



CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY				
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory				
Council Meeting Date:		04/09/12		
Department:		Economic Development		
Department Head		Sally Bane		
Agenda Coordinator (include phone #): Linda Thomason x8301				
CAPTION				
A Resolution of the City Council of the City of Plano, Texas, approving the terms and conditions of a Second Amendment to Tax Abatement Agreement by and between the City of Plano, Texas, Plano Tech Center Partners, Ltd., and GE Power Electronics, Inc. formerly Lineage Power Corporation; and authorizing its execution by the City Manager or his authorized designee; and providing an effective date.				
FINANCIAL SUMMARY				
<input checked="" type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	0	0	0
Encumbered/Expended Amount	0	0	0	0
This Item	0	0	0	0
BALANCE	0	0	0	0
FUND(S): ECONOMIC DEVELOPMENT INCENTIVE FUND				
COMMENTS: This item has no fiscal impact. Strategic Plan Goal: Providing economic development incentives relates to the City's goal of strong local economy.				
SUMMARY OF ITEM				
To clarify the date range for qualifying new improvements added to the real property for abatement purposes and to reflect the name change of Lineage Power Corporation to GE Power Electronics, Inc.				
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies		
Resolution 2 nd Amended Tax Abatement Agreement				

A Resolution of the City Council of the City of Plano, Texas, approving the terms and conditions of a Second Amendment to Tax Abatement Agreement by and between the City of Plano, Texas, Plano Tech Center Partners, Ltd., and GE Power Electronics, Inc. formerly Lineage Power Corporation; and authorizing its execution by the City Manager or his authorized designee; and providing an effective date.

WHEREAS, the City Council has been presented a proposed Second Amendment of Tax Abatement Agreement by and between the City of Plano, Texas, Plano Tech Center Partners, Ltd., a Texas limited partnership, and GE Power Electronics, Inc. formerly Lineage Power Corporation, a Nevada corporation, to clarify the date range for qualifying new improvements added to the real property for abatement purposes and to reflect the name change of Lineage Power Corporation to GE Power Electronics, Inc., a substantial copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (hereinafter called "Second Amendment"); and

WHEREAS, upon full review and consideration of the Second Amendment and all matters attendant and related thereto, the City Council is of the opinion that the terms and conditions thereof should be approved, and that the City Manager or his authorized designee shall be authorized to execute it on behalf of the City of Plano.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS:

Section I. The terms and conditions of the Second Amendment having been reviewed by the City Council of the City of Plano, Texas, and found to be acceptable and in the best interests of the City of Plano and its citizens, are hereby in all things approved.

Section II. The City Manager or his authorized designee is hereby authorized to execute the Second Amendment and all other documents in connection therewith on behalf of the City of Plano, substantially according to the terms and conditions set forth in the Second Amendment.

Section III. This Resolution shall become effective from and after its passage.

DULY PASSED AND APPROVED this the 9th day of April, 2012.

Phil Dyer, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY

THE STATE OF TEXAS	§	<u>Second Amendment of Tax</u>
	§	<u>Abatement Agreement by and</u>
	§	<u>between City of Plano, Plano Tech</u>
	§	<u>Center Partners, Ltd. and GE Power</u>
	§	<u>Electronics, Inc. formerly Lineage</u>
COUNTY OF COLLIN	§	<u>Power Corporation</u>

THIS Second Amendment to Tax Abatement Agreement (hereinafter "Second Amendment") is made by and between **PLANO TECH CENTER PARTNERS, LTD.**, a Texas limited partnership (hereinafter "Owner"), **GE POWER ELECTRONICS, INC.** formerly **LINEAGE POWER CORPORATION**, a Nevada corporation (hereinafter "Lessee"), and the **CITY OF PLANO, TEXAS**, a home-rule municipal corporation (hereinafter "City"), acting by and through its City Manager or his designee.

WITNESSETH:

WHEREAS, City, Owner, and Lessee entered into a Tax Abatement Agreement on July 27, 2009 (hereinafter "Agreement") to enhance the economic and employment base of City; and

WHEREAS, City, Owner and Lessee executed the First Amendment on December 1, 2011; and

WHEREAS, City, Owner and Lessee desire to further amend such Agreement in certain respects as set forth herein in this Second Amendment.

NOW THEREFORE, the Agreement is incorporated herein as if written word for word. Except as provided below, all other terms and conditions of the Agreement shall remain unchanged and shall remain in full force and effect. In the event of any conflict or inconsistency between the provisions set forth in this Second Amendment, the First Amendment and the Agreement, priority of interpretation shall be in the following order: Second Amendment, First Amendment, and Agreement.

IN CONSIDERATION of the foregoing, and for other good and valuable consideration, the parties agree as follows:

I.

Beginning on the effective date of this Second Amendment, and continuing through the remaining term of the Agreement the name of the Lessee, Lineage Power Corporation, is changed to GE Power Electronics, Inc. and any reference in the Agreement or First Amendment to Lineage Power Corporation shall be replaced with GE Power Electronics, Inc.

II.

Beginning on July 27, 2009, the effective date of the Agreement, and continuing through the remaining term of the Agreement, number 5 listed under the Paragraph entitled **IMPROVEMENTS** is hereby modified to read in its entirety as follows:

IMPROVEMENTS

By December 31, 2009 the Owner or Lessee shall make or cause to be made improvements to the real property, as shown in Exhibit "B", consisting of a new building(s) and/or building improvements that are at least 100,000 gross square feet of office and/or warehouse space with an assessed taxable value of not less than Four Million Seven Hundred and Twenty One Thousand Dollars (\$4,721,000.00) for new improvements added to the Real Property, as shown in Exhibit "B", between the dates of January 1, 2008 through December 31, 2009 as determined by the Collin County Central Appraisal District. The real property abatement for the new improvements shall begin in the January 2010 tax year pursuant to Section 13(a) herein unless an extension as a result of an Event of Force Majeure has been approved by the City in writing. The abatement shall not include any existing real property taxable value assessed on the property, as shown in Exhibit "B", as of December 31, 2007.

IN WITNESS WHEREOF, the effective date of this Second Amendment shall be the date on which all of the parties have executed this Second Amendment as indicated below.

EXECUTED on this _____ day of _____, 2012.

ATTEST:

CITY OF PLANO, TEXAS, a home-rule
municipal corporation

Diane Zucco, CITY SECRETARY

By: _____
Bruce D. Glasscock, CITY MANAGER

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY

ATTEST:

PLANO TECH CENTER PARTNERS,
LTD., a Texas limited partnership
By: Peloton PTC, Inc., a Texas
corporation, General Partner

Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ATTEST:

GE POWER ELECTRONICS, INC.
formerly LINEAGE POWER
CORPORATION, a Nevada corporation

Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENTS

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of _____, 20____ by **BRUCE D. GLASSCOCK**, City Manager of the **CITY OF PLANO, TEXAS**, a home-rule municipal corporation, on behalf of said corporation.

Notary Public, State of Texas

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 20____ by _____, (*Authorized Representative*) _____ (*Title*) of **PELTON PTC, INC.**, a Texas corporation, General Partner of **PLANO TECH CENTER PARTNERS, LTD.**, a Texas Limited Partnership, on behalf of said limited partnership.

Notary Public, State of Texas

STATE OF _____ §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 20____ by _____, (*Authorized representative*) _____ (*Title*) of **GE POWER ELECTRONICS, INC.** formerly **LINEAGE POWER CORPORATION**, a Nevada corporation, on behalf of said corporation.

Notary Public, State of _____