City of Princeton

Meeting Agenda

Princeton Municipal Center
2000 East Princeton Drive
Princeton, Texas 75407

Economic Development Corporation and Community Development Corporation Joint Meeting

October 20, 2026	6:00 PM	Council Chambers

A. CALL TO ORDER

B. EDC ROLL CALL

C. CDC ROLL CALL

D. INVOCATION

E. PLEDGE OF ALLEGIANCE

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

F. PUBLIC APPEARANCE

Members of the public may speak for up to 5 minutes. Board Members are unable to respond to or discuss any issues that are brought up during this section that are not on the agenda, other than to make statements of specific factual information in response to public inquiry or to recite existing policy in response to any inquiry.

G. PUBLIC REPORT ITEMS

Next Regular City Council Meeting:	October 26, 2026 at 6:30 PM
Next PEDC Meeting:	November 17, 2026 at 6:00 PM
Next PCDC Meeting:	November 18, 2026 at 6:00 PM

H. STAFF REPORT ITEMS

Reports from staff on various topics. No action will be taken.

H.1. Building Permits Report
H.2. Sales Tax Update
H.3. EDC Monthly Financial Reports
H.4. CDC Monthly Financial Reports

I. BOARD REPORT ITEMS

Board Member's report about items of community interest on which no action will be taken.

J. REGULAR AGENDA

Discussion and possible action regarding the following items:

J.1. Discuss and consider possible action on the Amended Bylaws of the Community Development Corporation *(Action may be taken by the CDC)*
J.2. Discuss and consider possible action on the Amended Bylaws of the Economic Development Corporation *(Action may be taken by the EDC)*

K. EXECUTIVE SESSION

In accordance with Chapter 551 of the Texas Government Code, the Boards may enter into closed Executive Session to discuss any of the following: Texas Gov't Code Section 551.071: Consultation with Attorney on any eligible agenda item; Texas Gov't Code Section 551.072: Deliberations about real property; Texas Gov't Code Section 551.074 Personnel Matters; and/or Texas Gov't Code Section 551.087: Deliberation regarding economic development negotiations.

K.1. Harvest Point (551.087)

L. ACTION PERTAINING TO EXECUTIVE SESSION

M. FUTURE AGENDA ITEM REQUESTS

No action or discussion will take place other than to direct staff to place items on a future agenda for consideration.

N. ADJOURNMENT

Certification

I certify that the above notice of this meeting was posted at least three business days prior to the scheduled meeting date, in accordance with the Open Meetings Act, on the bulletin board at Princeton Municipal Center.

Posted by: Kerri Craig Date posted: 10/14/2026

Kerri Craig, Interim EDC/CDC Coordinator

STATEMENT FOR ADA COMPLIANCE

The City of Princeton acknowledges its responsibility to comply with the Americans with Disabilities Act of 1990. Thus, in order to assist individuals with disabilities who require special services (i.e., sign interpretation services, alternative audio/visual devices, and amanuenses) for participation in or access to the City of Princeton sponsored public programs, services and/or meetings, the City requests the individuals make requests for these services forty-eight hours ahead of the scheduled program, service and/or meeting. To make arrangements, contact Amber Anderson, City Secretary, or other designated official at 972-734-2416. The Boards reserve the right to consult in executive session with the attorney and to receive legal advice regarding any item listed on this agenda pursuant to Section 551.071.

Single Family Permits Yearly Comparisons

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
FRISCO	2021	346	289	299	200	149	129	62	110	75	85	80	57	1881	
	2022	181	117	169	157	121	108	88	143	78	32	64	68	1326	-30%
	2023	66	94	111	113	72	117	63	77	80	97	78	67	1035	-22%
	2024	134	108	88	106	103	110	113	103	150	100	92	78	1285	+24%
	2025	104	88	105	72	88	89	124	81	100	71	85	83	1090	-15%
	2026	59	93	79	94	83	87	69	46	49				659	
ANNUAL CHANGE		**-43%**	**+6%**	**-25%**	**+31%**	**-6%**	**-2%**	**-44%**	**-43%**	**-51%**					

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
LITTLE ELM	2021	187	125	82	83	99	49	64	98	96	137	164	108	1292	
	2022	82	141	157	71	78	128	126	107	122	90	148	45	1295	+0%
	2023	36	64	71	52	56	54	70	125	96	100	50	106	880	-32%
	2024	114	109	128	110	96	191	105	88	102	41	43	43	1170	+33%
	2025	32	53	72	57	42	47	47	24	33	44	33	27	511	-56%
	2026	22	21	36	20	23	43	37	37	34				273	
ANNUAL CHANGE		**-31%**	**-60%**	**-50%**	**-65%**	**-45%**	**-9%**	**-21%**	**+54%**	**+3%**					

	YEAR	MAR	JUN	SEP	DEC	TOTAL	ANNUAL CHANGE
HWY 380 CORRIDOR *Quarterly*	2021	695	608	1324	1304	3931	
	2022	934	451	928	913	3226	-18%
	2023	270	639	1309	943	3161	-2%
	2024	556	281	1198	875	2910	-8%
	2025	464	258	523	663	1908	-34%
	2026	540	571	n/a		1111	
ANNUAL CHANGE		**+16%**	**+121%**				

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
PROSPER	2021	126	94	147	109	88	132	99	147	68	72	40	99	1221	
	2022	70	104	115	89	91	87	87	85	74	36	65	64	967	-21%
	2023	26	75	114	51	69	72	88	123	114	68	40	44	884	-9%
	2024	75	59	87	79	78	62	88	49	52	46	42	38	755	-15%
	2025	56	54	61	73	72	45	48	51	47	37	25	38	607	-20%
	2026	48	48	38	48	45	49	37	26	21				360	
ANNUAL CHANGE		**-14%**	**-11%**	**-38%**	**-34%**	**-38%**	**+9%**	**-23%**	**-49%**	**-55%**					

Single Family Permits Yearly Comparisons

CELINA	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
	2021	309	205	262	227	349	320	172	173	101	169	146	83	2516	
	2022	151	142	231	208	155	96	84	137	103	118	103	122	1650	-34%
	2023	143	156	236	250	295	195	171	243	190	202	180	242	2503	+52%
	2024	245	241	223	223	273	223	272	291	216	260	246	182	2895	+16%
	2025	175	224	343	337	267	217	147	96	149	123	106	168	2352	-19%
	2026	140	140	190	247	218	287	283	253	198				1956	
ANNUAL CHANGE		-20%	-38%	-45%	-27%	-18%	+32%	+93%	+164%	+33%					

McKINNEY	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
	2021	180	125	213	135	205	130	150	142	122	106	79	133	1720	
	2022	140	99	136	142	97	99	85	123	107	91	86	53	1258	-27%
	2023	49	96	116	139	139	149	161	218	192	236	184	174	1853	+47%
	2024	268	205	250	221	160	216	139	165	85	223	174	204	2310	+25%
	2025	175	200	155	183	172	126	160	128	93	84	94	80	1650	-29%
	2026	130	138	115	150	146	157	95	91	71				1093	
ANNUAL CHANGE		-26%	-31%	-26%	-18%	-15%	+25%	-41%	-29%	-24%					

PRINCETON	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
	2021	128	156	220	102	70	167	68	116	229	99	50	371	1776	
	2022	125	6	108	74	270	68	47	152	48	80	27	36	1041	-41%
	2023	33	103	187	131	122	250	88	277	177	125	89	126	1708	+64%
	2024	202	142	70	149	144	89	282	225	198	129	120	218	1968	+15%
	2025	211	100	95	173	179	116	127	134	137	132	102	97	1603	-19%
	2026	142	168	194	113	92	81	130	268	282				1470	
ANNUAL CHANGE		-33%	+68%	+104%	-35%	-49%	-30%	+2%	+100%	+106%					

MELISSA	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
	2021	59	51	112	85	132	75	59	62	46	41	30	49	801	
	2022	89	34	97	75	109	118	110	83	84	49	27	31	906	+13%
	2023	29	74	129	153	91	41	71	141	70	64	52	27	942	+4%
	2024	33	62	68	69	53	37	50	44	60	34	40	43	593	-37%
	2025	35	40	38	25	25	29	28	24	42	23	10	20	339	-43%
	2026	19	15	32	18	16	24	32	12	26				194	
ANNUAL CHANGE		-46%	-63%	-16%	-28%	-36%	-17%	+14%	-50%	-38%					

