



NOTICE OF A MEETING

(In compliance with Sec. 551.041, Et. Seq., Tex. Gov't. Code)

NOTICE is hereby given that the Board of Directors of the Village Center Local Government Corporation (VCLGC) will hold a meeting on September 12, 2022 at 6:30 p.m. in the Civic Center Auditorium at 16327 Lakeview Drive, Jersey Village, Texas 77040. A quorum of the Board of Directors will be physically present at the meeting; however, some Board Members may participate in the meeting via videoconference call.

ITEM(S) to be discussed and acted upon by the Board at this meeting is/are listed on the attached agenda.

AGENDA

- A. Open Annual Meeting. Call the meeting to order and take the roll of officers present.
- B. CITIZENS' COMMENTS - Any person who desires to address the Village Center Local Government Corporation Board regarding an item on the agenda will be heard at this time. In compliance with the Texas Open Meetings Act, unless the subject matter of the comment is on the agenda, the Board Members are not allowed to discuss the subject. Each person is limited to five (5) minutes for comments to the Board.
- C. Election of Vice Chairperson. *Board Chairperson*
- D. Consider approval of the Minutes for the Village Center Local Government Corporation Board Meeting held on July 19, 2021. *Lorri Coody, Board Secretary*
- E. Consider Resolution No. 2022-01, adopting an official seal for the Village Center Local Government Corporation. *Austin Bleess, Board Member*
- F. Consider Resolution No. 2022-02, requesting permission of the City of Jersey Village, Texas, to amend the Articles of Incorporation of the Village Center Local Government Corporation. *Austin Bleess, Board Member*
- G. Recess the meeting while the City Council considers the Board's request for permission to amend the Articles of Incorporation. *Bobby Warren, Chairman*
- H. RECONVENE THE MEETING to Consider Resolution No. 2022-03, adopting an amendment to the Articles of Incorporation of the Village Center Local Government Corporation and authorizing the Chairman of the Board or designee to submit said amendment to the Secretary of State. *Austin Bleess, Board Member*
- I. Consider Resolution No. 2022-04, adopting an amendment to the bylaws of the Village Center Local Government Corporation and requesting approval of such amendment by the City Council of the City of Jersey Village, Texas. *Austin Bleess, Board Member*
- J. Adjourn

CERTIFICATION

I, the undersigned authority, do hereby certify in accordance with the Texas Open Meeting Act, the Agenda is posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting on the bulletin board located at City Hall, 16327 Lakeview, Jersey Village, TX 77040, a place convenient and readily accessible to the general public at all times, and said Notice was posted on the following date and time: September 7, 2022 at 5:00 p.m. and remained so posted until said meeting was convened.

Lorri Coody, Board Secretary

In compliance with the Americans with Disabilities Act, the City of Jersey Village will provide for reasonable accommodations for persons attending public meetings. Request for accommodations must be made to the City Secretary by calling 713 466-2102 forty-eight (48) hours prior to the meetings. Agendas are posted on the Internet Website at www.jerseyvillagetx.com.

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

- B. CITIZENS' COMMENTS - Any person who desires to address the Village Center Local Government Corporation Board regarding an item on the agenda will be heard at this time. In compliance with the Texas Open Meetings Act, unless the subject matter of the comment is on the agenda, the Board Members are not allowed to discuss the subject. Each person is limited to five (5) minutes for comments to the Board.

**VILLAGE CENTER LOCAL GOVERNMENT CORPORATION BOARD
CITY OF JERSEY VILLAGE, TEXAS
AGENDA REQUEST**

AGENDA DATE: September 12, 2022

AGENDA ITEM: C

AGENDA SUBJECT: Election of vice-chairperson to serve until the next Annual Meeting.

Department/Prepared By: Lorri Coody

Date Submitted: August 18, 2022

EXHIBITS: None

BUDGETARY IMPACT: None

CITY MANAGER APPROVAL:

BACKGROUND INFORMATION:

According to the amended By-Laws of the Village Center Local Government Corporation Board at Article III, Section 1(A), the LGC shall have the following officers: Chairperson, Vice-chairperson, Secretary, and Treasurer.

The Board, at the Board's Annual Meeting, shall elect a Vice-chairperson who shall serve until the next Annual Meeting. The City Secretary shall serve as ex officio (nonvoting) Secretary of the Board and shall perform the duties as assigned in the Bylaws. The City Finance Director shall serve as ex officio (nonvoting) Treasurer of the Board and shall perform the duties as assigned in the Bylaws.

This item is to elect a Vice-chairperson who will serve until the next Annual Meeting, or until otherwise replaced.

RECOMMENDED ACTION:

Elect Vice Chairperson

**MINUTES OF THE MEETING OF THE VILLAGE CENTER
LOCAL GOVERNMENT CORPORATION BOARD**

July 19, 2021 – 5:30 p.m.

The Board of Directors for the Village Center Local Government Corporation (VCLGC) convened on July 19, 2021, at 5:34 p.m. in the Civic Center Auditorium, 16327 Lakeview Drive, Jersey Village, Texas. The Board Chairperson and a quorum of the Village Center Local Government Corporation was physically present at the meeting.

- A. Open Meeting** - The meeting was called to order at 5:30 p.m. by Chairperson, Bobby Warren with the following present:

Chairperson, Bobby Warren
Director, Drew Wasson
Director, Sheri Sheppard
Director, Michelle Mitcham
Director, James Singleton
Director, Gary Wubbenhorst
Director, Austin Bless
Director, James MacDonald
Director, Saul Valentin

ex-officio Member, Lorri Coody, City Secretary
ex-officio Member, Isabel Kato, Finance Director

- B. Citizens' Comments** - Any person who desires to address the Village Center Local Government Corporation Board regarding an item on the agenda will be heard at this time. In compliance with the Texas Open Meetings Act, unless the subject matter of the comment is on the agenda, the Board Members are not allowed to discuss the subject. Each person is limited to five (5) minutes for comments to the Board.

There were no citizens' comments.

- C. Election of Officers.**

According to the amended By-Laws of the Village Center Local Government Corporation Board at Article III, Section 1(A), the LGC shall have the following officers: Chairperson, Vice-chairperson, Secretary, and Treasurer. The Board, at the Board's Annual Meeting, shall elect a Chairperson and Vice-chairperson who shall serve until the next Annual Meeting. The City Secretary shall serve as ex officio (nonvoting) Secretary of the Board and shall perform the duties as assigned in the Bylaws. The City Finance Director shall serve as ex officio (nonvoting) Treasurer of the Board and shall perform the duties as assigned in the Bylaws.

This item is to elect a Chairperson and Vice-Chairperson who will serve until the next Annual Meeting. Chairperson Warren called for nominations for the office of Chairperson.

