

RESOLUTION NO. 3344

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING INCORPORATION OF THE SHERMAN ECONOMIC DEVELOPMENT CORPORATION; APPROVING THE FORM OF ARTICLES OF INCORPORATION FOR THE CORPORATION; AUTHORIZING THE MAYOR, THE CITY MANAGER, AND THE FINANCE DIRECTOR TO ACT AS INCORPORATORS AND FORWARD THE ARTICLES TO THE SECRETARY OF STATE; PROVIDING AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That the City Council of the City of Sherman, Texas, hereby finds and determines that it is advisable that the Sherman Economic Development Corporation be authorized and created under the provisions of the Texas Non-Profit Corporation Act and Section 4A, Article 5190.6, Vernon's Texas Civil Statutes, as amended, the Development Corporation Act of 1979.

SECTION 2. That the Articles of Incorporation for the Corporation, a true copy of which is attached hereto as Exhibit "A" and made a part hereof for all purposes be, and the same is hereby, approved for organizing the Corporation.

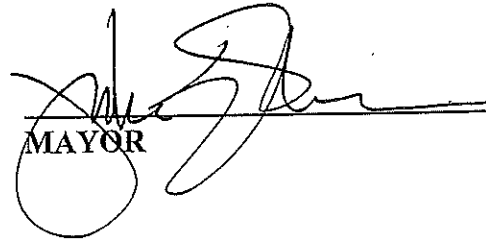
SECTION 3. That the Mayor, the City Manager, and the Finance Director be, and they are hereby, authorized to act as the Incorporators of the Corporation and to file the Articles of Incorporation of the Corporation with the Secretary of State of the State of Texas in the manner provided by law.

SECTION 4. That the City Council specifically authorizes the Corporation by this resolution to act on its behalf to further the public purposes stated in the Articles, such purposes being those recited in the election ballot submitted to and approved by the voters of the City of Sherman on November 7, 1995, to authorize the levy of an additional 3/8 of 1 percent sales and use tax to be used for the purposes authorized by Section 4A, Article 5190.6.

SECTION 5. That this resolution shall take effect immediately from and after its passage and it is accordingly so resolved.


SECTION 6. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public as required by law and that public notice of the time, place, and purpose of said meeting was given as required.

PASSED AND APPROVED this the 8TH day of APRIL,
1996.



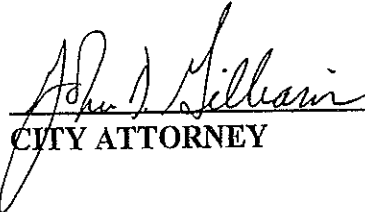
MAYOR

ATTEST:



CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

**ARTICLES OF INCORPORATION
OF
THE SHERMAN ECONOMIC DEVELOPMENT CORPORATION**

WE, the undersigned natural persons, not less than three in number, each of whom is at least eighteen years of age, and each of whom is a qualified elector of the City of Sherman, Texas (the "City"), which is a duly established City under the Texas Constitution, acting as incorporators of a public instrumentality and nonprofit industrial development corporation (the "Corporation") under the Development Corporation Act of 1979, as amended (the "Act") with the approval of the governing body of the City do hereby adopt the following Articles of Incorporation for the Corporation:

ARTICLE I

The name of the Corporation is the Sherman Economic Development Corporation.

ARTICLE II

The Corporation is a non-profit corporation, and is an industrial development corporation under the Development Corporation Act of 1979, and shall be governed by Section 4A of said Act and specifically Article 5190.6, Section 4A, Revised Civil Statutes of the State of Texas, as now existing or as may be amended.

ARTICLE III

The period of its duration is perpetual.

ARTICLE IV

The Corporation is organized exclusively for the purpose of benefitting and accomplishing public purposes of the City of Sherman, Texas, by promoting, assisting and enhancing economic

development activities for the City as provided by the Development Corporation Act of 1979, Texas Revised Civil Statutes Annotated Article 5190.6, as amended.