Single Family Permits Yearly Comparisons

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
ANNA	2021	53	125	104	117	60	95	114	120	123	85	81	52	1129	
	2022	99	51	277	89	42	77	13	131	31	1	39	17	867	-23%
	2023	16	32	130	124	72	82	179	119	44	56	44	58	956	+10%
	2024	130	170	172	174	114	128	78	60	56	51	60	61	1254	+31%
	2025	52	91	56	97	74	74	72	64	45	71	63	66	825	-34%
	2026	56	83	95	95	86	102	125	75	104				821	
ANNUAL CHANGE		**+8%**	**-9%**	**+70%**	**-2%**	**+16%**	**+38%**	**+74%**	**+17%**	**+131%**					

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
VAN ALSTYNE	2021	13	13	51	25	35	74	23	35	23	29	32	46	399	
	2022	56	59	63	73	26	5	8	12	7	5	2	1	317	-21%
	2023	0	8	12	25	15	14	14	28	10	43	35	43	247	-22%
	2024	111	87	36	70	24	25	24	11	22	28	19	24	481	+95%
	2025	51	27	22	22	14	26	16	15	5	5	14	6	223	-54%
	2026	19	12	18	21	50	39	28	35	17				239	
ANNUAL CHANGE		**-63%**	**-56%**	**-18%**	**-5%**	**+257%**	**+50%**	**+75%**	**+133%**	**+240%**					

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
HOWE	2021	0	0	1	3	1	0	1	0	1	0	0	2	9	
	2022	1	2	0	0	1	0	0	0	0	0	0	0	4	-56%
	2023	1	0	0	0	0	0	0	0	0	0	0	0	1	-75%
	2024	2	1	2	1	10	12	11	2	5	8	4	16	74	+7300%
	2025	0	7	8	3	5	2	17	23	0	13	10	0	88	+19%
	2026	27	27	11	0	37	24	2	11	12				151	
ANNUAL CHANGE		**+2700%**	**+286%**	**+38%**	**-100%**	**+640%**	**+1100%**	**-88%**	**-52%**	**+1200%**					

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
SHERMAN	2021	32	27	28	18	35	14	32	7	27	41	20	48	329	
	2022	54	36	45	73	46	62	28	23	33	6	15	63	484	+47%
	2023	14	16	33	23	30	28	25	32	11	26	26	26	290	-40%
	2024	40	22	24	108	84	55	50	64	107	44	16	34	648	+123%
	2025	41	48	29	40	79	48	85	50	36	89	18	69	632	-2%
	2026	27	74	57	35	64	27	82	105	45				516	
ANNUAL CHANGE		**-34%**	**+54%**	**+97%**	**-13%**	**-19%**	**-44%**	**-4%**	**+110%**	**+25%**					

Single Family Permits Yearly Comparisons

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
DENTON	2021	77	81	92	98	54	78	57	78	65	73	54	148	955	
	2022	209	63	63	46	144	73	169	79	169	82	103	27	1227	+28%
	2023	117	98	86	84	99	87	54	115	108	84	84	48	1064	-13%
	2024	91	76	74	67	51	76	63	54	67	109	86	72	886	-17%
	2025	153	102	77	78	52	56	129	47	43	36	42	94	909	+3%
	2026	68	131	157	105	79	108	90	118	116				972	
ANNUAL CHANGE		**-56%**	**+28%**	**+104%**	**+35%**	**+52%**	**+93%**	**-30%**	**+151%**	**+170%**					

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
KRUM	2021	0	0	8	0	11	1	31	11	1	0	0	5	68	
	2022	5	14	80	0	5	83	0	0	3	0	0	2	192	+182%
	2023	6	2	2	5	3	4	5	8	24	14	0	12	85	-56%
	2024	5	15	0	3	0	0	0	0	0	0	0	0	23	-73%
	2025	0	1	0	0	0	0	0	0	0	0	0	0	1	-96%
	2026	0	0	2	0	0	0	0	0	0				2	
ANNUAL CHANGE		**+0%**	**-100%**	**+200%**	**+0%**	**+0%**	**+0%**	**+0%**	**+0%**	**+0%**					

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	ANNUAL CHANGE
SANGER	2021	12	13	30	38	6	4	3	3	4	2	0	3	118	
	2022	8	3	2	1	0	2	9	27	9	5	2	2	70	-41%
	2023	7	9	13	15	11	16	7	13	0	8	8	1	108	+54%
	2024	7	0	4	8	1	14	3	5	2	3	3	2	52	-52%
	2025	0	6	11	1	1	5	2	6	4	17	25	20	98	+88%
	2026	2	7	11	12	25	5	12	6	9				89	
ANNUAL CHANGE		**+200%**	**+17%**	**+0%**	**+1100%**	**+2400%**	**+0%**	**+500%**	**+0%**	**+125%**					

PRINCETON
TEXAS

FY 2026 Budget: $2,265,000.00

Monthly Sales Tax Analysis
Princeton EDC / CDC

Sales Tax	FY 24	Difference	%	FY 25	Difference	%	FY 26	Difference	%
October	$ 157,270.25	$ 40,592.58	34%	$ 175,008.75	$ 17,738.50	11%	$ 191,603.50	$ 16,594.75	9%
November	$ 186,782.50	$ 65,290.99	49%	$ 168,110.75	$ (18,671.75)	-10%	$ 178,909.87	$ 10,799.12	6%
December	$ 182,365.50	$ 25,993.98	22%	$ 252,649.50	$ 70,284.00	39%	$ 243,436.98	$ (9,212.52)	-4%
January	$ 140,187.50	$ 30,914.05	25%	$ 150,470.07	$ 10,282.57	7%	$ 161,988.97	$ 11,518.90	8%
February	$ 148,291.75	$ 31,838.52	20%	$ 147,271.03	$ (1,020.72)	-1%	$ 166,663.26	$ 19,392.23	13%
March	$ 178,216.75	$ 17,509.53	16%	$ 224,764.50	$ 46,547.75	26%	$ 239,074.57	$ 14,310.07	6%
April	$ 162,477.75	$ 28,312.48	24%	$ 176,064.92	$ 13,587.17	8%	$ 182,955.72	$ 6,890.80	4%
May	$ 160,018.25	$ 14,655.62	9%	**$ 175,188.53**	$ 15,170.28	9%	$ 193,180.15	$ 17,991.62	10%
June	$ 180,261.75	$ 23,945.32	18%	**$ 210,314.62**	$ 30,052.87	17%	**$ 237,570.44**	$ 27,255.82	13%
July	$ 172,634.50	$ 29,437.64	20%	**$ 190,642.44**	$ 18,007.94	10%	**$ 209,928.57**	$ 19,286.13	10%
August	$ 160,489.50	$ 15,677.14	10%	**$ 180,015.50**	$ 19,526.00	12%	**$ 198,832.69**	$ 18,817.19	10%
September	$ 185,578.50	$ 14,180.82	10%	**$ 209,034.75**	$ 23,456.25	13%			0%
Total	**2,014,574.50**	338,348.67	20%	**2,259,535.36**	244,960.86	12%	**$ 2,204,144.72**	$ 153,644.11	5%

			Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
Fund: 07 - ECONOMIC DEVELOPMENT FUND									
Revenue									
07-400-000-4004	SALES TAX REVENUE		2,265,000.00	2,265,000.00	408,761.26	2,204,144.72	0.00	-60,855.28	2.69 %
07-400-000-4007	CONTRA - SALES TAX REVENUE		0.00	0.00	0.00	-5,691.89	0.00	-5,691.89	0.00 %
07-400-000-4046	INTEREST REVENUE - 99 VISION		106,574.00	106,574.00	8,881.16	106,573.92	0.00	-0.08	0.00 %
07-400-000-4047	INTEREST REVENUE		300,000.00	300,000.00	39,003.83	398,872.77	0.00	98,872.77	132.96 %
07-400-000-4049	MISCELLANEOUS INCOME		0.00	0.00	0.00	295,287.00	0.00	295,287.00	0.00 %
07-400-000-4165	LEASE REVENUE		0.00	0.00	67,166.67	67,166.67	0.00	67,166.67	0.00 %
07-400-000-4215	SALE OF LAND		0.00	0.00	0.00	580,143.35	0.00	580,143.35	0.00 %
		Revenue Total:	**2,671,574.00**	**2,671,574.00**	**523,812.92**	**3,646,496.54**	**0.00**	**974,922.54**	**36.49%**
Expense									
07-500-000-6000	SALARIES		145,000.00	145,000.00	8,237.03	103,223.88	0.00	41,776.12	28.81 %
07-500-000-6002	LONGEVITY		90.00	90.00	20.00	65.00	0.00	25.00	27.78 %
07-500-000-6004	SOCIAL SECURITY		8,000.00	8,000.00	480.41	6,195.96	0.00	1,804.04	22.55 %
07-500-000-6005	WORKERS' COMPENSATION		122.50	122.50	0.00	323.97	0.00	-201.47	-164.47 %
07-500-000-6006	UNEMPLOYMENT		250.00	250.00	63.17	265.82	0.00	-15.82	-6.33 %
07-500-000-6007	TMRS		10,000.00	10,000.00	1,081.74	13,353.28	0.00	-3,353.28	-33.53 %
07-500-000-6008	GROUP MEDICAL/LIFE		10,000.00	10,000.00	764.29	12,035.53	0.00	-2,035.53	-20.36 %
07-500-000-6012	MEDICARE		1,800.00	1,800.00	112.36	1,452.11	0.00	347.89	19.33 %
07-500-000-7001	OFFICE SUPPLIES		50,000.00	50,000.00	0.00	5,076.90	0.00	44,923.10	89.85 %
07-500-000-7018	MEETING SUPPLIES		0.00	0.00	0.00	984.51	0.00	-984.51	0.00 %
07-500-000-8000	CONTRACT SERVICES		25,000.00	25,000.00	18,644.17	62,153.36	0.00	-37,153.36	-148.61 %
07-500-000-8001	LEGAL SERVICES		30,000.00	30,000.00	0.00	23,747.02	0.00	6,252.98	20.84 %
07-500-000-8002	TRAINING & EDUCATION		0.00	0.00	0.00	1,563.50	0.00	-1,563.50	0.00 %
07-500-000-8003	DUES, PUBLICATIONS, & PERMITS		0.00	0.00	0.00	1,865.00	0.00	-1,865.00	0.00 %
07-500-000-8004	PUBLIC NOTICES & ADVERTISING		0.00	0.00	0.00	11,500.00	0.00	-11,500.00	0.00 %
07-500-000-8103	TAX ASSESSOR		0.00	0.00	0.00	13,499.26	0.00	-13,499.26	0.00 %
07-500-000-8230	AUDIT EXPENSE		7,020.00	7,020.00	0.00	3,916.86	0.00	3,103.14	44.20 %
07-500-000-8240	WEBSITE MAINTENANCE		0.00	0.00	0.00	20,255.00	0.00	-20,255.00	0.00 %
07-500-000-8258	MARKETING		227,500.00	226,500.00	1,000.00	29,426.25	0.00	197,073.75	87.01 %
07-500-000-8535	PROJECT PRINCETON PEDIATRICS		0.00	107,000.00	0.00	103,375.00	0.00	3,625.00	3.39 %
07-500-000-8536	BUSINESS RELOCATION		0.00	475,791.50	0.00	0.00	0.00	475,791.50	100.00 %
07-500-000-8563	2016 CO - PRINCIPAL		0.00	54,335.00	0.00	54,335.00	0.00	0.00	0.00 %
07-500-000-8564	2016 CO - INTEREST		0.00	20,665.00	0.00	20,665.00	0.00	0.00	0.00 %
07-500-000-8610	LAND ACQUISITION		0.00	1,500,000.00	0.00	0.00	0.00	1,500,000.00	100.00 %

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
07-500-000-8750	TRANSFERS OUT	75,000.00	75,000.00	6,250.00	75,000.00	0.00	0.00	0.00 %
	Expense Total:	**589,782.50**	**2,746,574.00**	**36,653.17**	**564,278.21**	**0.00**	**2,182,295.79**	**79.46%**
	Fund: 07 - ECONOMIC DEVELOPMENT FUND Surplus (Deficit):	**2,081,791.50**	**-75,000.00**	**487,159.75**	**3,082,218.33**	**0.00**	**3,157,218.33**	**4,209.62%**
	Report Surplus (Deficit):	**2,081,791.50**	**-75,000.00**	**487,159.75**	**3,082,218.33**	**0.00**	**3,157,218.33**	**4,209.62%**

Group Summary

Account Typ…	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
Fund: 07 - ECONOMIC DEVELOPMENT FUND							
Revenue	2,671,574.00	2,671,574.00	523,812.92	3,646,496.54	0.00	974,922.54	-36.49%
Expense	589,782.50	2,746,574.00	36,653.17	564,278.21	0.00	2,182,295.79	79.46%
Fund: 07 - ECONOMIC DEVELOPMENT FUND Surplus (Deficit):	**2,081,791.50**	**-75,000.00**	**487,159.75**	**3,082,218.33**	**0.00**	**3,157,218.33**	**4,209.62%**
Report Surplus (Deficit):	**2,081,791.50**	**-75,000.00**	**487,159.75**	**3,082,218.33**	**0.00**	**3,157,218.33**	**4,209.62%**

Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)
07 - ECONOMIC DEVELOPMENT F	2,081,791.50	-75,000.00	487,159.75	3,082,218.33	0.00	3,157,218.33
Report Surplus (Deficit):	**2,081,791.50**	**-75,000.00**	**487,159.75**	**3,082,218.33**	**0.00**	**3,157,218.33**

Economic Development Corporation — Cash & Net Equity Position

As of September 30, 2026 | Management presentation

EXECUTIVE CASH POSITION	
Claim on Pooled Cash	$5,941,936.64
Economic Dev Corp #00009	$6,680,716.13
Total Cash & Cash Equivalents	**$12,622,652.77**
Less: Current Liabilities	$20,823.94
Cash Available Before Commitments	**$12,601,828.83**

KNOWN COMMITMENTS		
Commitment / Project	**Amount**	**Notes**
Commitment - Project 41	$500,000.00	
Commitment - Project Queen	$800,000.00	
Total Commitments	**$1,300,000.00**	
TRUE NET AVAILABLE CASH	**$11,301,828.83**	

BALANCE SHEET EQUITY RECONCILIATION	
Accounts Receivable	$38,132.36
Sales Tax Receivable	$198,832.69
Note Receivable — 99 Vision/JB Princeton	$907,149.70
Total Assets	$13,766,767.52
Total Liabilities	$20,823.94
Accounting Equity incl. Current Surplus	$13,745,943.58
Less: Non-cash Receivables	$1,144,114.75
Liquid Equity Before Commitments	**$12,601,828.83**
Less: Known Commitments	$1,300,000.00
Net Liquid Equity After Commitments	**$11,301,828.83**

REFERENCE — REPORTED FUND EQUITY	
Beginning Fund Balance — Unreserved	$10,663,725.25
Revenue YTD	$3,646,496.54
Expense YTD	$564,278.21
Current Surplus	$3,082,218.33
Total Equity & Current Surplus	$13,745,943.58



