

RESOLUTION

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DESOTO ECONOMIC DEVELOPMENT CORPORATION, APPROVING A REVISED ECONOMIC DEVELOPMENT PROJECT POLICY FOR PARTICIPATION IN PROJECTS AS DEFINED BY THE DEVELOPMENT CORPORATION ACT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of Directors of the previously established a policy governing the DEDC participation in Projects and in regard to funding and other incentives for such Projects; and

WHEREAS, it is in the best interest of the City of DeSoto for the Board of Directors of the DEDC to amend the policy and adopt the revised DEDC Economic Development Policy set forth herein;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DESOTO ECONOMIC DEVELOPMENT CORPORATION:

SECTION 1. That the terms and conditions of the revised DEDC Economic Development Project Policy attached hereto as Exhibit "A", having been reviewed by the Board of Directors of the DEDC, and found to be acceptable and in the best interest of the City of DeSoto and its economic growth, be, and the same is hereby, in all things approved and adopted.

SECTION 2. That this Resolution shall become effective immediately upon its approval and passage.

DULY RESOLVED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE DESOTO ECONOMIC DEVELOPMENT CORPORATION TEXAS, THIS THE __TH DAY OF JULY, 2013.

APPROVED:

Michael Hurtt, President

ATTEST:

Lucious Lawrence Williams, Vice President
(PGS:TM 61189)

EXHIBIT “A”

DEDC Economic Development Project Policy 2013

This Policy shall govern the participation of the DEDC in projects authorized under the Development Corporation Act, Chapters 501-505 of the Texas Local Government Code (the “Act”). Business enterprises that intend to, or which are participating in the DEDC Revolving Loan Program are ineligible to participate in the funding and incentives that may be authorized pursuant to this Policy.

Participation in funding or for incentives authorized by this Policy is discretionary with the DEDC Board of Directors. The DEDC Board of Directors reserves the right to approve or disapprove, in its sole discretion, any application for the funding and incentives that may be authorized pursuant to this Policy. The DEDC Board of Directors also reserves the right to approve participation for the funding and incentives that may be authorized pursuant to this Policy for a business enterprise or project which does not meet the criteria herein.

Most projects authorized by the Act require the creation and/or the retention of primary jobs.

- A primary job is a job available at a company for which a majority of products or services of that company are ultimately exported to regional, statewide, national, or international markets; and must fall within one of the sectors of the North American Industry Classification System (NAICS) listed in the Act.

NAICS Sector #	Description
111	Crop Production
112	Animal Production
113	Forestry and Logging
11411	Commercial Fishing
115	Support Activities for Agriculture and Forestry
211-213	Mining
221	Utilities
311-339	Manufacturing
42	Wholesale Trade
48-49	Transportation and Warehousing
51 (excluding 512131 and 512132)	Information (excluding motion picture theaters and drive-in motion picture theaters)
523-525	Securities, Commodity Contracts, and Other Financial Investments and Related Activities; Insurance Carriers and Related Activities; Funds, Trusts, and Other Financial Vehicles
5413, 5415, 5416, 5417, and 5419	Architectural, Engineering, and Related Services; Computer System Design and Related Services; Management, Scientific, and Technical Consulting Services; Scientific

551	Research and Development Services; Other Professional, Scientific, and Technical Services
56142	Management of Companies and Enterprises
922140	Telephone Call Centers Correctional Institutions; or

- NAICS codes are broader than manufacturing and industrial projects, but exclude retail jobs.

Projects for which Primary Jobs are required:

The DEDC may expend sales tax to be used for land, buildings, facilities, expenditures, targeted infrastructure and improvements for the creation of primary jobs and which are suitable for the development, retention, or expansion of:

- manufacturing and industrial facilities;
- research and development facilities;
- military facilities; recycling facilities; distribution centers, small warehouse facilities;
- primary job training facilities for use by institution of higher education;
- regional or national corporate headquarters. (corporate headquarters facilities means buildings proposed for construction or occupancy as the principal office for a business enterprise's administrative and management services).

These projects require the following:

Capital investment:	\$ 1 Million
Creation or retention of Primary Jobs, or Payroll:	Minimum of 10 \$ 500,000
Generation of sales tax receipts, or New taxable value:	\$ 1 Million

Projects for which primary jobs not required:

- job training classes: (job training required or suitable for the promotion of development and expansion of business enterprises and other enterprises if the business enterprise has committed in writing to: (1) create new jobs that pay wages that are at least equal to the prevailing wage for the applicable occupation in the local labor market area; or (2) increase its payroll to pay wages that are at least equal to the prevailing wage for the applicable occupation in the local labor market are);
- infrastructure improvements to promote or develop new or expanded enterprises (e.g. retail and commercial projects) limited to streets and roads, rail spurs, water and sewer utilities, and electric and gas utilities, drainage, site improvements and related improvements, telecommunications and internet improvements.

- career centers: (includes the land, buildings, equipment, facilities, improvements, and expenditures found by the board of directors to be required or suitable for use for a career center, if the area to be benefited by the career center is not located in the taxing jurisdiction of a junior college district);
- general aviation business service airport that is an integral part of an industrial park;
- development, improvement, expansion, or maintenance of facilities relating to the operation of commuter rail, light rail, or motor buses.

These projects require the following:

Capital investment:	\$ 1 Million
Creation or retention of Jobs: (jobs do not have to be primary jobs)	Minimum of 10
Generation of sales tax receipts, or New taxable value:	\$ 1 Million

Retail and commercial Projects:

Retail and commercial projects are limited to funding for streets, roads, bridges, rail road spur improvements and site improvements; water, sewer, electric and gas utilities; drainage, site and related improvements; telecommunication and internet improvements. Retail and Commercial projects require the following:

Capital Investment:	\$1 Million
Jobs retained and or created: (jobs do not have to be primary jobs)	Minimum of 10
Generation of sales tax receipts, or New taxable property value:	\$ 1 Million