



**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:		6/13/11		
Department:		Finance		
Department Head		Denise Tacke		
Agenda Coordinator (include phone #): Katherine Crumbley x7479				
CAPTION				
A Resolution of the City Council of the City of Plano, Texas, approving the terms and conditions of a First Amendment of the Economic Development Incentive Agreement by and between the City of Plano, Texas and MedAssets Net Revenue Systems, LLC., a Delaware limited liability company; 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: 10-11	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				
This amendment is necessary to clarify compliance dates for the Company to occupy additional space and to create additional Job Equivalents and to remove the Real Property improvement requirement from the Agreement.				
List of Supporting Documents:			Other Departments, Boards, Commissions or Agencies	
Amended Economic Development Incentive Agreement				

A Resolution of the City Council of the City of Plano, Texas, approving the terms and conditions of a First Amendment of the Economic Development Incentive Agreement by and between the City of Plano, Texas and MedAssets Net Revenue Systems, LLC., a Delaware limited liability company; 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 First Amendment of the Economic Development Incentive Agreement By and Between the City of Plano, Texas and MedAssets Net Revenue Systems, LLC, a Delaware limited liability company, a substantial copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (hereinafter called "Agreement"); and,

WHEREAS, the First Amendment of the Economic Development Incentive Agreement is necessary to clarify compliance dates for the Company to occupy additional space and to create additional Job Equivalents and to remove the Real Property improvement requirement from the Agreement.

WHEREAS, upon full review and consideration of the Agreement, 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 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, THAT:

Section I. The terms and conditions of the Agreement, having been reviewed by the City Council of the City of Plano 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 designee, is hereby authorized to execute the Agreement 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 Agreement.

Section III. This Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED this the 13th day of June, 2011.

Phil Dyer, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY

THE STATE OF TEXAS § First Amendment of Economic
 § Development Incentive Agreement
 § By and Between City of Plano and
 § MedAssets Net Revenue Systems, LLC
 §
COUNTY OF COLLIN §

THIS FIRST AMENDMENT of Economic Development Incentive Agreement (hereinafter "First Amendment") is made and entered into on this the _____ day of _____, 20____, by and between **MEDASSETS NET REVENUE SYSTEMS, LLC**, a Delaware limited liability company (hereinafter "Company"), Plano, Texas, 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 and Company entered into an Economic Development Incentive Agreement on September 14, 2009 (hereinafter "Agreement"); and

WHEREAS, City and Company desire to amend such Agreement in certain respects as set forth herein in this First 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 First Amendment and the Agreement, priority of interpretation shall be in the following order: First Amendment and then the Agreement. In consideration of the foregoing, and for other good and valuable consideration, the parties hereto agree as follows:

I.

Beginning on the effective date of this First Amendment and continuing through the remaining term of the Agreement, **Article III Obligations of Company** is hereby amended to read in its entirety as follows:

Article III Obligations of Company

In consideration for the grant of public funds as set forth in Section 4.01 below, the Company agrees to the following:

- (a) Occupy not less than 49,000 square feet of commercial space on the Property on or before September 30, 2009;
- (b) Retain, create or transfer at least 245 Job Equivalents on the Property on or before September 30, 2009;
- (c) Retain, create or transfer at least an additional 25 Job Equivalents on the Property on or before December 31, 2009;
- (d) Occupy not less than an additional 50,000 square feet of commercial space on the Property on or before December 31, 2011 (provided, however, that in the event of any non-material delay in the date of Company's occupation of the Property not due to Company's fault or within Company's control, which in turn delay's Company's ability to timely satisfy its obligation herein, the City agrees to negotiate in good faith with Company to extend the deadline specified herein);
- (e) Create or transfer at least an additional 180 Job Equivalents to the Property (for at total of 450 Job Equivalents on the Property) on or before December 31, 2011 (provided, however, that in the event of any non-material delay in the date of Company's occupation of the Property not due to Company's fault or within Company's control, which in turn delays Company's ability to timely provide the Job Equivalents specified herein, the City agrees to negotiate in good faith with Company to extend the deadline specified herein); and
- (f) Use reasonable efforts to place all Company-managed hotel room nights, related to the Company's business activities, at facilities located in the City of Plano.

II.

Beginning on the effective date of this First Amendment and continuing through the remaining term of the Agreement, section 4.02 **Grant Payments** of **Article IV Economic Development Grant** is hereby amended to read in its entirety as follows:

Except as otherwise indicated, the Company shall be entitled to a payment of One Hundred and Ninety Six Thousand Dollars (\$196,000.00) from the City under this Agreement within thirty (30) days after the Company verifies to the City using the Initial Certification form attached hereto as Exhibit "A" that the Company has met its obligations as set forth in Article III (a) and (b) above. In order to receive payment under this Agreement, Company's initial certification verifying compliance with Article III (a) and (b) above must be filed with the City no later than March 31, 2012. The Company shall be entitled to a second payment of Twenty Thousand Dollars (\$20,000.00) from the City under this Agreement within thirty (30) days after the Company verifies to the City using the Second Certification attached hereto as Exhibit "C" that the Company has met its obligations as set forth in Article III (c) above. In order to receive payment under this Agreement, Company's second certification verifying compliance with Article III (c) above must be filed with the City no later than March 31, 2012. The Company shall be entitled to a third payment of One Hundred and Forty-Four Thousand Dollars (\$144,000.00) from the City under this Agreement within thirty (30) days after the Company certifies to the City using the Final Certification attached hereto as Exhibit "D" that the Company has met its obligations as set forth in Article III (d) and (e) above. **Company must submit the Certification forms attached hereto as Exhibits "A", "C" & "D" verifying compliance with the obligations set forth in Article III not later than March 31, 2012. A failure to provide the forms by that date is an event of default and, if not cured, results in an immediate and complete forfeiture of any outstanding grant payments. The submission of the Certifications in Exhibits "A", "C" & "D" is in addition to the requirement to file the Certification in Exhibit "B" of the Original Agreement which must be submitted annually during the term of the agreement.**

III.