Director Wasson moved to nominate Bobby Warren as Chairperson and James Singleton as Vice Chairperson. Director MacDonald seconded the motion. With no other nominations, the vote follows:

Ayes: Directors: Wasson, Sheppard, Mitcham, Wubbenhorst, Bless, MacDonald, Warren, Singleton and Valentin

ANNUAL MEETING OF THE VILLAGE CENTER LOCAL
GOVERNMENT CORPORATION BOARD OF DIRECTORS – July 19, 2021

Nays: None

The motion carried.

D. Consider approval of the Minutes for the Village Center Local Government Corporation Board Meeting held on September 21, 2020.

Director Sheppard moved to approve the Minutes for the Village Center Local Government Corporation on Board Meeting held on September 21, 2020. Director Mitcham seconded the motion. The vote follows:

Ayes: Directors: Warren, Wasson, Sheppard, Mitcham, Singleton, Wubbenhorst, Bless, MacDonald, and Valentin

Nays: None

The motion carried.

E. Discuss and take appropriate action regarding an update of Village Center activities presented by Saul Valentin.

Saul Valentin, Hotel and Hospitality Representative gave an update of the Village Center activities. Items in the update included:

- Hospitality Project Update
 - Continue Commitment Hotel Flag and Location

F. Adjourn

With no other items to be addressed by the Board, the meeting was adjourned at 5:39 p.m.

Lorri Coody, Board Secretary



**VILLAGE CENTER LOCAL GOVERNMENT CORPORATION BOARD
CITY OF JERSEY VILLAGE, TEXAS
AGENDA REQUEST**

AGENDA DATE: September 12, 2022

AGENDA ITEM: E

AGENDA SUBJECT: Consider Resolution No. 2022-01, adopting an official seal for the Village Center Local Government Corporation.

Department/Prepared By: Lorri Coody

Date Submitted: August 18, 2022

EXHIBITS: Resolution 2022-01

BACKGROUND INFORMATION:

The City Council of the City of Jersey Village on June 17, 2019, under Resolution 2019-39, established the Village Center Local Government Corporation and adopted the Articles of Incorporation and the Bylaws of the Village Center Local Government Corporation.

The Bylaws require the approval of a Seal for the Village Center Local Government Corporation. As a result, the VCLGC Board approved a seal for the Corporation under Resolution 2019-04 on June 16, 2019. However, since June 19, 2019, circumstances surrounding the Corporation have changed and it is appropriate at this time to adopt a new seal for the Corporation.

Accordingly, this item is to approval a new Seal for the Village Center Local Government Corporation.

RECOMMENDED ACTION:

MOTION: To approve Resolution No. 2022-01, adopting an official seal for the Village Center Local Government Corporation.

RESOLUTION NO. 2022-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION, ADOPTING AN OFFICIAL SEAL FOR THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION.

WHEREAS, the Board of Directors (the “Board”) of the Village Crossing Local Government Corporation (the “LGC”) desires to replace and update the LGC’s official seal (the “Seal”); and

WHEREAS, through this Resolution, the Board adopts as the Seal the version that will be attached to this Resolution as “Exhibit A” upon the Board’s action to approve the Seal; **NOW THEREFORE**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION:

Section 1. THAT the facts and matter set forth in the preamble of this Resolution are hereby found to be true and correct, and incorporated herein for all purposes.

Section 2. THAT the Board hereby adopts as the Seal the version attached to this Resolution as “Exhibit A”, with the Seal replacing any previous version adopted by the Board.

PASSED, APPROVED, AND ADOPTED this 12th day of September 2022.

FOR THE BOARD:

**_____
BOBBY WARREN, CHAIRMAN**

ATTEST:

Lorri Coody, Board Secretary

Exhibit A – Official Seal



**VILLAGE CENTER LOCAL GOVERNMENT CORPORATION BOARD
CITY OF JERSEY VILLAGE, TEXAS
AGENDA REQUEST**

AGENDA DATE: September 12, 2022

AGENDA ITEM: F

AGENDA SUBJECT: Consider Resolution No. 2022-02, requesting permission of the City of Jersey Village, Texas, to amend the Articles of Incorporation of the Village Center Local Government Corporation.

Dept./Prepared By: Lorri Coody, City Secretary **Date Submitted:** September 1, 2022

EXHIBITS: Resolution No. 2022-02
EX A – Proposed Amendments

BUDGETARY IMPACT:	Required Expenditure:	\$
	Amount Budgeted:	\$
	Appropriation Required:	\$

CITY MANAGER APPROVAL:

BACKGROUND INFORMATION:

On July 10, 2019, the Texas Secretary of State issued a Certificate of Formation for the Village Center Local Government Corporation (the “LGC”).

Since the issuance of the Certificate, the LGC’s purpose has expanded to serve a public purpose beyond the limited scope of benefiting the hotel and hospitality industry.

As a result, this item is for the Board of Directors of the LGC to consider filing a written application with the City Council requesting permission to amend the LGC’s Articles of Incorporation to reflect the broadened scope of the LGC and to reflect uniformity between the Articles and the Bylaws of the LGC.

The amendment process is cumbersome as set out below:

1. The Board adopts a Resolutions requesting authorization from the Council to amend the Articles;
2. The Council, through a Resolution, receives, authorizes, and approves the recommended amendments; and
3. The Board meets and amends the Articles and authorizes them to be sent to the Secretary of State.

RECOMMENDED ACTION:

MOTION: To approve Resolution No. 2022-02, requesting permission of the City of Jersey Village, Texas, to amend the Articles of Incorporation of the Village Center Local Government Corporation.

RESOLUTION NO. 2022-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION, REQUESTING PERMISSION OF THE CITY OF JERSEY VILLAGE, TEXAS, TO AMEND THE ARTICLES OF INCORPORATION OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION.

WHEREAS, on or about July 10, 2019, the Texas Secretary of State issued a Certificate of Formation (the “Certificate”) for the Village Center Local Government Corporation (the “LGC”); and

WHEREAS, since the issuance of the Certificate, the LGC’s purpose has expanded to serve a public purpose beyond the limited scope of benefiting the hotel and hospitality industry; and

WHEREAS, through this Resolution, the Board of Directors of the LGC (the “Board”) has filed a written application to the City Council (the “Council”) of the City of Jersey Village (the “City”) requesting permission to amend the LGC’s Articles of Incorporation (the “Articles”) to reflect the broadened scope of the LGC and to reflect uniformity between the Articles and the Bylaws of the LGC; **NOW THEREFORE**,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION:

Section 1. THAT the facts and matter set forth in the preamble of this Resolution are hereby found to be true and correct, and incorporated herein for all purposes.

Section 2. THAT the Board hereby requests that the Council grant the Board permission to submit to the Secretary of State proposed amendments to the Articles, with such amendments being attached to this Resolution as “Exhibit A”.

PASSED, APPROVED, AND ADOPTED this 12th day of September 2022.