Princeton, TX

My Balance Sheet
Account Summary
As Of 09/30/2026

Account	Name	Balance	
Fund: 07 - ECONOMIC DEVELOPMENT FUND			
Assets			
07-100-000-1000	CLAIM ON POOLED CASH	5,941,936.64	
07-100-000-1026	LAND-& LAND RIGHTS	0.00	
07-100-000-1027	EQUIPMENT	0.00	
07-100-000-1036	CAPITAL ST RTR PROJECT	0.00	
07-100-000-1045	CONSTRUCTION IN PROGRESS	0.00	
07-100-000-1100	ECONOMIC DEV CORP #00009	6,680,716.13	
07-100-000-1200	ACCOUNTS RECEIVABLE	38,132.36	
07-100-000-1205	SALES TAX RECEIVABLE	198,832.69	
07-100-000-1325	N/R - PTX STORAGE	0.00	
07-100-000-1326	N/R - 99 VISION/JB PRINCETON	907,149.70	
07-100-000-1351	PREPAID EXPENSE	0.00	
07-100-000-1365	INTEREST RECEIVABLE-PTX	0.00	
	Total Assets:	**13,766,767.52**	**13,766,767.52**
Liability			
07-200-000-2000	ACCOUNTS PAYABLE - PENDING	14,607.17	
07-200-000-2001	FEDERAL INCOME TAX PAYABLE	0.00	
07-200-000-2002	F.I.C.A. TAX PAYABLE	94.82	
07-200-000-2003	T.M.R.S. CONTRIBUTIONS PAYABLE	1,636.65	
07-200-000-2004	TML LIFE INSURANCE PAYABLE	-176.13	
07-200-000-2005	DUE TO C.D.C	0.00	
07-200-000-2006	CHILD SUPPORT W/H PAYABLE	0.00	
07-200-000-2008	AFLAC INSURANCE PAYABLE	0.00	
07-200-000-2009	VISION CARE PAYABLE	0.00	
07-200-000-2011	ACCRUED PAYABLES	0.00	
07-200-000-2013	LIBERTY INS PAYABLE	0.00	
07-200-000-2015	DUE TO CAPITAL PROJECTS FUND	0.00	
07-200-000-2025	TWC - PAYABLE	0.00	
07-200-000-2039	NFCL INSURANCE PAYABLE	-0.31	
07-200-000-2059	ACCRUED WAGES PAYABLE	4,661.74	
07-200-000-2060	COMPENSATED ABSENCE ACCURAL	0.00	
07-200-000-2065	RETAINAGE PAYABLE	0.00	
07-200-000-2100	ENCUMBRANCE PAYABLE	0.00	
07-200-000-2124	CURRENT COMP ABSENCE PORTION	0.00	
07-200-000-2125	COMPENSATED ABSENCE ACCRUAL	0.00	
07-200-000-2163	DEFERRED INCOME-PTX STORAGE	0.00	
07-200-000-2166	DEFERRED REV-99 VISIONS	0.00	
07-200-000-2500	CITIZENS STATE BK LAND NOTE	0.00	
	Total Liability:	**20,823.94**	
Equity			
07-300-000-3000	FUND BALANCE - UNRESERVED	10,663,725.25	
	Total Beginning Equity:	**10,663,725.25**	
Total Revenue		3,646,496.54	
Total Expense		564,278.21	
Revenues Over/Under Expenses		**3,082,218.33**	
	Total Equity and Current Surplus (Deficit):	**13,745,943.58**	
	Total Liabilities, Equity and Current Surplus (Deficit):		**13,766,767.52**



Princeton, TX

Budget to Actual

Account Summary

For Fiscal: 2025-2026 Period Ending: 09/30/2026

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
Fund: 10 - COMMUNITY DEVELOPMENT FUND							
Revenue							
10-400-000-4004	SALES TAX REVENUE	2,265,000.00	2,265,000.00	408,761.26	2,204,144.72	-60,855.28	2.69 %
10-400-000-4007	CONTRA - SALES TAX REVENUE	0.00	0.00	0.00	-5,691.89	-5,691.89	0.00 %
10-400-000-4047	INTEREST REVENUE	130,000.00	130,000.00	17,284.96	184,713.72	54,713.72	142.09 %
10-400-000-4126	RENTAL INCOME - COMMUNITY CE...	0.00	0.00	2,045.00	17,710.00	17,710.00	0.00 %
	Revenue Total:	**2,395,000.00**	**2,395,000.00**	**428,091.22**	**2,400,876.55**	**5,876.55**	**0.25%**
Expense							
10-500-000-6000	SALARIES	100,000.00	100,000.00	8,236.85	103,221.80	-3,221.80	-3.22 %
10-500-000-6002	LONGEVITY	100.00	100.00	20.00	65.00	35.00	35.00 %
10-500-000-6004	SOCIAL SECURITY	8,000.00	8,000.00	480.39	6,194.69	1,805.31	22.57 %
10-500-000-6005	WORKERS' COMPENSATION	0.00	0.00	0.00	53.74	-53.74	0.00 %
10-500-000-6006	UNEMPLOYMENT	250.00	250.00	62.83	265.18	-15.18	-6.07 %
10-500-000-6007	TMRS	10,000.00	10,000.00	1,081.57	13,351.32	-3,351.32	-33.51 %
10-500-000-6008	GROUP MEDICAL/LIFE	10,000.00	10,000.00	763.81	12,026.32	-2,026.32	-20.26 %
10-500-000-6012	MEDICARE	2,500.00	2,500.00	112.34	1,450.75	1,049.25	41.97 %
10-500-000-7001	OFFICE SUPPLIES	50,000.00	50,000.00	0.00	4,937.15	45,062.85	90.13 %
10-500-000-7014	GENERAL SUPPLIES	50,000.00	50,000.00	1,798.84	2,598.12	47,401.88	94.80 %
10-500-000-7018	MEETING SUPPLIES	0.00	0.00	0.00	259.64	-259.64	0.00 %
10-500-000-8000	CONTRACT SERVICES	0.00	0.00	11,140.17	33,766.07	-33,766.07	0.00 %
10-500-000-8001	LEGAL SERVICES	30,000.00	30,000.00	0.00	13,056.11	16,943.89	56.48 %
10-500-000-8002	TRAINING & EDUCATION	0.00	0.00	0.00	1,138.50	-1,138.50	0.00 %
10-500-000-8003	DUES, PUBLICATIONS, & PERMITS	0.00	0.00	0.00	340.00	-340.00	0.00 %
10-500-000-8108	NATURAL & PROPANE GAS	0.00	0.00	-127.65	0.00	0.00	0.00 %
10-500-000-8109	ELECTRIC SERVICES	0.00	0.00	-504.69	0.00	0.00	0.00 %
10-500-000-8124	CONSULTING SERVICES	0.00	25,000.00	0.00	0.00	25,000.00	100.00 %
10-500-000-8130	COMMUNITY CENTER - UTILITIES	0.00	0.00	1,108.54	5,029.47	-5,029.47	0.00 %
10-500-000-8230	AUDIT EXPENSE	7,020.00	57,020.00	0.00	53,916.86	3,103.14	5.44 %
10-500-000-8240	WEBSITE MAINTENANCE	0.00	0.00	0.00	19,505.00	-19,505.00	0.00 %
10-500-000-8258	MARKETING	227,500.00	175,268.00	7,026.62	42,314.19	132,953.81	75.86 %
10-500-000-8265	COMMUNITY CENTER - OTHER	0.00	0.00	205.68	10,094.55	-10,094.55	0.00 %
10-500-000-8342	APPRENTICESHIP JOB TRAINING	50,000.00	50,000.00	0.00	51,000.00	-1,000.00	-2.00 %
10-500-000-8346	COMMUNITY OUTREACH	0.00	1,232.00	0.00	1,232.00	0.00	0.00 %
10-500-000-8350	INTERGOVERNMENTAL EXPENSE	0.00	355,066.00	0.00	355,066.00	0.00	0.00 %
10-500-000-8351	SMALL BUSINESS CATALYST GRANT	100,000.00	100,000.00	0.00	0.00	100,000.00	100.00 %
10-500-000-8352	FACADE GRANT PROGRAM	100,000.00	100,000.00	0.00	0.00	100,000.00	100.00 %
10-500-000-8508	PROJECT FUNDING	369,980.00	170,980.00	0.00	0.00	170,980.00	100.00 %
10-500-000-8509	ROADS & INFRASTRUCTURE	500,000.00	500,000.00	0.00	0.00	500,000.00	100.00 %
10-500-000-8514	CAPITAL-COMMUNITY CENTER	0.00	352,051.00	0.00	41,111.31	310,939.69	88.32 %
10-500-000-8525	VETERANS PARK WOODY WILLIMAS...	125,000.00	125,000.00	0.00	0.00	125,000.00	100.00 %
10-500-000-8533	OFFICER NANCY DONIMGUEZ ME...	0.00	50,000.00	0.00	50,000.00	0.00	0.00 %
10-500-000-8534	CORP'S PARKS MAINTENANCE	0.00	150,000.00	0.00	0.00	150,000.00	100.00 %
10-500-000-8569	2021 GO - PRINCIPAL	0.00	20,720.00	0.00	20,720.00	0.00	0.00 %
10-500-000-8570	2021 GO - INTEREST	0.00	2,849.00	0.00	2,849.00	0.00	0.00 %
10-500-000-8571	2021 CO - PRINCIPAL	0.00	225,000.00	0.00	225,000.00	0.00	0.00 %
10-500-000-8572	2021 CO - INTEREST	0.00	103,991.00	0.00	103,991.00	0.00	0.00 %
10-500-000-8583	2019 TAX NOTE - PRINCIPAL	0.00	190,000.00	0.00	190,000.00	0.00	0.00 %
10-500-000-8584	2019 TAX NOTE - INTEREST	0.00	2,090.00	0.00	2,090.00	0.00	0.00 %