Beginning on the effective date of this First Amendment and continuing through the remaining term of the Agreement, the first address listed under section 6.04 **Notice** is hereby amended to read in its entirety as follows:

If intended for the City:
City of Plano
Attention: City Manager
1520 Avenue K
P. O. Box 860358
Plano, TX 75086-0358

IV.

Beginning on the effective date of this First Amendment and continuing through the remaining term of the Agreement, paragraph 6.12 **Dispute Resolution** of **Article VI Miscellaneous** is deleted from the Agreement.

IN WITNESS WHEREOF, the parties enter into this First Amendment on the date first written above.

MedAssets Net Revenue Systems, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

CITY OF PLANO, TEXAS

By: _____
Bruce D. Glasscock
CITY MANAGER

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY

EXHIBIT "A"

INITIAL CERTIFICATE OF COMPLIANCE

Please select one of the options below before signing and returning the certification:

_____ a. I hereby certify that MedAssets Net Revenue Systems, LLC has occupied at least 49,000 square feet of commercial space and retained, transferred or added at least 245 Job Equivalent positions at the Real Property by September 30, 2009 and is in compliance with the Agreement and is entitled to receive payment in accordance with Section 4.02 of that Agreement.

_____ b. I hereby certify that MedAssets Net Revenue Systems, LLC has failed to occupy at least 49,000 square feet of commercial space and has failed to retain, transfer or add at least 245 Job Equivalent positions at the Real Property by September 30, 2009 and is not in compliance with the Agreement and is not entitled to receive payment in accordance with Section 4.02 of that Agreement.

ATTEST: _____

Name: _____

By: _____

Chief Financial Officer
MedAssets Net Revenue
Systems, LLC

Date

This Certification is due by March 31, 2012.

This Certificate of Compliance should be mailed to:

City of Plano
Finance Department
P.O. Box 860358
Plano, Texas 75086-0358

EXHIBIT "C"

SECOND CERTIFICATE OF COMPLIANCE

Please select one of the options below before signing and returning the certification:

_____ a. I hereby certify that MedAssets Net Revenue Systems, LLC has continued to occupy at least 49,000 square feet of commercial space and retained, transferred or added at least 25 additional Job Equivalent positions to the current 245 Job Equivalent positions for a total of at least 270 Job Equivalents at the Real Property by December 31, 2009 and is in compliance with the Agreement and is entitled to receive payment in accordance with Section 4.02 of that Agreement.

_____ b. I hereby certify that MedAssets Net Revenue Systems, LLC has failed to continue to occupy at least 49,000 square feet of commercial space and failed to retain, transfer or add at least 25 additional Job Equivalent positions to the current 245 Job Equivalent positions for a total of at least 270 Job Equivalents at the Real Property by December 31, 2009 and is not in compliance with the Agreement and is not entitled to receive payment in accordance with Section 4.02 of that Agreement.

ATTEST: _____
Name: _____

By: _____
Chief Financial Officer
MedAssets Net Revenue
Systems, LLC

Date

This Certification is due by March 31, 2012.

This Certificate of Compliance should be mailed to:

City of Plano
Finance Department
P.O. Box 860358
Plano, Texas 75086-0358

EXHIBIT "D"

FINAL CERTIFICATE OF COMPLIANCE

Please select one of the options below before signing and returning the certification:

_____ a. I hereby certify that MedAssets Net Revenue Systems, LLC has occupied and additional 50,000 square feet for a total occupancy of at least 99,000 square feet at the Real Property by December 31, 2011. I further certify that MedAssets Net Revenue Systems, LLC has retained, transferred or added at least 180 additional Job Equivalents to the 270 existing Job Equivalents for a total of at least 450 Job Equivalents at the Real Property by December 31, 2011 and is in compliance with all terms of the Agreement and is entitled to receive payment in accordance with Section 4.02 of the Agreement. The actual number of square feet occupied is _____. The actual number of Job Equivalents is _____.

_____ b. I hereby certify that MedAssets Net Revenue Systems, LLC has not occupied an additional 50,000 square feet for a total occupancy of at least 99,000 square feet at the Real Property and retained, transferred or added at least 180 additional Job Equivalents to the 270 existing Job Equivalents for a total of at least 450 Job Equivalents at the Real Property by December 31, 2011. The actual number of square feet occupied is _____. The actual number of Job Equivalents is _____. I further certify that the City of Plano is not required to pay an additional payment to MedAssets Net Revenue Systems, LLC and has been refunded any appropriate amounts as required by Section 4.03 of the Agreement.

ATTEST: _____
Name: _____

By: _____
Chief Financial Officer
Date: _____

This form is due by March 31, 2012

This Certificate of Compliance should
be mailed to: City of Plano
Finance Department
P.O. Box 860358
Plano, Texas 75086-0358