FOR THE BOARD:

BOBBY WARREN, CHAIRMAN

ATTEST:

Lorri Coody, Board Secretary

EXHIBIT A – AMENDMENTS TO ARTICLES OF INCORPORATION

VILLAGE CENTER LOCAL GOVERNMENT CORPORATION

We, the undersigned natural persons, each of whom is at least eighteen (18) years of age or more, and a resident and a qualified voter of the City of Jersey Village, a State of Texas home rule municipal corporation (the "City") and a citizen of the State of Texas, acting as incorporators of a local government corporation under the provisions of Subchapter D of Chapter 431, Texas Transportation Code (the "Act"), and Chapter 394, Texas Local Government Code, do hereby submit for adoption by the City Council of the City (the "Council") the following Articles of Incorporation (the "Articles") for such corporation:

ARTICLES OF INCORPORATION

ARTICLE I: NAME

The name of the corporation shall be the VILLAGE CENTER LOCAL GOVERNMENT CORPORATION (the "LGC").

ARTICLE II: TYPE OF CORPORATION

The LGC is a public non-profit corporation.

ARTICLE III: DURATION

The period of duration of the LGC shall be perpetual.

ARTICLE IV: PURPOSES

The LGC is organized for the purposes of:

1. aiding, assisting, and acting on behalf of the City in the performance of any and all of the City's governmental functions related to the implementation of the Project and Financing Plans (the "Plans") of the City's Tax Increment Reinvestment Zone Number Two (the "TIRZ"), as such Plans relate in any way to the hotel and hospitality industry now or may exist within the TIRZ;
2. promoting, developing, encouraging, and maintaining economic development of the hotel and hospitality industry within the TIRZ; and
3. administering, managing, and supervising economic development vehicles and tools implemented by or on behalf of the City for the hotel and hospitality industry within the TIRZ.

ARTICLE V: MEMBERS & STOCK

The LGC shall have no members and shall have no stock.

ARTICLE VI: ADDRESS

The street address of the initial registered office of the LGC is 16327 Lakeview Drive, Jersey Village, Texas 77040, and the name of the initial registered agent of the LGC is Austin Bless.

Commented [JP1]: The Board requests that this language be replaced with the following language to reflect the amendment contemplated by the Board to these Articles: "On or about July 10, 2019, the Secretary of State provided a Certificate of Filing for the Village Center Local Government Corporation (File Number: 803371138) (the "Articles"). In accordance with Subchapter D of Chapter 431 of the Texas Transportation Code and Section 394.026, this instrument serves as an amendment to the Articles filed with the Secretary of State for the Village Center Local Government Corporation (the "LGC"). At a meeting held on September 12, 2022, the Board of Directors of the LGC (the "Board") approved a written application to the City Council of the City of Jersey Village, Texas (the "Council") requesting amendment to the Articles. At a meeting held by the Council on September 12, 2022, the Council by majority vote approved a resolution: determining that the making of an amendment to the Articles was wise, expedient, necessary, or advisable; authorizing and amendment to the Articles; and, approving the form of the amendment to the Articles. At a meeting held by the Board on September 12, 2022, the Board by majority vote adopted the amendment to the Articles and submits this instrument to the Secretary of State for filing. As noted herein, the primary purpose of the amendment to the Articles is to remove references to the hotel and hospitality industry, as the scope of the public purpose of the LGC has broadened since its original incorporation."

Commented [JP2]: The Board requests that this language be struck to allow for the LGC to address any purpose of the City through the TIRZ.

Commented [JP3]: The Board requests that this language be struck to allow for the LGC to address any purpose of the City through the TIRZ.

Commented [JP4]: The Board requests that this language be struck to allow for the LGC to address any purpose of the City through the TIRZ.

ARTICLE VII: BOARD

A. All powers of the LGC shall be vested in a board of directors (the “Board”) consisting initially of nine (9) persons (each, a “Director”). The Board shall be composed of the Mayor of the City, the five (5) members of the Council, the Chair of the TIRZ Board, ~~a hotel and hospitality industry development representative~~, appointed by the Council, and the City Manager. Additional Directors may be added to the Board in accordance with the provisions of the Board’s Bylaws (the “Bylaws”). The initial Board shall be those Directors named herein, with each serving the term prescribed in the Bylaws. Subsequent Directors shall be appointed by position to the Board as prescribed in the Bylaws. Each subsequent Director shall serve for the term provided in the Bylaws. Any Director may be removed from the Board at any time, with or without cause, by the Mayor and ~~Council~~.

Commented [JP5]: The Board requests that this language be replaced with “an economic development representative” to allow for the LGC to address any purpose of the City through the TIRZ.

B. The positions, names, and addresses of the nine (9) initial Directors are:

Position	Name	Address
Mayor	Andrew Mitcham	16327 Lakeview Drive, Jersey Village, TX 77040
Councilmember Place 1	Drew Wasson	16327 Lakeview Drive, Jersey Village, TX 77040
Councilmember Place 2	Greg Holden	16327 Lakeview Drive, Jersey Village, TX 77040
Councilmember Place 3	Bobby Warren	16327 Lakeview Drive, Jersey Village, TX 77040
Councilmember Place 4	James Singleton	16327 Lakeview Drive, Jersey Village, TX 77040
Councilmember Place 5	Gary Wubbenhorst	16327 Lakeview Drive, Jersey Village, TX 77040
TIRZ Board Chair	James MacDonald	16327 Lakeview Drive, Jersey Village, TX 77040
Hotel & Hospitality Industry Developer Representative	Saul Valentin	3302 Canal St. #36, Houston, TX 77003
City Manager	Austin Bless	16327 Lakeview Drive, Jersey Village, TX 77040

Commented [JP6]: In order to provide unity between the Articles and the Bylaws, the Board requests that the following language be added to the end of this subsection: “...and Council. With the exception of the economic development representative, all Directors shall serve on the Board as long as, and on the condition of, their appointment or election to their public office is effective.”

C. The initial Chairperson of the Board shall be Andrew Mitcham. ~~The Mayor and Council shall designate each subsequent Chairperson of the Board.~~

Commented [JP7]: The Board requests that this language be replaced with “Economic Development Representative” to allow for the LGC to address any purpose of the City through the TIRZ.

D. If any of the following persons is not serving as a member of the Board, he or she may serve as an ex-officio, non-voting member of the Board:

1. City Attorney;
2. City Finance Director; and
3. City Secretary.

Commented [JP8]: In order to provide unity between the Articles and the Bylaws, the Board requests that this language be replaced with “The Board shall designate each subsequent Chairperson of the Board at its annual meeting or as soon as practical thereafter.”

E. All other matters pertaining to the internal affairs of the LGC shall be governed by the Bylaws, so long as such Bylaws are not inconsistent with these Articles and the laws of the State of Texas.