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
10-500-000-8750	TRANSFERS OUT	0.00	75,000.00	6,250.00	75,000.00	0.00	0.00 %
	Expense Total:	**1,740,350.00**	**3,092,117.00**	**37,655.30**	**1,441,643.77**	**1,650,473.23**	**53.38%**
Fund: 10 - COMMUNITY DEVELOPMENT FUND Surplus (Deficit):		**654,650.00**	**-697,117.00**	**390,435.92**	**959,232.78**	**1,656,349.78**	**237.60%**
	Report Surplus (Deficit):	**654,650.00**	**-697,117.00**	**390,435.92**	**959,232.78**	**1,656,349.78**	**237.60%**

Group Summary

Account Typ…	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
Fund: 10 - COMMUNITY DEVELOPMENT FUND						
Revenue	2,395,000.00	2,395,000.00	428,091.22	2,400,876.55	5,876.55	0.25%
Expense	1,740,350.00	3,092,117.00	37,655.30	1,441,643.77	1,650,473.23	53.38%
Fund: 10 - COMMUNITY DEVELOPMENT FUND Surplus (Deficit):	**654,650.00**	**-697,117.00**	**390,435.92**	**959,232.78**	**1,656,349.78**	**237.60%**
Report Surplus (Deficit):	**654,650.00**	**-697,117.00**	**390,435.92**	**959,232.78**	**1,656,349.78**	**237.60%**

Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)
10 - COMMUNITY DEVELOPMENT	654,650.00	-697,117.00	390,435.92	959,232.78	1,656,349.78
Report Surplus (Deficit):	**654,650.00**	**-697,117.00**	**390,435.92**	**959,232.78**	**1,656,349.78**

Community Development Corporation

Cash Position & True Net Equity | As of September 30, 2026

EXECUTIVE CASH POSITION	
Claim on Pooled Cash	$2,501,559.37
CDC Investment	$3,139,805.20
Total Cash & Investments	**$5,641,364.57**
Less: Current Liabilities	$19,888.76
Net Liquid Position Before Commitments	**$5,621,475.81**
Less: Known Commitments	$150,000.00
TRUE NET AVAILABLE CASH	**$5,471,475.81**

ACCOUNTING EQUITY BRIDGE	
Beginning Fund Balance	$4,861,075.72
Current Revenue	$2,400,876.55
Current Expense	($1,441,643.77)
Current Surplus	**$959,232.78**
Accounting Equity	**$5,820,308.50**
Less: Non-cash Receivables	$198,832.69
Less: Known Commitments	$150,000.00
NET EQUITY AFTER COMMITMENTS	**$5,471,475.81**

CURRENT LIABILITIES	
Total Liabilities	$19,888.76

KNOWN / APPROVED COMMITMENTS	
Commitment / Project	**Amount ($)**
Project Harvard	$150,000
Total Known Commitments	**$150,000.00**

Notes / Status

CDC Financial Position — Cash Less Commitments

September 30, 2026 | Board-level view of available resources

Cash & Investments	$5,641,365
Less: Current Liabilities	$19,889
Less: Known Commitments	$150,000
TRUE NET AVAILABLE CASH	**$5,471,476**

BOARD TAKEAWAY

The balance sheet shows total assets of $5.840 million and accounting equity of $5.820 million. For funding decisions, focus on the cash and investment position after current liabilities and all outstanding commitments of $5.471 million.



Princeton, TX

My Balance Sheet
Account Summary
As Of 09/30/2026

Account	Name	Balance	
Fund: 10 - COMMUNITY DEVELOPMENT FUND			
Assets			
10-100-000-1000	CLAIM ON POOLED CASH	2,501,559.37	
10-100-000-1018	DUE FROM GENERAL FUND	0.00	
10-100-000-1027	EQUIPMENT	0.00	
10-100-000-1036	CAPITAL ST RTR PROJECT	0.00	
10-100-000-1043	BUILDING & IMPROVEMENTS	0.00	
10-100-000-1100	COMMUNITY DEV INVEST#00008	3,139,805.20	
10-100-000-1205	SALES TAX RECEIVABLE	198,832.69	
10-100-000-1350	PREPAID EXPENSE	0.00	
	Total Assets:	**5,840,197.26**	**5,840,197.26**
Liability			
10-200-000-2000	ACCOUNTS PAYABLE - PENDING	13,673.10	
10-200-000-2001	FEDERAL INCOME TAX PAYABLE	0.00	
10-200-000-2002	F.I.C.A. TAX PAYABLE	94.18	
10-200-000-2003	T.M.R.S. CONTRIBUTIONS PAYABLE	1,636.18	
10-200-000-2004	TML LIFE INSURANCE PAYABLE	-176.09	
10-200-000-2006	CHILD SUPPORT W/H PAYABLE	0.00	
10-200-000-2008	AFLAC INSURANCE PAYABLE	0.00	
10-200-000-2009	VISION CARE PAYABLE	0.00	
10-200-000-2011	ACCRUED PAYABLES	0.00	
10-200-000-2013	LIBERTY INS PAYABLE	0.00	
10-200-000-2015	DUE TO CAPITAL PROJECTS FUND	0.00	
10-200-000-2020	SALES TAX PAYABLE	0.00	
10-200-000-2025	TWC - PAYABLE	0.00	
10-200-000-2030	DEFERRED OUTFLOW-INT EXP	0.00	
10-200-000-2039	NFCL INSURANCE PAYABLE	-0.31	
10-200-000-2044	PARK FUND-UNRESERVED	0.00	
10-200-000-2053	B/P-2011GO REFUNDING	0.00	
10-200-000-2059	ACCRUED WAGES PAYABLE	4,661.70	
10-200-000-2060	COMPENSATED ABSENCE-ACCRUAL	0.00	
10-200-000-2065	RETAINAGE PAYABLE	0.00	
10-200-000-2100	ENCUMBRANCE PAYABLE	0.00	
10-200-000-2124	CURRENT COMP ABSENCE PORTION	0.00	
10-200-000-2125	CURRENT COMP/ ABSENCE PORTION	0.00	
	Total Liability:	**19,888.76**	
Equity			
10-300-000-3000	FUND BALANCE UNRESERVED	4,861,075.72	
10-300-000-3043	STREET FUND BALANCE	0.00	
10-300-000-3044	PARK FUND BALANCE	0.00	
	Total Beginning Equity:	**4,861,075.72**	
Total Revenue		2,400,876.55	
Total Expense		1,441,643.77	
Revenues Over/Under Expenses		**959,232.78**	
	Total Equity and Current Surplus (Deficit):	**5,820,308.50**	
	Total Liabilities, Equity and Current Surplus (Deficit):		**5,840,197.26**

Official Memo

TO: Community Development Corporation Board Members
FROM: David Hall, Alternate City Manager
DATE: October 20, 2026
SUBJECT: Bylaws of the CDC

Purpose:
Consideration of possible amendments to the Second Amended Bylaws of the CDC.

Background:
The bylaws of the CDC were last amended in April 2025. The Board has requested a review of the bylaws and consider the need for possible amendments. The current bylaws, and a red-lined version of changes made from the First Amended bylaws to the current Second Amended bylaws in April 2025, are attached.

Substantive changes (various grammatical corrections are also red lined):

- Article IV Section 2. Location of Regular Meetings: language was amended to allow greater flexibility for the Board in scheduling meetings.
- Multiple Sections: staff titles were generalized to allow greater flexibility for future changes in staffing
- Article IV, Section 7. Notice of Meetings: Added language to allow notifications to be sent to the Board via email.
- Article V, Section 1. CDC Chief Executive Officer (CEO): added “budget management” to the list of the CEO’s responsibilities.
- Article VI, Section 1. Titles, Duties, and Term of Office: added the option to elect officers irregularly if needed and included the Treasurer and Secretary elections to the February annual elections.
- Article VI, Section 2. Chairperson: added language to allow the CEO to sign documents and act as the CDC’s representative at public events or functions, as delegated by the Chairperson.
- Article VI, Section 5. Secretary: added language clarifying the Secretary may sign Board meeting minutes.
- Article VI, Section 6. Election of Officers: added language specifying officer elections are held annually.
- Article VII, Section 4. Deposit and Investment of Corporate Funds: Added language to allow the CEO to sign check requests or other financial instruments for expenses totaling less than $10,000.
- Article VII, Section 5. Expenditures of Corporate Money: added language to specify how expenditures shall be made.

- Article VIII, Section 6. Services of City Staff and Officers: clarifying language regarding the CDC's use of city staff.