Without limiting the foregoing, the Corporation shall develop and implement a competitive industrial (economic) development program for Sherman. The following are objectives or precepts of the program:

- 1) Expand and diversify the tax base of Sherman with the intent of maintaining a tax rate consistent with the needs of the City;
- 2) Enhance existing job opportunities and create new ones;
- 3) Retain and expand existing business;
- 4) Attract new businesses and investment to Sherman; and
- 5) Protect the local environment and resources.

ARTICLE V

The street address of the initial registered office of the Corporation is 400 North Rusk Street, Post Office Box 1106, Sherman, Texas 75091-1106, and the name of its initial registered agent at such address is John D. Gilliam, City Attorney.

ARTICLE VI

The affairs of the Corporation shall be managed by a board of directors which shall be composed in its entirety of persons appointed by and serving at the pleasure of the governing body of the City. The number of directors constituting the Board of Directors is five (5), and the names and addresses of the persons who are to serve as the initial directors are:

<u>Names</u>	<u>Addresses</u>
Steve M. Jones	619 W. Birge, Sherman, Texas 75090
Steve W. Smith	716 Westwood Drive, Sherman, Texas 75090
Robert G. West	1220 Western Hills Drive, Sherman, Texas 75090
Harry R. Reynolds	1100 Patricia Drive, Sherman, Texas 75090
William P. Douglass	2301 San Miguel Street, Sherman, Texas 75090

ARTICLE VII

The name and street address of the incorporators are:

<u>Names</u>	<u>Addresses</u>
Julie Ellis Starr, Mayor	2507 N. Shoreline Drive, Sherman, Texas 75090
Jim Andrews, City Manager	2501 N. Shoreline Drive, Sherman, Texas 75090
Giles Brown, Finance Director	1504 N. Westside Drive, Sherman, Texas 75090

ARTICLE VIII

The City Council of the City of Sherman, Texas, has specifically authorized the formation of the Sherman Economic Development Corporation, a non-profit corporation, by resolution approving the form of these Articles of Incorporation.

ARTICLE IX

That the City of Sherman is a city with a population of fewer than 50,000 according to the most recent Federal Decennial Census that is located within the territorial limits but has not elected to become a part of a metropolitan rapid transit authority that has a principal city with a population of more than 750,000 according to the most recent Federal Decennial Census, with such authority being created under Article 1118y, Vernon's Texas Civil Statutes, and the creation of this

Corporation is authorized under the provisions of Section 4A, Article 5190.6, the Development Corporation Act of 1979, Vernon's Texas Civil Statutes, as amended, and the Corporation shall be governed by that Section.

ARTICLE X

The Corporation is a non-stock corporation and has no members.

ARTICLE XI

No dividends shall ever be paid by the Corporation and no part of its net earnings remaining after payment of its expenses shall be distributed to or inure to the benefit of its directors or officers of any individual, firm, corporation or association, except that in the event the board of directors shall determine that sufficient provision has been made for the full payment of expenses, bonds and other obligations of the Corporation, then any net earnings of the Corporation thereafter accruing shall be paid to the City. No part of the Corporation's activities shall be carrying on propaganda, or otherwise attempting to influence legislation, and it shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE XII

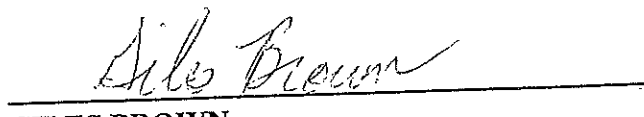
If the Corporation ever should be dissolved when it has, or is entitled to, any interest in any funds or property of any kind, real, personal or mixed, such funds or property or rights thereto shall not be transferred to private ownership but shall be transferred and delivered to the City after satisfaction or provision for satisfaction of debts and claims.



JULIE ELLIS STARR



JIM ANDREWS

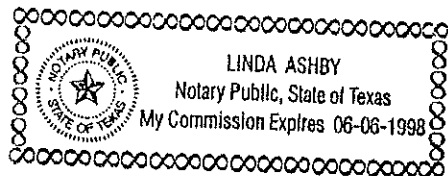


GILES BROWN

THE STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

BEFORE ME, a Notary Public, on this day personally appeared Julie Ellis Starr, Jim Andrews, and Giles Brown, known to me to be the persons whose names are subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 8th day of April,
1996.





NOTARY PUBLIC, STATE OF TEXAS