ARTICLE VIII: INCORPORATORS

The names and street addresses of the incorporators, each of whom resides within the City, are:

Andrew Mitcham	16327 Lakeview Drive, Jersey Village, TX 77040
Greg Holden	16327 Lakeview Drive, Jersey Village, TX 77040
Gary Wubbenhorst	16327 Lakeview Drive, Jersey Village, TX 77040

ARTICLE IX: ENABLING LEGISLATION

- A. The LGC is formed pursuant to the provisions of the Act as it now or may hereafter be amended, and Chapter 394, Texas Local Government Code, which authorizes the LGC to assist and act on behalf of the City and to engage in activities in the furtherance of the purposes for its creation.
- B. The LGC is created as a local government corporation pursuant to the Act and shall be a governmental unit within the meaning of Subdivision (2), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the LGC are governmental and not proprietary functions for purposes of the Texas Tort Claims Act, Section 101.001 et seq., Texas Civil Practice and Remedies Code. The LGC shall have the power to acquire land in accordance with the Act as amended from time to time.

ARTICLE X: POWERS

- A. The LGC shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of Texas to non-profit corporations incorporated under the Act including, without limitation, Article 1396, Vernon's Texas Civil Statutes (the Texas Non-Profit Corporation Act).
- B. The LGC shall have all other powers of a like or different nature not prohibited by law which are available to non-profit corporations in Texas and which are necessary or useful to enable the LGC to perform the purposes for which it is created, including the power to issue bonds, notes, or other obligations, and otherwise exercise its borrowing power to accomplish the purposes for which it was created, provided that the LGC shall not issue bonds without the consent of the Council.

ARTICLE XI: BOARD LIABILITY

- A. No Director shall be liable to the LGC for monetary damages for an act or omission in the Director's capacity as a Director, except for:
 - 1. any breach of the Director's duty of loyalty to the LGC;
 - 2. acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
 - 3. any transaction from which the Director received an improper benefit, whether or not the benefit resulted from an act taken within the scope of the Director's office; or,
 - 4. acts or omissions for which the liability of a Director is expressly provided by statute.
- B. Any repeal or amendment of this Article by the Directors shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Director existing at the time of such repeal or amendment.

- C. In addition to the circumstances in which a Director is not personally liable as set forth in this Article, a Director shall not be liable to the fullest extent permitted by any amendment to the Texas statutes hereafter enacted that further limits the liability of a Director.

ARTICLE XII: MISCELLANEOUS

- A. The LGC:
 - 1. shall not permit any part of the net earnings of the LGC to inure to the benefit of any private individual (except that reasonable compensation may be paid for personal services rendered to or for the LGC in effecting one or more of its purposes);
 - 2. shall not devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise;
 - 3. shall not participate or intervene in any political campaign on behalf of any candidate for public office, including the publication or distribution of statements; and,
 - 4. shall not attempt to influence the outcome of any election for public office or to carry on, directly or indirectly, any voter registration drives.
- B. The City shall, at all times, have an unrestricted right to receive any income earned by the LGC, exclusive of amounts needed to cover reasonable expenditures and reasonable reserves for future activities. No part of the LGC's income shall inure to the benefit of any private interests. Any income earned by the LGC after payment of reasonable expenses, debt, and establishing a reserve shall accrue to the City.
- C. If the Board of Directors determines by resolution that the purposes for which the LGC was formed have been substantially met and all bonds issued by and all obligations incurred by the LGC have been fully paid, then the Board shall execute a certificate of dissolution which states those facts and declares the LGC dissolved in accordance with the requirements of Section 394.026 of Texas Local Government Code, or with applicable law then in existence. In the event of dissolution or liquidation of the LGC, all assets will be turned over to the City for deposit, as appropriate, in the City's General Fund, in the TIRZ Fund, or in another fund as the Council shall otherwise direct.
- D. If required by the City, any capital project of the LGC as well as all plans and specifications of any improvement to be made by the LGC shall be approved by the City's Director of Public Works or his designee.

ARTICLE XIII: DISSOLUTION

The Council may at any time consider and approve an ordinance directing the Board to proceed with the dissolution of the LGC, at which time the Board shall proceed with the dissolution of the LGC in accordance with applicable state law. The failure of the Board to proceed with the dissolution of the LGC in accordance with this Article shall be deemed a cause for the removal from office of any or all of the Directors as permitted by Article VI herein.

ARTICLE XIV: AMENDMENTS

These Articles may not be changed or amended unless approved by the Council.

ARTICLE XV: ADOPTING RESOLUTION

The Resolution approving the form of these Articles has been adopted by the Council at its regular meeting on June 17, 2019.

SIGNATURES

IN WITNESS WHEREOF, we, the undersigned Incorporators, hereby submit these Articles of Incorporation to the City Council of the City of Jersey Village, Texas for approval on this 17th day of June, 2019.

Andrew Mitcham

Greg Holden

Gary Wubbenhorst

THE STATE OF TEXAS §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared Andrew Mitcham, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of _____, 2019.

Notary Public in and for
The State of Texas

(NOTARY SEAL)

THE STATE OF TEXAS §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared Greg Holden, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of _____, 2019.

Notary Public in and for
The State of Texas

(NOTARY SEAL)

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared Gary Wubbenhorst, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of _____, 2019.

Notary Public in and for
The State of Texas

(NOTARY SEAL)

- G. Recess the meeting while the City Council considers the Board’s request for permission to amend the Articles of Incorporation.

**VILLAGE CENTER LOCAL GOVERNMENT CORPORATION BOARD
CITY OF JERSEY VILLAGE, TEXAS
AGENDA REQUEST**

AGENDA DATE: September 12, 2022

AGENDA ITEM: H

AGENDA SUBJECT: Consider Resolution No. 2022-03, adopting an amendment to the Articles of Incorporation of the Village Center Local Government Corporation and authorizing the Chairman of the Board or designee to submit said amendment to the Secretary of State.

Dept./Prepared By: Lorri Coody, City Secretary **Date Submitted:** September 1, 2022

EXHIBITS: Resolution No. 2022-03
EX A – Amended Articles of Incorporation

BUDGETARY IMPACT:	Required Expenditure:	\$
	Amount Budgeted:	\$
	Appropriation Required:	\$

CITY MANAGER APPROVAL:

BACKGROUND INFORMATION:

The City Council has received the written application of the Board of Directors of the Village Crossing Local Government Corporation (the “LGC”) to amend the LGC’s Articles of Incorporation to reflect the LGC’s broadened purpose to provide the public purpose of economic development to the City instead of the limited purpose of hotel and hospitality industry support.

The Council, through its Resolution, received, authorized, and approved the recommended amendments.

This Resolution is for the Board to consider adopting the amendments to the Articles of Incorporation and file with the Secretary of State the approved amendments in a form that satisfies all applicable laws and regulations, including those of the Secretary of State.

NOTE: There is no Exhibit yet for the final Board Resolution, because that version will be the actual document that we send to the Secretary of State. Depending on the approval of the Council and the direction of the Board, I will get a final document ready that we can attach at a later date.

RECOMMENDED ACTION:

MOTION: To approve Resolution No. 2022-03, adopting an amendment to the Articles of Incorporation of the Village Center Local Government Corporation and authorizing the Chairman of the Board or designee to submit said amendment to the Secretary of State.

