



**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:		1/10/11		
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 to Economic Development Incentive Agreement By and Between Cirro Group, Inc. and the City of Plano, Texas; 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: 2010	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	12,578,710	0	12,578,710
Encumbered/Expended Amount	0	-4,144,275	-4,435,250	-8,579,525
This Item	0	48,000	0	48,000
BALANCE	0	8,482,435	-4,435,250	4,047,185
FUND(s): ECONOMIC DEVELOPMENT FUND				
COMMENTS: Strategic Plan Goal: Providing economic development incentives relates to the City's goal of strong local economy				
SUMMARY OF ITEM				
This First Amendment reflects Cirro's request for a reduction in the number of Job Equivalents from 91 to 80 and date to certify the Job Equivalents.				
List of Supporting Documents: First Amendment to Economic Development Incentive Agreement			Other Departments, Boards, Commissions or Agencies	

A Resolution of the City Council of the City of Plano, Texas, approving the terms and conditions of a First Amendment to Economic Development Incentive Agreement By and Between Cirro Group, Inc. and the City of Plano, Texas; 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 to Economic Development Incentive Agreement By and Between Cirro Group, Inc. and the City of Plano, Texas, a substantial copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (hereinafter called "First Amendment"); and

WHEREAS, the purpose of the First Amendment is to revise the number of Job Equivalents, extend the date for the annual certification and revise the exhibits to reflect these changes; and

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

Section I. The terms and conditions of the First Amendment, 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 authorized designee is hereby authorized to execute the First 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 First Amendment.

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

DULY PASSED AND APPROVED this the 10th day of January, 2011.

Phil Dyer, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY

First Amendment to Economic Development Incentive Agreement between City of Plano, Texas and Cirro Group, Inc., a Texas corporation

THIS First Amendment to the Economic Development Incentive Agreement (hereinafter "First Amendment") is made and entered into on this the ____ day of _____, 20____, by and between **CIRRO GROUP, INC.**, a Texas corporation, (hereinafter "Company") and the **CITY OF PLANO, TEXAS**, a home rule municipal corporation (hereinafter "City").

WITNESSETH:

WHEREAS, City and Company entered into an Agreement on June 14, 2010 (hereinafter "Agreement") for City to provide an economic development incentive grant to Company under certain terms and conditions, and

WHEREAS, City and Company desire to further amend said Agreement in certain respects as set forth below.

NOW THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the parties agree as follows:

I.

The original Agreement entered into on June 14, 2010 is incorporated herein as if fully set forth at length. Except for the amendments below, all other terms and conditions of the original 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 original Agreement, the priority of interpretation shall be in the following order: First Amendment, the original Agreement.

II.

The fourth "Whereas" clause is hereby amended to read in its entirety as follows:

"WHEREAS, occupancy of 24,555 square feet of commercial/office space and the creation or transfer of 80 Job Equivalents at the Property within the City will promote economic development, stimulate commercial activity and enhance the tax base and economic vitality of the City; and"

III.

Subsection (b) of Article III is amended to read in its entirety as follows:

“(b) Create or transfer at least 80 Job Equivalents on the Property on or before September 1, 2010.”

IV.

Sections 4.01, 4.02 and 4.03(a) of Article 4 Economic Development Grant are amended to read in their entirety as follows:

“4.01 **Grant.** The City agrees to provide the Company a cash grant of Forty-eight Thousand Dollars (\$48,000.00) for the occupancy of 24,555 square feet of commercial/office space on the Property and the transfer or creation of not less than 80 Job Equivalent positions on the Property in accordance with Article 3 above. The Company agrees to maintain the occupancy of the office space and the 80 transferred or created Job Equivalents for which a cash grant has been paid by the City to the Company throughout the term of this Agreement as provided in Section 4.03 below.

4.02 **Grant Payments.** Except as otherwise indicated, the Company shall be entitled to a payment of Forty-eight Thousand Dollars (\$48,000.00) 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 3(a) and (b) above (such payment referred to as the “initial Grant Payment”). **IN ORDER TO RECEIVE PAYMENT UNDER THIS AGREEMENT, COMPANY’S INITIAL CERTIFICATION VERIFYING COMPLIANCE WITH ARTICLE 3 (A) AND (B) ABOVE MUST BE FILED WITH THE CITY ON OR BEFORE JANUARY 31, 2011.**

4.03 **Refunds.**

(a) In the event the Company allows Job Equivalents at the Property to fall below 80 for more than one hundred eighty (180) consecutive days during the term of this Agreement, not the result of an Event of Force Majeure, the Company shall refund to the City an amount equal to Six Hundred Dollars (\$600.00) for each lost Job Equivalent. For purposes of determining whether the City is due a refund under this section, the Company’s Chief Financial Officer shall certify to the City by January 31, 2012, and by January 31st of each year thereafter during the term of this Agreement the actual number of Job Equivalents at the Property for the preceding calendar year, using the Certification form attached as Exhibit “B”. All refunds under this Agreement shall be due within thirty (30) days of written demand for payment. Notwithstanding the foregoing, the Company shall never be required to refund to the City,

in the aggregate, any amount in excess of the total grant amount set forth in Section 4.01.”

V.

Exhibits “A” and “B” of the original Agreement are revised as shown on the attached.

IN WITNESS WHEREOF, this Amendment is effective upon the last date of execution by all parties.

ATTEST:

CITY OF PLANO, TEXAS, a home
rule municipal corporation

Diane Zucco, CITY SECRETARY

By: _____
Thomas H. Muehlenbeck
CITY MANAGER

APPROVED AS TO FORM

Diane C. Wetherbee, CITY ATTORNEY

ATTEST:

CIRRO GROUP, INC.,
a Texas corporation

Name: _____
Title: _____

By: _____
R. Michael Rose
Managing Director, Dominion Retail

EXHIBIT "A"

INITIAL CERTIFICATE OF COMPLIANCE

[DATE]

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

RE: Initial Certificate of Compliance by Cirro Group, Inc., ("Company")
Economic Development Incentive Agreement between Company and the City of
Plano dated as of June 14, 2010 (the "Agreement")

I hereby certify that Company has occupied not less than 24,555 square feet of commercial/office space located at 2745 Dallas Parkway, Plano, Texas (the "Property") and has transferred or added 80 Job Equivalent (as defined in the Agreement) positions to the Property. Company is in compliance with subsections (a) and (b) of Article 3 of the Agreement and is entitled to receive payment under the terms of the Agreement.

Cirro Group, Inc.,
a Texas corporation

By: _____
Name: _____
Title: _____

EXHIBIT "B"

ANNUAL CERTIFICATE OF COMPLIANCE

[DATE]

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

RE: Annual Certificate of Compliance by Cirro Group, Inc., ("Company")
Economic Development Incentive Agreement between Company and the City of
Plano dated as of June 14, 2010 (the "Agreement")

I hereby certify that Company is in compliance with each applicable term as set forth in Article 3 of the Agreement. The term of the Agreement is September 1, 2010 through August 31, 2020. The number of new or transferred Job Equivalents, calculated as set forth in the Agreement and maintained pursuant to the Agreement since its inception, has not fallen below 80 for more than one hundred eighty (180) consecutive days and is _____ as of the date of this Certificate of Compliance. If the number herein reported is below the number required to be maintained pursuant to the Agreement, I certify that the City of Plano has been refunded the appropriate amount as required by Section 4.03 of the Agreement. This form is due on January 31st of each year the Agreement is in force.

Cirro Group, Inc.,
a Texas corporation

By: _____
Name: _____
Title: _____