

## **RESOLUTION NO. 2024-08**

### **A RESOLUTION OF THE LA FERIA INDUSTRIAL DEVELOPMENT CORPORATION APPROVING THE PROVISION OF ECONOMIC DEVELOPMENT INCENTIVES TO WINGSTOP RESTAURANTS, INC.; AND ADDRESSING RELATED MATTERS**

**WHEREAS**, the La Feria Industrial Development Corporation (“LFIDC”) is a Type A Texas Economic Development Corporation operating under Chapters 501, 502 and 504 of the Texas Local Government Code and Chapter 22 of the Texas Business Organizations Code; and

**WHEREAS**, Wingstop Restaurants, LLC (“Wingstop”) desires to locate on and develop certain real property as further defined herein, at a minimum capital investment of \$300,000.00, in order to establish and operate a restaurant, as provided herein, that will promote new and expanded business development, sales tax revenue and property tax revenue to the City, as well as provide for the employment of La Feria residents; and

**WHEREAS**, Section 501.103 of the Act authorizes expenditures that are found by the LFIDC to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, including water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements; and

**WHEREAS**, in November 24, 2020, the City of La Feria approved Ordinance No. 2020-13, which permits a Type A economic development corporation such as the LFIDC to undertake projects of a Type B economic development corporation governed under Chapter 505, pursuant to the authority granted in Section 504.171 of the Act; and

**WHEREAS**, Chapters 501 to 505 of the Act contains the authority for the use of Type B sales tax revenue for permissible “projects” as that term is defined therein; and

**WHEREAS**, Section 505.158 of the Act provides that “[f]or a Type B corporation authorized to be created by a municipality with a population of 20,000 or less, “project” also includes the land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements found by the corporation’s board of directors to promote new or expanded business development;” and

**WHEREAS**, the LFIDC finds that the provision of certain infrastructure-related incentives to Wingstop consistent with Section 501.103 of the Act, and certain expenditures for incentives consistent with Section 505.158 of the Act, will promote new and expanded business development in the City of La Feria; and

**WHEREAS**, Wingstop agrees and understands that, for a Type A economic development corporation to undertake projects pursuant to Section 505.158, the approval of same will require two readings of a resolution by the City Commission of the City of La Feria, at public hearings scheduled for that purpose; and

**WHEREAS**, in addition to the foregoing, Section 501.158 of the Act requires the execution of a Performance Agreement for the provision of incentives under the Act, to provide at a minimum for a schedule of additional payroll or jobs to be created or retained, capital investment, and workforce training and development are all factors to consider for any direct incentives provided or expenditures made by the LFIDC under the agreement and to specify the terms under which repayment must be

made if the business enterprise does not meet the performance requirements specified in the agreement; and

**WHEREAS**, the LFIDC has been presented with details concerning the projected economic benefits associated with the development of Wingstop’s operations in the City of La Feria, and finds that such development will aid in promoting and developing expanded business enterprises, increased development, increased real property value, and tax revenue for the City of La Feria, and will have both a direct and indirect positive overall improvement and stimulus in the local and state economy; and

**WHEREAS**, the City has reviewed the proposed economic development incentives from the LFIDC, and finds them suitable to promote and develop new and expanded business enterprises for the promotion and encouragement of employment and the public welfare of La Feria citizens;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF LA FERIA:**

**1. Findings of Fact.**

That the foregoing recitals are incorporated into this Resolution by reference as findings of fact as if expressly set forth herein.

**2. Authorizing the Provision of Economic Development Incentives.**

That the City of La Feria hereby authorizes the provision of economic development incentives to Wingstop by the LFIDC, as referenced above and in accordance with the Performance Agreement included, in substantial form, with this Resolution as Exhibit “A,” in the maximum amount of \$129,700.00, for the public purposes described herein.

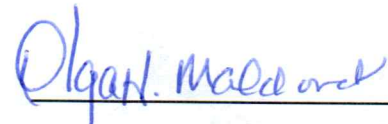
**3. Effective Date.**

This Resolution shall be effective and enforceable immediately upon passage.

**4. Proper Notice & Meeting.**

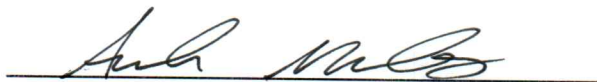
It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551.

**PASSED, APPROVED and ADOPTED ON the 11<sup>th</sup> day of June, 2024.**



**Olga Maldonado, Mayor**

**ATTEST:**



**Amanda Morales, City Secretary**