RESOLUTION NO. 2022-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION, ADOPTING AN AMENDMENT TO THE ARTICLES OF INCORPORATION OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION, AND AUTHORIZING THE CHAIRMAN OF THE BOARD OR DESIGNEE TO SUBMIT SAID AMENDMENT TO THE SECRETARY OF STATE.

WHEREAS, the City Council (the “Council”) of the City of Jersey Village (the “City”) has received the written application of the Board of Directors (the “Board”) of the Village Center Local Government Corporation (the “LGC”) to amend the LGC’s Articles of Incorporation (the “Articles”) to reflect the LGC’s broadened purpose to provide the public purpose of economic development to the City instead of the limited purpose of hotel and hospitality industry support; and

WHEREAS, through this Resolution, the Board desires to amend the Articles and file with the Secretary of State an amendment to the Articles in a form that satisfies all applicable laws and regulations, including those of the Secretary of State; **NOW THEREFORE**,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION:

Section 1. THAT the facts and matter set forth in the preamble of this Resolution are hereby found to be true and correct, and incorporated herein for all purposes.

Section 2. THAT the Board hereby amends the Articles and directs the Board Chairman or designee to file such amendment to the Articles with the Secretary of State in a form that satisfies all applicable laws and regulations, including those of the Secretary of State, with such amendment being attached to this Resolution as “Exhibit A”.

PASSED, APPROVED, AND ADOPTED this 12th day of September 2022.

FOR THE BOARD:

BOBBY WARREN, CHAIRMAN

ATTEST:

Lorri Coody, Board Secretary

EXHIBIT A – AMENDED ARTICLES OF INCORPORATION

**VILLAGE CENTER LOCAL GOVERNMENT CORPORATION BOARD
CITY OF JERSEY VILLAGE, TEXAS
AGENDA REQUEST**

AGENDA DATE: September 12, 2022

AGENDA ITEM: I

AGENDA SUBJECT: Consider Resolution No. 2022-04, adopting an amendment to the bylaws of the Village Center Local Government Corporation and requesting approval of such amendment by the City Council of the City of Jersey Village, Texas.

Dept./Prepared By: Lorri Coody, City Secretary **Date Submitted:** September 1, 2022

EXHIBITS: Resolution No. 2022-04
EX A – Amended Bylaws

BUDGETARY IMPACT:	Required Expenditure:	\$
	Amount Budgeted:	\$
	Appropriation Required:	\$

CITY MANAGER APPROVAL:

BACKGROUND INFORMATION:

The Board of Directors of the Village Center Local Government Corporation (the “LGC”) desires to amend the LGC’s Bylaws to, among other things, reflect the LGC’s broadened purpose to provide the public purpose of economic development to the City of Jersey Village instead of the limited purpose of hotel and hospitality industry support; and

In approving the Resolution, the Board desires to authorize an amendment to the Bylaws as contemplated therein and requests the City Council to accept the Bylaws amendments.

RECOMMENDED ACTION:

MOTION: To approve Resolution No. 2022-04, adopting an amendment to the bylaws of the Village Center Local Government Corporation and requesting approval of such amendment by the City Council of the City of Jersey Village, Texas.

RESOLUTION NO. 2022-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION, ADOPTING AN AMENDMENT TO THE BYLAWS OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION AND REQUESTING APPROVAL OF SUCH AMENDMENT BY THE CITY COUNCIL OF THE CITY OF JERSEY VILLAGE, TEXAS.

WHEREAS, the Board of Directors (the “Board”) of the Village Center Local Government Corporation (the “LGC”) desires to amend the LGC’s Bylaws (the “Bylaws”) to, among other things, reflect the LGC’s broadened purpose to provide the public purpose of economic development to the City of Jersey Village (the “City”) instead of the limited purpose of hotel and hospitality industry support; and

WHEREAS, through this Resolution, the Board desires to authorize an amendment to the Bylaws as contemplated herein and to request the City Council (the “Council”) of the City to accept such amendment to the Bylaws; **NOW THEREFORE**,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION:

Section 1. THAT the facts and matter set forth in the preamble of this Resolution are hereby found to be true and correct, and incorporated herein for all purposes.

Section 2. THAT the Board hereby amends the Bylaws and requests that the amendments to the Bylaws contemplated herein be delivered to and adopted by the Council, with such amendment to the Bylaws being attached to this Resolution as “Exhibit A”.

PASSED, APPROVED, AND ADOPTED this 12th day of September 2022.

FOR THE BOARD:

BOBBY WARREN, CHAIRMAN

ATTEST:

Lorri Coody, Board Secretary

EXHIBIT A – AMENDED BYLAWS

BYLAWS OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION

June, 2019

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BYLAWS OF THE VILLAGE CENTER LOCAL GOVERNMENT CORPORATION

ARTICLE I: PURPOSES

- A. The Village Center Local Government Corporation (the LGC”) is organized under the provisions of Subchapter D of Chapter 431, Texas Transportation Code (the “Act”), Chapter 394 of the Texas Local Government Code (the “Code”), and the LGC’s Articles of Incorporation (the “Articles”) as adopted by the City Council (the “Council”) of the City of Jersey Village, Texas (the “City”).
- B. The LGC is organized for the purposes of:
1. aiding, assisting, and acting on behalf of the City in the performance of any and all of the City’s governmental functions related to the implementation of the Project and Financing Plans (the “Plans”) of the City’s Tax Increment Reinvestment Zone Number Two (the “TIRZ”), as such Plans ~~relate in any way to the hotel and hospitality industry~~ now or may exist within the TIRZ;
 2. promoting, developing, encouraging, and maintaining economic development ~~of the hotel and hospitality industry~~ within the TIRZ; and
 3. administering, managing, and supervising economic development vehicles and tools implemented by or on behalf of the City ~~for the hotel and hospitality industry~~ within the TIRZ.
- C. The LGC is formed pursuant to the provisions of the Act, as it now or may hereafter be amended, and the Code, which authorizes the LGC to assist and act on behalf of the City and to engage in activities in the furtherance of the purposes for its creation.
- D. The LGC shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of Texas to non-profit corporations incorporated under the Act including, without limitation, Article 1396, Vernon's Texas Civil Statutes.
- E. The LGC shall have all other powers of a like or different nature not prohibited by law which are available to Texas non-profit corporations and which are necessary or useful to enable the LGC to perform the purposes for which it is created, including the power to issue bonds, notes, or other obligations, and otherwise exercise its borrowing power to accomplish the purposes for which it was created, provided that the LGC shall not issue bonds without the consent of the Council.
- F. The LGC shall be a governmental unit within the meaning of Subdivision (2), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the LGC are governmental and not proprietary functions for purposes of the Texas Tort Claims Act, Section 101.001 et seq., Texas Civil Practice and Remedies Code. The LGC shall have the power to acquire land in accordance with the Act as amended from time to time.