Financial Impact:
N/A

Staff Recommendation:
N/A

Supporting Documentation:
Resolution No. 2025-04-14-R02 Second Amended Bylaws

Legal:
N/A

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS
COLLIN COUNTY
CITY OF PRINCETON, TEXAS

We, the undersigned officers of the City Council of the City of Princeton, Texas (the "*City Council*" or "*Council*"), hereby certify as follows:

1. The City Council convened in a regular meeting on the 14th day of April, 2025, at the regular designated meeting place (the "*Meeting*"), and the roll was called of the duly constituted officers and members of said City Council, to wit:

Eugene Escobar, Jr., Mayor	Terrance Johnson, Place 1
Cristina Todd, Place 2	Bryan Washington, Place 3
Ryan Gerfers, Place 4	Steve Deffibaugh, Place 5 and Mayor Pro-Tempore
Ben Long, Place 6	Carolyn David-Graves, Place 7

and all of said persons were present, except N/A, thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting (the "*Resolution*"):

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PRINCETON, TEXAS, RATIFYING AND APPROVING THE PRINCETON COMMUNITY DEVELOPMENT CORPORATION'S SECOND AMENDED BYLAWS FOR ITS AFFAIRS; PROVIDING FOR REPEALING AND SEVERABILITY CLAUSES; PROVIDING FOR AN EFFECTIVE DATE; AND CONTAINING OTHER MATTERS RELATED THERETO.

The Resolution was duly introduced for the consideration of said City Council. It was then duly moved and seconded that the Resolution be passed; and, after due discussion, said motion, carrying with it the passage of the Resolution, prevailed and carried, with all members of said City Council shown present above voting "Aye," except as noted below:

NAYS: 0 ABSTENTIONS: 0

2. A true, full, and correct copy of the aforesaid Resolution passed at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; said Resolution has been duly recorded in said Council's minutes of said Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from said Council's minutes of said Meeting pertaining to the passage of said Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of said Council as indicated therein; that each of the officers and members of said Council was duly and sufficiently

notified officially and personally, in advance, of the time, place, and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for passage at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose; and that said Meeting was open to the public, and public notice of the time, place, and purpose of said Meeting was given all as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

3. The Mayor of the City of Princeton, Texas, hereby approves the Resolution; and the Mayor and the City Secretary of the City of Princeton, Texas, hereby declare that their signing of this Certificate shall constitute the signing of the attached and following copy of said Resolution for all purposes.

ADOPTED AND APPROVED on this the 14th day of April, 2025.

CITY OF PRINCETON, TEXAS

Eugene Escobar, Jr., Mayor
City of Princeton, Texas

ATTEST

Amber Anderson, City Secretary
City of Princeton, Texas

[CITY SEAL]

CITY OF PRINCETON, TEXAS

RESOLUTION NO. 2025-04-14-R02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PRINCETON, TEXAS, RATIFYING AND APPROVING THE PRINCETON COMMUNITY DEVELOPMENT CORPORATION'S SECOND AMENDED BYLAWS FOR ITS AFFAIRS; PROVIDING FOR REPEALING AND SEVERABILITY CLAUSES; PROVIDING FOR AN EFFECTIVE DATE; AND CONTAINING OTHER MATTERS RELATED THERETO.

WHEREAS, the City of Princeton, Texas (the "*City*"), has previously established the Princeton Community Development Corporation ("*PCDC*") as a Type B development corporation under the Development Corporation Act, Chapters 501–505 of the Texas Local Government Code (the "*Act*");

WHEREAS, pursuant to Section 501.064 of the Act, the bylaws of the PCDC and each amendment thereto must be approved by resolution of the (i) PCDC's Board of Directors (the "*Board*"); and (ii) City's governing body—the City Council of the City of Princeton, Texas (the "*City Council*");

WHEREAS, on April 1, 2025, the Board, via Resolution No. CDC-2025-04-01, approved and adopted amended bylaws for its affairs (the "*Second Amended Bylaws*" herein), which Second Amended Bylaws are attached hereto as **Exhibit A** and incorporated herein for all intents and purposes;

WHEREAS, the Second Amended Bylaws are hereby found and determined to be consistent with the PCDC's Articles of Incorporation, the City's Home Rule Charter, and the Act;

WHEREAS, the City Council hereby ratifies and approves the Second Amended Bylaws and, upon the Effective Date of this Resolution, the Second Amended Bylaws shall govern the administration and regulation of the PCDC's affairs;

WHEREAS, upon the Effective Date of this Resolution, any and all ordinances, resolutions, or lesser enactments or motions of the City Council in conflict with the provisions of the Second Amended Bylaws or this Resolution are hereby replaced and repealed to the extent of that conflict; and

WHEREAS, the City Council declares it in the best interests of the health, safety, and welfare of the public to adopt this Resolution.

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

Section 1. Findings. The above findings are hereby found to be true and correct and adopted as findings of fact, incorporated herein, and operative provisions hereof.

Section 2. Ratification and Approval of PCDC's Second Amended Bylaws. The City Council hereby ratifies and approves the Second Amended Bylaws, which Second Amended Bylaws are attached hereto as **Exhibit A** and incorporated herein for all intents and purposes. Upon the Effective Date of this Resolution, the Second Amended Bylaws shall govern the administration and regulation of the PCDC's affairs.

Section 3. Repeal of Conflicting Resolutions. This Resolution shall be and is hereby declared to be cumulative of all other ordinances, resolutions, or lesser enactments or motions of the City of Princeton, Texas, and this Resolution shall not operate to repeal or affect any of such other resolutions or ordinances, except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Resolution, in which event such conflicting provisions, if any, in such other resolution or ordinance are hereby repealed.

Section 4. Severability. Should any section, provision, or part of this Resolution be held unconstitutional, illegal, or invalid, or the application to any person or circumstance thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section, provision, or part shall in no way affect, impair, or invalidate the remaining portion or portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this Resolution are declared to be severable.

Section 5. Prerequisites Satisfied. All prerequisites for the adoption of this Resolution have been duly satisfied, conducted, and completed, including, without limitation, all public notices, procedures, and publications as required by law, including, without limitation, the Open Meetings Act, Chapter 551 of the Texas Government Code.

Section 6. Effective Date. This Resolution shall be in full force and take effect immediately upon passage (the "*Effective Date*").

AND SO IT IS RESOLVED.

EXHIBIT A

PRINCETON COMMUNITY
DEVELOPMENT CORPORATION
SECOND AMENDED BYLAWS

Princeton Community Development Corporation
City of Princeton, Texas

PCDC Resolution No. PCDC-2025-04-01
City Council Resolution No. 2025-04-14-R02

SECOND AMENDED BYLAWS OF THE
PRINCETON COMMUNITY DEVELOPMENT CORPORATION

ARTICLE I

PURPOSE AND POWERS

Section 1. ***Purpose:*** The Princeton Community Development Corporation (the "*Corporation*" or "*CDC*" herein) is incorporated for the purposes set forth in its Articles of Incorporation, the same to be accomplished on behalf of the City of Princeton, Collin County, Texas, (the "*City*") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act, Chapters 501–505 of the Texas Local Government Code (the "*Act*"), as amended, and other applicable laws, rules, and regulations.

Section 2. ***Powers:*** In the fulfillment of its corporate purpose, the Corporation, as a Type B development corporation, shall be governed by Chapter 505 of the Act, and shall have all of the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law, subject to the limitations prescribed herein.

Section 3. ***Governing Documents:*** These Bylaws, and the CDC's policies and procedures, code of ethics, and rules of order (collectively the "*Governing Documents*" and each individually a "*Governing Document*" herein) shall (i) be consistent with the Princeton Home Rule Charter (the "*Charter*" or "*HRC*"), Texas law, and the CDC's Articles of Incorporation; (ii) be approved by resolution of the City Council of Princeton, Texas (the "*City Council*" or "*Council*"), as specified by Section 501.064 of the Act and other applicable laws, rules, and regulations, as amended; and (iii) be in effect upon approval by resolution of the City Council and remain in effect until such time as amended, or suspended, or new rules are adopted in the manner provided by law.

Section 4. ***Bylaws:*** The contents of this document shall be referred to as the "*Bylaws*" of the Corporation or the "*CDC Bylaws*."

Section 5. ***Policies & Procedures:*** The CDC Board of Directors and City Council will approve and adopt written policies and procedures that define governance and operational guidelines for the Corporation. These policies and procedures may from time to time be amended as deemed necessary by the CDC staff, Board of Directors, or City Council.

Section 6. ***Conflicts:*** In the event that there exists a conflict between the Governing Documents of the CDC and the terms of the CDC's Articles of Incorporation, the Articles of Incorporation shall govern. In the event that there exists a conflict between the Governing Documents of the CDC and the terms of the Charter, the Charter shall govern. In the event that there exists a conflict between these Bylaws and any Governing Document of the CDC, these Bylaws shall govern.

