



City of Saginaw

City of Saginaw

Meeting Date: 07/21/2015

Staff Contact: Nan Stanford
City Manager

Agenda Item: 5
(CC-0715- 03)

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Phone: 817-232-4640

SUBJECT: Consideration and Action regarding Resolution No. 2015- 10, Authorizing the Termination of Saginaw Industrial Development Authority and Approving Certificate of Termination of a Domestic Nonprofit Corporation

BACKGROUND/DISCUSSION:

The Saginaw Industrial Development Authority (SIDA) consists of five members and two alternate members. There has not been a need for the authority to meet since 2000. After careful consideration by staff and bond counsel, it is recommended that the authority be terminated. The proposed resolution and certificate were prepared by Leroy Grawunder, the City's Bond Counsel. The funds currently in the SIDA account will be transferred to the General Fund. The members will be notified in writing of this termination.

FINANCIAL IMPACT:

The financial impact will be the transfer of \$24,407 from the SIDA account to the General Fund.

RECOMMENDATION:

Staff recommends approval of Resolution No. 2015-10, authorizing the termination of the Saginaw Industrial Development Authority and approving the Certificate of Termination of a Domestic Nonprofit Corporation.

Attachments

Memo from Nan Stanford
Proposed Resolution and Certificate

MEMORANDUM

DATE: July 16, 2015
TO: Mayor Gary Brinkley and City Council
FROM: City Manager Nan Stanford
RE: Industrial Development Corporation
CC: ACM/FD Dolph Johnson

Last month during the reappointment of Board Members and Committees, I reviewed the Industrial Revenue Board and requested that these members not be reappointed until additional research was complete. The Corporation was a tool for the city for the promotion and development of commercial, industrial, and manufacturing companies and encouraged employment. The Corporation utilized the services of a Financial Advisor, Bond Counsel, and General Counsel. The corporation was utilized in the 80's and 90's and the Board has not met since March 7, 2000.

Assistant City Manager Dolph Johnson contacted our Bond Counsel and requested assistance with dissolving the Corporation. Mr. Leroy Grawunder contacted the Secretary of State and provided the attached Resolution authorizing the termination of the Saginaw Industrial Development Authority and the Certificate of Termination for consideration. It is my recommendation to approve Resolution No. 2015-10 and the Certificate of Termination.

Timeline

<u>Date</u>	<u>Description</u>
5-13-80	Creation of a nonprofit industrial development corporation to act on behalf of the City of Saginaw, Texas under the provisions of the Development Corporation Act of 1979 known as the Saginaw Industrial Development Authority. Authorized by Resolution 80-8B.
1980-2000	Received a filing fee and considered applications and bond issues for companies such as Montgomery Tank Company, Texstyrene, Wilsey Foods, Lone Star Perforating, Idaho Timber Corporation, Bana, Inc., Country Home Milling, and GLAD Investing Partners, Ltd. There is a balance in the account of \$24,407.

**CITY OF SAGINAW RESOLUTION NO. 2015-10
RESOLUTION AUTHORIZING THE TERMINATION OF
SAGINAW INDUSTRIAL DEVELOPMENT AUTHORITY**

STATE OF TEXAS §
COUNTY OF TARRANT §
CITY OF SAGINAW §

WHEREAS, in 1980, the City of Saginaw, Texas (the "City") authorized and created the Saginaw Industrial Development Authority ("SIDA") as a non-stock, non-profit industrial development corporation under the laws of the State of Texas, including particularly the Development Corporation Act of 1979, as amended, Article 5190.6, V.A.T.C.S., now codified primarily under Chapter 501, Texas Local Government Code, as amended (the "Act"); and

WHEREAS, since its inception through 2000, the SIDA issued bonds pursuant to the Act to fund projects; and

WHEREAS, none of the bonds remain outstanding; and

WHEREAS, since the Series 2000 bonds were paid in full in 2009, the SIDA has been inactive; therefore, the City Council of the City deems it prudent to terminate the existence of the SIDA; and

WHEREAS, Section 501.401 of the Act authorizes the City, at any time and in its sole discretion, to terminate the existence of the SIDA as long as such termination does not impair the obligation of contracts entered into by the SIDA; and

WHEREAS, as noted above, none of the SIDA bonds remain outstanding, nor does the SIDA have any other outstanding indebtedness, obligations or contracts; and

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAGINAW, THAT:

Section 1. Termination of SIDA. The City Council of the City hereby authorizes the termination of the SIDA in accordance with the provisions of the Act, particularly Subchapter I thereof. The Mayor and Secretary of the City are hereby authorized and directed to execute a certificate of termination, as required under Section 501.403(2) of the Act, and cause three originals of such certificate to be delivered to the Secretary of State of the State of Texas in accordance with Section 501.404 of the Act. The Mayor and Secretary of the City are further authorized to execute all other documents, and take all other actions, deemed necessary in order to accomplish the purpose of this Resolution, including but not limited to any other documents and actions required by the Act or Subchapter C of Chapter 11, Texas Business Organizations Code.