ARTICLE II: BOARD OF DIRECTORS

Section 1. *Appointment, Classes, Powers, Number, and Term of Office.*

- A. All powers of the LGC shall be vested in a Board of Directors (the “Board”). The Board shall initially consist of nine (9) persons, each a Director of the LGC (a “Director”) ~~Each Director shall be appointed by position to the Board by the Council. With the exception of the economic development representative, each Director shall serve on the Board to the extent such Director’s selected or appointed position is in effect with the City.~~
- B. The Board shall be composed of the Mayor of the City (the “Mayor”), the five (5) members of the Council, the Chair of the Board of the City’s Tax Increment Reinvestment Zone No. 2 (the “TIRZ”), ~~a hotel and hospitality industry~~ an economic development representative appointed by the Council, and the City Manager. Additional Directors may be added to the Board as prescribed herein. The initial Board shall be those Directors named in the Articles. Subsequent Directors shall be appointed by position to the Board as prescribed herein. Any Director may be removed from the Board at any time, with or without cause, by the Council
- C. The term for the Mayor’s Director position shall run concurrently with and be necessitated upon the Mayor’s active term of office with the City. A Councilmember’s Director position shall run concurrently with and be necessitated upon the Councilmember’s active term of office with the City. The City Manager’s Director position shall run concurrently with and be necessitated upon the City Manger’s active employment as the City Manager of the City. If the Mayor, any Councilmember, or the City Manager should cease to actively serve the City in such capacity, then the Directorship associated with such position shall also cease as to such person and there shall be a vacancy on the Board.
- D. The term of the Director position for ~~a hotel and hospitality~~ the economic development representative shall be ~~for a term of four years, or until his or her successor is appointed determined by the Council; unless such Director has been appointed to fill an unexpired term, in which case the term of the Director shall expire on the expiration date of the term of the Director whose position he or she was appointed to fill.~~
- E. Any Director may be removed from office at any time, with or without cause, by the Council.
- F. The number of Directors may only be increased or decreased by an amendment to these Bylaws and to the Articles with the consent of the Council.
- G. If any of the following persons is not serving as a member of the Board, he or she may serve as an ex-officio, non-voting member of the Board:
 1. City Attorney;
 2. City Finance Director; and
 3. City Secretary.
- H. Any person designated as an ex-officio member of the Board is entitled to notice of meetings of the Board and to attend such meetings of the Board.

Section 2. Meetings of Directors.

- A. The Directors may hold their meetings and may have an office and keep the books of the LGC at such place or places within the City as the Board may from time to time determine; provided, however, in the absence of any such determination, such place shall be the registered office of the LGC in the State of Texas.
- B. The Board shall meet in accordance with and file notice of each meeting of the Board for the same length of time and in the same manner and location as is required of a City under Chapter 551, Texas Government Code (the “Open Meetings Act”).
- C. The LGC, the Board, and any committee of the Board exercising the powers of the Board are subject to Chapter 552, Texas Government Code.

Section 3. Annual Meetings.

The annual meeting of the Board shall be held at the time and at the location in the City designated by the resolution of the Board for the purposes of transacting such business as may be brought before the meeting.

Section 4. Regular Meetings.

Regular meetings of the Board shall be held at such times and places as shall be designated, from time to time, by resolution of the Board.

Section 5. Special and Emergency Meetings.

- A. Special and emergency meetings of the Board shall be held whenever called by the Chairperson of the Board, the Secretary, or by a majority of the Directors who are serving duly appointed terms of office at the time the meeting is called.
- B. The Secretary shall give notice of each special meeting in person, by telephone, facsimile, email, or mail at least three (3) days before the meeting to each Director and to the public in compliance with the Open Meetings Act. Notice of each emergency meeting shall also be given in the manner required of the City under the Open Meetings Act. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the LGC may be considered and acted upon at a special or emergency meeting. At any meeting at which every Director shall be present, even though without any notice, any matter pertaining to the purposes of the LGC may be considered and acted upon to the extent allowed by the Open Meetings Act.

Section 6. Quorum.

- A. A majority of the Board then appointed and serving shall constitute a quorum for the consideration of matters pertaining to the purposes of the LGC. If at any meeting of the Board there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. The act of a majority of the Directors present and voting at a meeting at which a quorum is in attendance shall constitute the act of the Board, unless the act of a greater number is required by law, by the Articles of Incorporation, or by these Bylaws.
- B. A Director who is present at a meeting of the Board at which any corporate action is taken shall be presumed to have assented to such action unless his dissent or abstention shall be entered in the minutes of the meeting or unless he shall file his written dissent or abstention to

such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent or abstention by registered mail to the Secretary of the LGC immediately after the adjournment of the meeting. Such right to dissent or abstain shall not apply to a Director who voted in favor of the action.

Section 7. Resignations.

Any Director, officer, or Advisory Director may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 8. Conduct of Business.

- A. At the meetings of the Board, matters pertaining to the purposes of the LGC shall be considered in such order as from time to time the Board may determine.
- B. At all meetings of the Board, the Chairperson shall preside, and in the absence of the Chairperson, the Vice Chairperson shall preside. In the absence of the Chairperson and the Vice Chairperson, a chairperson shall be chosen by the Board from among the Directors present.
- C. The Secretary of the LGC shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 9. Executive Committee, Other Committees.

The Board may, by resolution passed by a majority of the Directors, designate three or more Directors to constitute an executive committee or other type of committee. To the extent provided in the authorizing resolution, a committee shall have and may exercise all of the authority of the Board in the management of the LGC, except where action of the Board is specified by statute. A committee shall act in the manner provided in the authorizing resolution. Each committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the office of the LGC, and shall report the same to the Board from time to time. Committees authorized to exercise the powers of the Board shall give notice of any meeting in the manner required for a meeting of the Board.

Section 10. Compensation of Directors.

Directors, as such, shall not receive any salary or compensation for their services as Directors; provided, that nothing contained herein shall be construed to preclude any Director from receiving compensation which is not excessive and which is at commercially reasonable rates for personal services (rendered in other than a “Director” capacity) which are reasonable and necessary in carrying out the LGC's purposes.

Section 11. Director's Reliance on Consultant Information.

A Director shall not be liable if while acting in good faith and with ordinary care, he relies on information, opinions, reports, or statements, including financial statements and other financial data, concerning the LGC or another person, that were prepared or presented by:

- 1. one or more other officers or employees of the LGC;

2. legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence; or
3. a committee of the Board of which the Director is not a member.

ARTICLE III: OFFICERS

Section 1. *Titles and Term of Office.*

- A. The LGC shall have the following officers: Chairperson, Vice-chairperson, Secretary, Treasurer, and such other officers as the Board may from time to time elect or appoint. One person may hold more than one office, except that the Chairperson shall **not** hold the office of Secretary. The term of office for each officer, **other than the Chairperson,** shall commence on the date of such officer's election and terminate on the earlier of: one year; the date that the officer is replaced by the **boardBoard;** or, **if the officer is a member of the Board,** the date that the officer is no longer a member of the Board.
- B. All officers, **other than the Chairperson,** shall be subject to removal, with or without cause, at any time by a vote of a majority of the whole Board then appointed and serving. A vacancy in the office of any officer, **other than the Chairperson,** shall be filled by the Board.