ARTICLE II

OFFICES

Section 1. ***Principal Office:*** The principal office of the Corporation in the State of Texas shall be located in the City's corporate boundaries, which principal office will be used primarily for administrative and management services.

Section 2. ***Registered Office and Registered Agent:*** The Corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent, whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may

be, but need not be identical with the principal office of the corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board, to the extent permitted under applicable laws, rules, and regulations.

ARTICLE III

BOARD OF DIRECTORS

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

a. The property and affairs of the Corporation shall be governed and controlled by a Board of Directors (the "*Board*") and, subject to the restrictions imposed by law, the CDC's Articles of Incorporation, and these Bylaws, the Board shall exercise all of the powers of the Corporation.

b. The Board shall consist of seven (7) directors (each individually a "*Board Member*" or "*Director*"), each of whom, as well as each replacement, shall ~~be appe~~inted by the City Council. In accordance with HRC Section 9.03, appointees to the CDC may be either residents of the City, or the designated representatives of businesses located within the City's territorial limits and extraterritorial jurisdiction, to the extent permitted by state law.

c. Board Members may not hold any elective office of the State of Texas, or any political subdivision thereof, during their terms serving on the CDC.

d. Qualifications of and nominations and appointments to the Board shall be determined by (i) applicable laws, rules, and regulations; (ii) the Charter; and (iii) the bylaws of the City Council, as amended.

Section 2. ***Training:*** As of the Effective Date, all Board Members shall attend a training course on economic development (or similar course as required and/or authorized under state law) within one (1) year after the Effective Date or one (1) year after their appointment date, as the case dictates. The Board may grant a Board Member an extension under this subsection for good cause shown, subject to the requirements provided under Texas law.

Section 3. ***Meeting of Directors:*** The Board may hold their meetings at such place or places, but in any event within the City, as the Board may from time to time determine; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the Corporation, as specified in Article II of these Bylaws.

Section 4. ***Attendance Policy:*** If a Director is absent for two (2) consecutive meetings or misses a total of three (3) meetings over the course of a twelve-month (12-month) period, the Director's office is forfeited and the Director is deemed to have resigned effective immediately on the date of the most recent absence, unless a suitable number of absences are timely and formally excused by the Board and City Council.

Section 5. ***Compensation to Directors:*** Directors shall not receive a salary or any other compensation for their service as a Director. However, Directors may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties.

ARTICLE IV

CDC BOARD MEETINGS

Section 1. ***Texas Open Meetings Act:*** All meetings and deliberations of the Board shall be noticed, called, posted, convened, held, and conducted in strict accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as amended ("*TOMA*").

Section 2. ***Location of Regular Meetings:*** Regular meetings of the Board shall be held on a monthly basis at a time and location to be determined by the Chairman of the Board of Directors. The meetings are generally to be held in the City Council Chambers at the Princeton Municipal Center located at 2000 E. Princeton Drive unless otherwise directed by the Chairman or at least four (4) members of the Board of Directors, provided that all meetings of the Board must be held within the corporate boundaries of the City. Additionally, the Board may discuss and authorize an alternate schedule and designate alternative dates for regular meetings to accommodate holiday schedules or other conflicts without formal modification of these Bylaws.

Section 3. ***Other Locations:*** The Board may, occasionally, to the extent permitted under applicable law, elect to meet at other locations or by teleconference and, upon such election, shall give public notice of the change of location in accordance with provisions of State law.

Section 4. ***Cancellation of Meetings:*** When the day for any regular meeting falls on a legal holiday, or may not be held due to a lack of a quorum, inclement weather or a matter beyond the Board's control, the regularly scheduled meeting for such day shall be deemed canceled unless otherwise specified by the CDC. Meetings canceled due to holidays, lack of a quorum, inclement weather or other matters beyond the Board's control may be rescheduled for another date, at the election of the Chairperson or at least four (4) Directors and posted in accordance with TOMA.

Section 5. ***Pre-CDC Meeting Workshops:*** Workshop meetings may be called by the City Secretary or CDC staff upon written request from the Chairperson, the City Manager, CDC CEO, or any three (3) members of the Board upon written notice. The time, place, and purpose of such meetings shall be stated in each instance in accordance with law. Workshop meetings shall be to discuss in detail, or explore in depth, matters of particular interest to the CDC or City Council. The public may not participate in the discussions at a workshop meeting unless invited to do so. No formal CDC action shall be taken at a workshop meeting.

Section 6. ***Special/Emergency Meetings:*** Special or Emergency meetings may be called by the City Secretary or CDC staff upon written request from the Chairperson, the City Manager, CDC CEO, or any three (3) members of the Board. Notice of special or emergency meetings shall be given by the City Secretary or designee to each member of the Board, including, without limitation, the Chairperson, and also to both the CDC Attorney and the City Manager, providing notice by way of email, voice mail message, or notice left at residence. The time, place, and purpose of such meetings shall be stated in each instance in accordance with law. A special meeting, by definition, is not a regularly scheduled meeting, or a meeting to make-up for a regularly called meeting that was re- scheduled due to one of the conditions enumerated in Article IV, Section 4 above. The City Secretary shall give notice to each director for any emergency meeting in person or telephone, at least two (2) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a special meeting. At any meeting at which every Director shall be present, even though without any individual notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon consistent with applicable law.

Section 7. ***Notice of Meetings:*** Notice of meetings and the agenda for all CDC meetings shall be posted by the City Secretary, CDC staff, or designee on the City's official bulletin board pursuant to the requirements of TOMA, as well as on the City and CDC websites.

a. Whenever any notice is required to be given to the Board, said notice shall be deemed to be sufficient if given by (i) depositing the same in a post office box in a sealed postage paid wrapper addressed to the person entitled thereto at his or her post office address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing; or (ii) electronic mail. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objection to the transaction of any business on the grounds that the meeting is not lawfully called or convened. The business to be transacted and the purpose of any regular or special meeting of the Board needs to be specified in the notice or waiver of notice of such meeting. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 8. ***Quorum and Voting:*** A majority of the Directors shall constitute a quorum for conducting the official business of the Corporation. The act of a majority

of the Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation, unless the act of a greater number is required by law. However, in no event shall any project or expenditure be approved upon the affirmative vote of less than four (4) Directors present at a meeting. A Director may not vote by proxy. Directors must be present in order to vote at any meeting.

Section 9. ***Super Majority Vote:*** In the event that a super majority vote is needed for approval or denial of an item by the Board, the requisite number of votes is outlined in this Section. When determining whether a supermajority threshold is met, in the absence of special rules, the number of votes cast shall be multiplied by a decimal approximating required fraction to determine the required number. With all votes necessarily cast in whole numbers, any decimals in the result must be rounded up. As illustrative examples:

<u>For a seven-member voting body in full attendance (seven votes cast):</u>

7 X 0.667 = 4.669 7 x 0.75 = 5.25

If 2/3 majority required = 5+ votes

If ¾ majority required = 6+ votes

<u>If one voting member is absent, recused, or seat vacant:</u>

6 x 0.667 = 4 6 x 0.75 = 4.5

If 2/3 majority required = 4+ votes

If ¾ majority required = 5+ votes

Section 10. ***Code of Conduct:*** The Conduct Guidelines are designed to describe the manner in which elected and appointed officials should treat one another, City staff, constituents, and others they come into contact with while representing the City.

a. Elected and appointed officials are individuals with a wide variety of backgrounds, personalities, values, opinions, and goals. Despite this diversity, all have chosen to serve in public office in order to preserve and protect the present and the future of the community. In all cases, this common goal should be acknowledged even though individuals may not agree on every issue.

b. *Honor the role of the Chairperson in maintaining Order:* It is the responsibility of the Chairperson to keep the comments of Board Members on track during public meetings. Board Members should honor efforts by the Chairperson to focus discussion on current agenda items. If there is disagreement about the agenda or the Chairperson's actions, those objections should be voiced politely and with reason, following procedures outlined in parliamentary procedure.

c. *Practice civility and decorum in discussions and debate:* Difficult questions, tough challenges to a particular point of view, and criticism of ideas and information are legitimate elements of debate by a free democracy in action. Free debate does not require nor justify, however, public officials to make belligerent, personal, impertinent, slanderous, threatening, abusive, or disparaging comments.

d. *Avoid personal comments that could offend other members:* If a Board Member is personally offended by the remarks of another Board Member, the offended Board Member should make notes of the actual words used and call for a "point of personal privilege" that challenges the other Board Member to justify or apologize for the language used. The Chairperson will maintain control of this discussion.

e. *Demonstrate effective problem-solving approaches:* Board Members have a public stage and have the responsibility to show how individuals with disparate points of view can find common ground and seek a compromise that benefits the community as a whole.