Section 2. Incorporation of Recitals. The City hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the City hereby incorporates such recitals as a part of this Resolution.

Section 3. Effective Date. This Resolution shall become effective immediately after its adoption.

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PASSED, APPROVED AND EFFECTIVE this _____, 2015.

Mayor, City of Saginaw, Texas

ATTEST:

City Secretary, City of Saginaw Texas

(SEAL)

EXECUTION PAGE TO RESOLUTION AUTHORIZING THE
TERMINATION OF THE SAGINAW INDUSTRIAL DEVELOPMENT AUTHORITY

CERTIFICATE FOR RESOLUTION

I, the undersigned Secretary of the City of the City of Saginaw, Texas (the "City"), hereby certify as follows:

1. The City Council of the City convened in Regular Meeting on the ____ day of _____, 2015, at the designated meeting place, and the roll was called of the duly constituted officers and members of said City Council, to wit:

Gary Brinkley, Mayor
David Flory, Mayor Pro Tem
Patrick Farr, Councilmember
Todd Flippo, Councilmember

Valerie Tankersley, Councilmember
Chris Barngrover, Councilmember
Jackie D. Nethery, Councilmember

and all of said persons were present, except the following absentees: _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written resolution entitled:

**RESOLUTION AUTHORIZING THE TERMINATION OF
THE SAGINAW INDUSTRIAL DEVELOPMENT AUTHORITY**

was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said Resolution be passed; and, after due discussion, said motion, carrying with it the passage of said Resolution, prevailed and carried by the following vote:

AYES: _____ NOES: _____ ABSTENTIONS: _____

2. A true, full and correct copy of the aforesaid Resolution passed at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; said Resolution has been duly recorded in said City Council's minutes of said Meeting; the above and foregoing paragraph is a true, full and correct excerpt from said City Council's minutes of said Meeting pertaining to the passage of said Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for passage at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose; and said Meeting was open to the public and public notice of the time, place and purpose of said Meeting was given, all as required by Texas Government Code, Chapter 551.

SIGNED AND SEALED the ____ day of _____, 2015.

Secretary, City of Saginaw, Texas

(SEAL)

**CERTIFICATE OF TERMINATION
OF A DOMESTIC
NONPROFIT CORPORATION**

1. The name of the domestic entity is:

Saginaw Industrial Development Authority

2. The entity is organized under Texas law as a: nonprofit organization

3. The date of formation of the entity is: May 20, 1980

4. The file number issued to the entity by the Secretary of State is: 0051862601

5. The names and addresses of each of the entity's governing persons are:

Governing Person 1

H.D. Davis
805 Palomino Drive
Saginaw, Texas 76179

Governing Person 2

Bill Anderson
335 Woodcrest Drive
Saginaw, Texas 76179

Governing Person 3

Bob Bates
212 Opal Street
Saginaw, Texas 76179

Governing Person 4

Ed Nolte
516 Mesa Court
Saginaw, Texas 76179

Governing Person 5

Bobby Henson
545 Thompson
Saginaw, Texas 76179

Governing Person 6

Chris Carter
124 Parkview Drive
Saginaw, Texas 76179

6. The nature of the event requiring winding up is set forth below:

A voluntary decision to wind up the entity has been approved in the manner required by the Texas Business Organizations Code and by the governing documents of the entity.

7. The filing entity has complied with the provisions of the Texas Business Organizations Code governing its winding up.

The undersigned authorized person acting on behalf of the named nonprofit corporation certifies that:

1. The nonprofit corporation has no property to be transferred, conveyed, applied or distributed in accordance with chapter 11 and chapter 22 of the Texas Business Organizations Code, or with Texas Local Government Code § 501.406, except cash in the amount of \$ 24,407.
2. There is no suit pending against the nonprofit corporation or that adequate provision has been made for the satisfaction of any judgment, order or decree that may be entered against the nonprofit corporation in a pending suit.
3. The nonprofit corporation did not receive or hold any property to be distributed in compliance with Texas Business Organizations Code 11.105(a).

This document becomes effective when the document is filed by the Secretary of State.

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Date: _____, 2015

By: _____
Gary Brinkley, Mayor, City of Saginaw, Texas

Janice England, Secretary, City of Saginaw, Texas