Section 2. *Powers and Duties of the Chairperson.*

The Chairperson **shall be a member of the Board and** shall preside at all meetings of the Board. The Chairperson shall be **designated by the Mayor appointed by majority vote of the Board at its Annual Meeting, or as soon as practicable thereafter.** He or she shall have such duties as are assigned by the Board, and may call special or emergency meetings of the Board.

Section 3. *Powers and Duties of the Vice Chairperson.*

The Vice Chairperson shall **be a member of be approved by** the Board. The Vice Chairperson shall perform the duties and exercise the powers of the Chairperson upon the Chairperson's death, absence, disability, or resignation, or upon the Chairperson's inability to perform the duties of his or her office. Any action taken by the Vice Chairperson in the performance of the duties of the Chairperson shall be conclusive evidence of the absence or inability to act of the Chairperson at the time such action was taken.

Section 4. *Treasurer.*

The Treasurer shall have custody of all the funds and securities of the LGC which come into his or her hands. When necessary or proper, he or she may endorse, on behalf of the LGC, for collection, checks, notes and other obligations and shall deposit the same to the credit of the LGC in such bank or banks or depositories as shall be designated in the manner prescribed by the Board; he or she may sign all receipts and vouchers for payments made to the LGC, either alone or jointly with such other officer as is designated by the Board; whenever required by the Board, he or she shall render a statement of his or her case account; he or she shall enter or cause to be entered regularly in the books of the LGC to be kept by him or her for that purpose full and accurate accounts of all moneys received and paid out on account of the LGC; he or she shall perform all acts incident to the position of Treasurer subject to the control of the Board; and he or she shall, if required by the Board, give such bond for the faithful discharge of his or her duties in such form as the Board may require.

Section 5. Secretary.

The Secretary shall keep the minutes of all meetings of the Board in books provided for that purpose; he or she shall attend to the giving and serving of all notices; in furtherance of the purposes of the LGC and subject to the limitations contained in the Articles of Incorporation, he or she may sign with the President in the name of the LGC and attest the signatures thereof, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the LGC; he or she shall have charge of the LGC's books, records, documents and instruments, except the books of account and financial records and securities of which the Treasurer shall have custody and charge, and such other books and papers as the Board may direct, all of which shall at all reasonable times be open to the inspection of any Director upon application at the office of the LGC during business hours; and, he or she shall in general perform all duties incident to the office of Secretary subject to the control of the Board.

Section 6. Compensation.

Officers may be entitled to receive ~~such salary or compensation~~ reimbursement for personal services which are necessary and reasonable in carrying out the LGC's purposes as the Board may from time to time determine, provided, that in no event shall the salary or compensation be excessive. Board members, even in their capacity as officers, are not entitled to compensation except as otherwise provided in Article II, Section 9.

Section 7. Officer's Reliance on Consultant Information.

In the discharge of a duty imposed or power conferred on an officer of the LGC, the officer may in good faith and with ordinary care rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the LGC or another person, that were prepared or presented by:

1. one or more other officers or employees of the LGC, including members of the Board; or
2. legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence.

ARTICLE IV: MISCELLANEOUS PROVISIONS

Section 1. Fiscal Year.

The fiscal year of the LGC shall begin October 1 of each year.

Section 2. Seal.

The seal of the LGC shall be such as from time to time may be approved by the Board.

Section 3. Notice and Waiver of Notice.

Whenever any notice, other than public notice of a meeting given to comply with the Open Meetings Act, is required to be given under the provisions of these Bylaws, such notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his or her post office address, as it appears on the books of the LGC, and such notice shall be deemed to have been given on the day of such mailing. A waiver of notice, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

Section 4. Gender.

References herein to the masculine gender shall also refer to the feminine in all appropriate cases and vice versa.

Section 5. Appropriations and Grants.

The LGC shall have the power to request and accept any appropriation, grant, contribution, donation, or other form of aid from the federal government, the State, any political subdivision, or municipality in the State, or from any other source.

ARTICLE V: INDEMNIFICATION OF DIRECTORS AND OFFICERS**Section 1. Right to Indemnification.**

Subject to the limitations and conditions as provided in this Article V and the Articles of Incorporation, each person who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitral, or investigative (a “proceeding”), or any appeal in such a proceeding or any inquiry or investigation that could lead to such a proceeding, by reason of the fact that he, she, or a person of whom he or she is the legal representative, is or was a Director or officer of the LGC, or while a Director or officer of the LGC is or was serving at the request of the LGC as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise shall be indemnified by the LGC to the fullest extent permitted by the Texas Non-Profit Corporation Act, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the LGC to provide broader indemnification rights than said law permitted the LGC to provide prior to such amendment) against judgments, penalties (including excise and similar taxes and punitive damages), fines, settlements, and reasonable expenses (including, without limitation, attorneys' fees) actually incurred by such person in connection with such proceeding, and indemnification under this Article V shall continue as to a person who has ceased to serve in the capacity which initially entitled such person to indemnity hereunder. The rights granted pursuant to this Article V shall be deemed contract rights, and no amendment, modification, or repeal of this Article V shall have the effect of limiting or denying any such rights with respect to actions taken or proceedings arising prior to any such amendment, modification, or repeal. It is expressly acknowledged that the indemnification provided in this Article V could involve indemnification for negligence or under theories of strict liability.

Section 2. Advance Payment.

The right to indemnification conferred in this Article V shall include the right to be paid in advance or reimbursed by the LGC the reasonable expenses incurred by a person of the type entitled to be indemnified under Section 1 who was, is, or is threatened to be made a named defendant or respondent in a proceeding in advance of the final disposition of the proceeding and without any determination as to the person's ultimate entitlement to indemnification; provided, however, that the payment of such expenses incurred by any such person in advance of the final disposition of a proceeding, shall be made only upon delivery to the LGC of a written affirmation by such Director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification under this Article V and a written undertaking, by or on behalf of such person,

to repay all amounts so advanced if it shall ultimately be determined that such indemnified person is not entitled to be indemnified under this Article V or otherwise.

Section 3. *Indemnification of Employees and Agents.*

The LGC, by adoption of a resolution of the Board, may indemnify and advance expenses to an employee or agent of the LGC to the same extent and subject to the same conditions under which it may indemnify and advance expenses to Directors and officers under this Article V; and the LGC may indemnify and advance expenses to persons who are not or were not Directors, officers, employees, or agents of the LGC but who are or were serving at the request of the LGC as a Director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a person to the same extent that it may indemnify and advance expenses to Directors under this Article V.

