

ORDINANCE NO. 11-54

AN ORDINANCE AMENDING THE BUDGET FOR THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2011 AND ENDING SEPTEMBER 30, 2012 TO BUDGET FOR PROMOTIONAL EXPENDITURES NOT TO EXCEED TEN (10%) PERCENT OF CURRENT REVENUES

WHEREAS, the City Council approved the budget for the City of Port Arthur Section 4A Economic Development Corporation (the "PAEDC") on September 20, 2011 per Ordinance No. 11-49; and

WHEREAS, Section 4A(b)(1) of the Development Corporation Act limits Section 4A corporations to spend no more than 10% of their corporate revenues (Section 4A tax proceeds) for promotional purposes. The Development Corporation Act generally requires a Section 4A development corporation to use sales tax revenues "for the promotion and development of new and expanded businesses." Thus, a promotional expenditure under Section 4A(b)(1) must advertise or publicize the City for the purpose of developing new or expanded business enterprises. Authorized uses include economic development projects (such as land, equipment, facilities and infrastructure) as set forth in Section 2(4) and (11)(a) of the Development Corporation Act; and

WHEREAS, the PAEDC Board of Directors at its Special Board meeting of October 10, 2011, approved an amendment to its 2011-2012 Fiscal Year's budget to increase its Promotional Programs Account to an amount not to exceed ten (10%) percent of its corporate revenues. PAEDC estimated that they will receive \$4,200,000.00 in revenues for the 2012 fiscal year, and

therefore, proposes to increase its budget by \$379,500.00 to be added to its Promotional Programs Account number 120-1429-582-59.06; and

WHEREAS, sufficient funds are available in the operating reserve of the PAEDC to fund this amendment; and

WHEREAS, the PAEDC Bylaws require that the City Council approve its budget and budget amendments.

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

Section 1. That the facts and opinions in the preamble are true and correct.

Section 2. That the budget for the PAEDC be increased by \$379,500 for promotional expenditures.

Section 3. That Section 2 of Ordinance 11-49 shall be amended to read: That the budget of the City of Port Arthur Section 4A Economic Development Corporation is hereby adopted and approved in the sum of Six Million Three Hundred Sixty One Thousand Six Hundred Seventy Eight Dollars (\$6,361,678).

Section 4. That a copy of the caption of this Ordinance be spread upon the Minutes of the City Council.

Section 5. That the ordinance shall be effective immediately.

READ, ADOPTED AND APPROVED on this 18th day of Oct. A.D., 2011,

at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES: ✓

Mayor

Prince; Mayor Pro Tem Osuet;

Councilmembers

Scott, Segler, Beard,

Williamson, Freeman and Thomas

NOES: None

Deloris Prince
Deloris "Bobbie" Prince, Mayor

ATTEST:

Sherri Bellard
Sherri Bellard, City Secretary

APPROVED:

Floyd Batiste
Floyd Batiste, PAEDC CEO

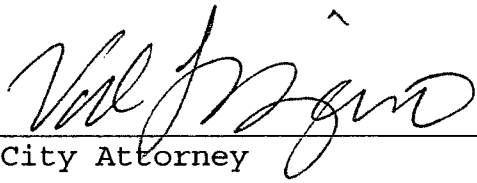
APPROVED AS TO FORM:

Guy N. Goodson
Guy N. Goodson, PAEDC Attorney

APPROVED AS TO FORM:

Valecia R. Tizen
Valecia R. Tizen, City Attorney

APPROVED AS TO FORM:



City Attorney