directing staff to publish notice of the same.

Attachments

Resolution R-7-23
Public Hearing Notice

PEDC RESOLUTION NO. R-07-23

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 general 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 (1) for the creation of primary jobs and (2) required or suitable for the development, retention, or expansion of distribution centers (Section 501.101, Local Government Code); and,

WHEREAS, moreover, the PEDC wishes to participate in a specific type of project, that consisting of land, buildings, equipment, facilities, and improvements found by the PEDC's Board of Directors to promote or develop new or expanded business enterprises that create or retain primary jobs (Section 505.155, Local Government Code); and,

WHEREAS, the PEDC desires to offer an economic development grant as an incentive to **LS Tractor USA LLC ("LS Tractor")**, to incentivize LS Tractor to expand its business operations to the City by granting to LS Tractor certain economic development incentives, those being direct cash incentives consisting of the expenditure of sales tax funds, in exchange for LS Tractor's creation of primary jobs and a capital investment within the city limits of the City of Palestine (**the "Project"**);

WHEREAS, the PEDC wishes to participate in the Project during FY 2023-2024 and, through such desire, after careful contemplation, wishes to memorialize, declare, and publish its intent to participate in such a project;

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, 505.155, and 505.158 of the Local Government Code, the PEDC hereby proposes to undertake the Project, described above, to incentivize LS Tractor to expand its business operations to the City by granting to LS Tractor 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 primary jobs and a capital investment within the city limits of the city of Palestine.
- 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 November 14, 2023, 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.
- 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 10th day of October 2023.

Ben Campbell, *President*

ATTEST:

Kim Willmott, *Secretary*
Palestine Economic Development Corporation

Commented [MJM1]: Christophe, please double check this - I think this might be incorrect.

PUBLIC NOTICE

OF PROJECTS

PROPOSED TO BE UNDERTAKEN BY

THE PALESTINE ECONOMIC DEVELOPMENT CORPORATION (THE "PEDC"),
A "TYPE B" ECONOMIC DEVELOPMENT SALES TAX CORPORATION

The PEDC, a "Type B" Economic Development Sales Tax Corporation, organized under Chapters 501 and 505 of the Local Government Code, hereby gives notice, pursuant to 505.159 of the Local Government Code, that the PEDC has proposed to undertake the following projects:

the PEDC desires to offer an economic development grant as an incentive to LS Tractor USA LLC ("LS Tractor"), to incentivize LS Tractor to expand its business operations to the City by granting to LS Tractor certain economic development incentives, those consisting of direct cash incentives consisting of the expenditure of sales tax funds, in exchange for LS Tractor's creation of primary jobs and a capital investment within the boundaries of the city limits of the City of Palestine (the "Project");

The PEDC wishes to participate in this Project, as "project" 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. This Project is a general 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). Furthermore, this Project is 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 (1) for the creation of primary jobs and (2) required or suitable for the development, retention, or expansion of distribution centers (Section 501.101, Local Government Code). Moreover, this Project is a specific type of project, that consisting of land, buildings, equipment, facilities, and improvements found by the PEDC's Board of Directors to promote or develop new or expanded business enterprises that create or retain primary jobs (Section 505.155, Local Government Code).

The Palestine Economic Development Corporation will conduct a public hearing to solicit citizen input regarding the Project identified and described above. The public hearing will be held on November 14, 2023, at 10:00 a.m., at the PEDC's 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. Interested citizens are encouraged to attend and offer their comments.

For more information, please contact:

Palestine Economic Development Corporation
Telephone: (903) 729-4100