

**RESOLUTION NO. EDC-2024-16**

**A RESOLUTION OF THE CITY OF SANGER, TEXAS (CITY), ESTABLISHING AN ECONOMIC DEVELOPMENT PROGRAM (PROGRAM) PURSUANT TO SECTION 380.001 OF THE TEXAS LOCAL GOVERNMENT CODE AND AUTHORIZING AS PART OF THE PROGRAM THIS CHAPTER 380 AND ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT (AGREEMENT) BY AND BETWEEN THE CITY, THE SANGER TEXAS DEVELOPMENT CORPORATION (STDC) AND RANDALL'S FOOD & DRUGS, LP, DOING BUSINESS AS TOM THUMB (GRANTEE), TO PROMOTE ECONOMIC DEVELOPMENT AND STIMULATE BUSINESS AND COMMERCIAL ACTIVITY IN THE CITY; ESTABLISHING PERFORMANCE REQUIREMENTS; AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AGREEMENT ON BEHALF OF THE CITY.**

**WHEREAS**, the City of Sanger is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the State of Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, Chapter 380 of the Texas Local Government Code authorizes municipalities to establish and provide for the administration of programs that promote economic development and stimulate business and commercial activity in the City; and

**WHEREAS**, the Texas Development Corporation Act of 1979 (the Act), now codified in Title 12, Subtitle C1, of the Texas Local Government Code, authorizes communities to collect Type A and / or Type B economic development sales and use taxes; and

**WHEREAS** the residents of the City of Sanger, Texas (City) on May 2, 1998 passed an election approving the collection of sales and use tax for the benefit of the Sanger Texas Development Corporation (STDC), a Type B Economic Development Corporation; and

**WHEREAS**, Section 501.158 of the Texas Local Government Code authorizes the STDC to enter into a Performance Agreement to establish and provide for economic development grants that promote economic development and stimulate business and commercial activity in the City; and

**WHEREAS**, the City Council of the City on March 21, 2022 passed Resolution 2022-02 establishing the City's Incentives Policy (Policy); and

**WHEREAS**, the City desires to attract high-quality long-term investment and the creation of new jobs and to stimulate business and commercial activity in the City; and

**WHEREAS**, the City recognizes the importance of retaining existing businesses, attracting new businesses, and providing for the redevelopment of sub-standard properties; and

**WHEREAS**, the City desires to protect and enhance the City's fiscal ability to provide high-quality municipal services for the residents and businesses in the City; and

**WHEREAS**, Grantee has identified and committed to the performance requirements identified in the Agreement; and

**WHEREAS**, the City has concluded and hereby finds that the Chapter 380 and Economic Development Performance Agreement (Agreement) attached hereto as Exhibit A, promotes economic development in the City and, as such, meets the requisites under Chapter 380 of the Texas Local Government Code and the Policy, and further finds it is in the best interest of the City; and

**WHEREAS**, the Sanger Texas Development Corporation on September 24, 2024 considered and recommended approval of this Agreement to the City Council; and

**WHEREAS**, the STDC is a Type B economic development corporation, created pursuant to Chapter 505 of the Texas Local Government Code, as amended; and

**WHEREAS**, Section 505.158 of the Texas Local Government Code provides that “[f]or a Type B corporation authorized to be created by a municipality with a population of 20,000 or less, “project” also includes the land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements found by the corporation’s board of directors to promote new or expanded business development.” Further, the statute provides that “[a] Type B corporation may not undertake a project authorized by this section that requires an expenditure of more than \$10,000 until the governing body of the corporation’s authorizing municipality adopts a resolution authorizing the project after giving the resolution at least two separate readings”; and

**WHEREAS**, the City Council of the City of Sanger, Texas, finds and determines that the expenditure as specified in the Chapter 380 and Economic Development Performance Agreement, attached hereto as Exhibit A, will promote new or expanded business development, and otherwise meets the definition of “project,” as that term is defined by Sections 501.103 and 505.158 of the Texas Local Government Code.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANGER, TEXAS, THAT:**

**Section 1.**

The facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct and are incorporated herein in their entirety.

**Section 2.**

The City Council hereby approves the Chapter 380 and Economic Development Performance Agreement, attached hereto as Exhibit A, pursuant to Chapter 380 of the Texas Local Government Code, and pursuant to the City’s Economic Development Policy, with Grantee.

**Section 3.**

The Council hereby authorizes the City Manager to execute the Agreement on behalf of the City of Sanger, Texas.

**Section 4.**

This Resolution shall become effective from and after its passage.

**PASSED AND APPROVED** this the 30th day of September, 2024.

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Thomas Muir, Mayor

ATTEST:  
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Kelly Edwards, TRMC  
City Secretary

**Exhibit A**  
***Chapter 380 and Economic Development Performance Agreement***