Section 4. *Appearance as a Witness.*

Notwithstanding any other provision of this Article V, the LGC may pay or reimburse expenses incurred by a Director or officer in connection with his or her appearance as a witness or other participation in a proceeding involving the LGC or its business at a time when he or she is not a named defendant or respondent in the proceeding.

Section 5. *Non-exclusivity of Rights.*

The right to indemnification and the advancement and payment of expenses conferred in this Article V shall not be exclusive of any other right which a Director or officer or other person indemnified pursuant to Section 3 of this Article V may have or hereafter acquire under any law (common or statutory), provision of the Articles of Incorporation of the LGC or these Bylaws, agreement, vote of shareholders or disinterested Directors, or otherwise.

Section 6. *Insurance.*

The LGC may purchase and maintain insurance, at its expense, to protect itself and any person who is or was serving as a Director, officer, employee, or agent of the LGC or is or was serving at the request of the LGC as a Director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, proprietorship, employee benefit plan, trust, or other enterprise against any expense, liability, or loss, whether or not the LGC would have the power to indemnify such person against such expense, liability, or loss under this Article V.

Section 7. *Notification.*

Any indemnification of or advance of expenses to a Director or officer in accordance with this Article V shall be reported in writing to the members of the Board with or before the notice of the next regular meeting of the Board and, in any case, within the 12-month period immediately following the date of the indemnification or advance.

Section 8. *Savings Clause.*

If this Article V, or any portion hereof, shall be invalidated on any ground by any court of competent jurisdiction, then the LGC shall nevertheless indemnify and hold harmless each Director, officer, or any other person indemnified pursuant to this Article V as to costs, charges, and expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement with respect to any action, suit, or proceeding, whether civil, criminal, administrative, or investigative, to the full extent permitted by any applicable portion of this Article V that shall not have been invalidated and to the fullest extent permitted by applicable law.

ARTICLE VI: PROVISIONS RELATING TO MINORITY CONTRACTING

The LGC shall attempt to stimulate the growth of disadvantaged businesses inside the City by encouraging the full participation of disadvantaged businesses in all phases of its procurement activities and affording those disadvantaged businesses a full and fair opportunity to compete for LGC contracts. The LGC shall establish one or more programs designed to increase participation by disadvantaged businesses in contract awards which will conform to City approved programs. Any program established by the LGC shall provide that disadvantaged businesses certified by the City shall be the disadvantaged businesses certified for LGC contracts.

ARTICLE VII: CODE OF ETHICS

Section 1. *Policy and Purposes.*

- A. It is the policy of the LGC that Directors and officers conduct themselves in a manner consistent with sound business and ethical practices; that the public interest always be considered in conducting corporate business; that the appearance of impropriety be avoided to ensure and maintain public confidence in the LGC; and, that the Board establish policies to control and manage the affairs of the LGC fairly, impartially, and without discrimination.
- B. This Code of Ethics has been adopted as part of the LGC's Bylaws for the following purposes:
 - 1. to encourage high ethical standards in official conduct by Directors and corporate officers; and
 - 2. to establish guidelines for such ethical standards of conduct.

Section 2. *Conflicts of Interest.*

- A. Except as provided in subsection D of this Section, a Director or officer is prohibited from participating in a vote, decision, or award of a contract involving a business entity or real property in which the Director or the officer has a substantial interest, if it is foreseeable that the business entity or real property will be economically benefited by the action.
- B. A person has a substantial interest in a business, if:
 - 1. his or her ownership interest is ten percent or more of the voting stock or shares of the business entity or ownership of \$15,000 or more of the fair market value of the business entity; or
 - 2. the business entity provides more than ten percent of the person's gross income.
- C. A person has a substantial interest in real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more. An interest of a person related in the

second degree by affinity or the third degree by consanguinity to a Director or officer is considered a substantial interest.

- D. If a Director or a person related to a Director in the first or second degree by affinity or the first, second, or third degree by consanguinity has a substantial interest in a business entity or real property that would be pecuniarily affected by any official action taken by the Board, such Director, before a vote or decision on the matter, shall file an affidavit stating the nature and extent of the interest. The affidavit shall be filed with the Secretary of the Board.
- E. A Director who has a substantial interest in a business entity that will receive a pecuniary benefit from an action of the Board may vote on that action if a majority of the Board has a similar interest in the same action or if all other similar business entities in the LGC will receive a similar pecuniary benefit.
- F. An employee of a public entity may serve on the Board.

Section 3. Acceptance of Gifts.

- A. No Director or officer shall accept any benefit as consideration for any decision, opinion, recommendation, vote, or other exercise of discretion in carrying out official acts for the LGC. No Director or officer shall solicit, accept, or agree to accept any benefit from a person known to be interested in or likely to become interested in any contract, purchase, payment, claim, or transaction involving the exercise of the Director's or officer's discretion.
- B. As used here, "benefit" does not include:
 - 1. a fee prescribed by law to be received by a Director or officer or any other benefit to which the Director or officer is lawfully entitled or for which he gives legitimate consideration in a capacity other than as a Director or officer;
 - 2. a gift or other benefit conferred on account of kinship or a personal, professional, or business relationship independent of the official status of the Director or officer;
 - 3. an honorarium in consideration for legitimate services rendered above and beyond official duties and responsibilities if:
 - a. not more than one honorarium is received from the same person in a calendar year;
 - b. not more than one honorarium is received for the same service; and
 - c. the value of the honorarium does not exceed \$250 exclusive of reimbursement for travel, food, and lodging expenses incurred by the Director or officer in performance of the services;
 - 4. a benefit consisting of food, lodging, transportation, or entertainment accepted as a guest if reported as may be required by law.

Section 4. Bribery.

A Director or officer shall not intentionally or knowingly offer, confer, agree to confer on another, solicit, accept, or agree to accept from another, any benefit as consideration for:

- 1. the Director's or officer's decision, opinion, recommendation, vote, or other exercise of discretion as a Director or officer;

2. the Director's or officer's decision, opinion, recommendation, vote, or other exercise of official discretion in a judicial or administrative proceeding; or
3. a violation of a duty imposed by law on the Director or officer.

Section 5. *Nepotism.*

No Director or officer shall appoint, vote for, or confirm the appointment to any office, position, clerkship, employment, or duty, of any person related within the second degree by affinity (marriage relationship) or within the third degree of consanguinity (blood relationship) to the Director or officer so appointing, voting, or confirming, or to any other Director or officer. This provision shall not prevent the appointment, voting for, or confirmation of any person who shall have been continuously employed in any such office, position, clerkship, employment, or duty at least thirty (30) days prior to the appointment of the Director or officer so appointing or voting.

ARTICLE VIII: AMENDMENTS

A proposal to alter, amend, or repeal these Bylaws shall be made by the affirmative vote of a majority of the full Board then appointed and serving at any annual or regular meeting, or at any special meeting if notice of the proposed amendment be contained in the notice of said special meeting. However, any proposed change or amendment to the Bylaws must be approved by the Council to be effective.