Section 11. ***Conduct of Business:***

a. At the Board meetings, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board or applicable law.

b. At all Board meetings, the Chairperson shall preside, and in the absence of the Chairperson, the Vice Chairperson shall exercise the powers of the Chairperson.

c. The Secretary of the Corporation 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.

ARTICLE V

AGENTS AND EMPLOYEES

Section 1. ***CDC Chief Executive Officer (CEO):*** The CEO shall be a Corporation-compensated employee of the City and subject to all personnel rules, policies, and procedures of the City, as amended. The CEO shall be the chief executive officer of the Corporation responsible for all daily operations, budget management, and the implementation of these Bylaws and the CDC's policies and procedures and resolutions, to the extent permitted under applicable laws, rules, and regulations. The CEO may sign upon the approval of the Board, in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, to the extent permitted under applicable laws, rules, and regulations. The CEO shall attend all called Board meetings and perform those duties, responsibilities, and functions as the City Manager shall prescribe; provided, however, all duties, responsibilities, and functions of the CEO shall be in furtherance of and consistent with these Bylaws, the Articles of Incorporation, and applicable law, including, without limitation, the Act. For the avoidance of confusion, the duties, responsibilities, and functions of the CEO, as a City employee, shall be subject to the sole review, direction, and supervision of the City Manager. The City Manager, in his/her sole discretion, shall have the right to appoint, suspend, and/or remove the CEO, but only after reasonable advance notice to and consultation with the Board. The City Manager, in cooperation with the Board, shall conduct an annual review of the CEO and set reasonable goals and expectations.

Section 2. ***Other Employees:*** The CEO, only after obtaining prior, written authorization from the City Manager and reasonable advance notice to and consultation with the Board, may hire other Corporation-compensated employees of the City to assist with the daily operations of the Corporation; provided, however, said employee position(s) must be adequately budgeted by the Board and City Council as part of the Corporation's annual budget. The CEO is responsible for the day-to-day management, oversight, and annual review of said employees in accordance with the personnel rules, policies, and procedures of the City, as amended.

Section 3. ***Contracts for Service:*** Subject to any limitations imposed by applicable laws, rules, or regulations, the Corporation may contract with any qualified

and appropriate person, association, corporation, or governmental entity to perform and discharge designated tasks to aid or assist the CDC.

ARTICLE VI

OFFICERS

Section 1. ***Titles, Duties, and Term of Office***:

a. The officers of the Corporation shall include (i) a Chairperson; (ii) a Vice Chairperson; (iii) a Secretary; (iv) a Treasurer; and (v) 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 Vice Chairperson or Secretary. Terms of office shall be one (1) year, ending December 31, or upon the election of a replacement, with the right of an officer to be re-elected.

b. At its first meeting in February of each year, or as soon as practicable after CDC appointments occurring that calendar year are final and any new members are sworn in, the Directors shall elect one (1) Chairperson, one (1) Vice Chairperson, one (1) Treasurer, and one (1) Secretary from among its membership. The Vice Chairperson shall act in the absence or illness of the Chairperson or failure or refusal of the Chairperson to act consistent with state law.

c. All officers shall be elected by and be subject to removal from office at any time, by a vote of a majority of the entire Board.

d. A vacancy in the office of any officer shall be filled for the remaining term by a vote of a majority of the entire Board.

Section 2. ***Chairperson:*** The Chairperson shall be the presiding officer and serve the role of "President" of the Board. The Chairperson:

a. Shall preside at all Board meetings. The Chairperson may participate in the discussion of all matters coming before the CDC, unless otherwise provided under applicable laws, rules, or regulations.

b. Shall preserve order at all Board meetings, to enforce the rules of the CDC and City Council and to determine the order of business under the rules of the CDC.

c. Shall vote on all matters coming before the Board, unless otherwise provided under applicable laws, rules, or regulations.

d. Shall have the authority, upon notice to the members of the Board, to call a special meeting of the Board when in his or her judgment such a meeting is required.

e. Shall have the authority to appoint, with Board approval, standing committees to aid and assist the Board in its business undertakings or other matters incidental to the operation and functions of the Board.

f. Shall have the authority to appoint, with Board approval, ad hoc committees which may address issues of a temporary nature of concern or which have a temporary effect on the business of the Board.

g. Shall sign with the Secretary of the Board, or other designated person, any deed, mortgage, bonds, contracts, or other instruments which the Board has approved and, /or designate the CEO to sign said documents. Additionally, the Chair may delegate to some other officer or agent of the Corporation by appropriate Board resolution, by a specific provision of these Bylaws, or by statute.

h. May act as the CDC's ceremonial representative at public events and functions or delegate the CEO or other board member to do so. In the Chairperson's absence, the Vice Chairperson assumes this responsibility, unless said responsibility was previously delegated by the Chairperson. In both the Chairperson and Vice Chairperson's absence, the Chairperson will appoint another Board Member to assume the responsibility.

i. Subject to appeal to the full CDC, shall have the authority to prevent the misuse of motions, the abuse of any privilege, or the obstruction of the business of the CDC by ruling any such matter out of order. In so ruling, the Chairperson shall be courteous and fair and should presume that the moving party is acting in good faith.

Any Board Member may move to require enforcement of the rules, and the affirmative vote of a majority of the Board shall require the presiding officer to act. The Chairperson, with the concurrence of the Board and consistent with state law, may remove a person from the meeting for legal cause or disruption, as defined by state law.

j. Shall perform all duties incident to the office, and such other duties as shall be prescribed from time to time by the Board.

Section 3. ***Vice Chairperson:*** The Vice Chairperson shall act in the absence or illness of the Chairperson or failure or refusal of the Chairperson to act, consistent with state law. The Vice Chairperson shall have the powers of the Chairperson for the duration of the meeting, or until such time as the Chairperson appears at the meeting.

Section 4. ***Treasurer:*** The City's Finance Department shall have the responsibility for the disbursement, custody and security of all funds and securities of the Corporation in accordance with these Bylaws and statutes governing the Corporation formed under the Act. The Treasurer shall maintain the financial reports provided by the City's Finance Department. The Treasurer may delegate all or part of his or her duties and responsibilities as Treasurer to the City's Finance Department.

Section 5. ***Secretary:*** The Secretary may sign with the CEO upon the approval of the Board in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, documents and instruments, except the papers as the Board may direct, all of which shall at all reasonable time be open to public inspection upon application at the office of the Corporation during business hours, and shall in general perform all duties incident to the office of secretary including but not limited to signing Board minutes on behalf of the board subject to the control of the Board. The Secretary or designee shall submit a copy of all corporation minutes and actions to the City Secretary within a reasonable time after a meeting. The Secretary may delegate all or part of his or her duties and responsibilities as Secretary to the CDC staff.

Section 6. ***Election of Officers:*** The Chairperson, Vice Chairperson, Secretary, and Treasurer shall be elected from among the members of the Board annually.

Section 7. ***Compensation:*** Officers who are members of the Board shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties.

ARTICLE VII

FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 1. ***Community Development Plan:*** The Board shall research, develop, prepare, and submit on an annual basis to the Council for its approval, a community development plan for the City, which shall include proposed methods and the expected costs of implementation (the "*Community Development Plan*" herein). The Community Development Plan shall, without limitation (i) include both short-term and long-term goals for the community development of the City; and (ii) take into consideration general development plans and policies of the City Council.

Section 2. ***Annual Corporate Budget:*** On or before June 30th of each year, the Board shall adopt a proposed budget of expected revenues and proposed expenditures of the next ensuing fiscal year. The budget shall not be effective nor shall expenditures occur until the same has been approved by the Council.

Section 3. ***Books, Records, Audits:***

a. The Corporation shall keep independent financial records and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs.

Notwithstanding Article VII, Section 4, the Corporation may maintain any financial records solely at the City offices.

b. All remaining or surplus annual sales-tax revenues of the Corporation will be retained by the Corporation and placed in a fund balance account until such revenues can be programmed or used for eligible expenditures as under Texas law.

c. The books, records, accounts, and financial statements of the Corporation shall be audited at least once each fiscal year by an outside, independent auditing and accounting firm approved by the Board. Such audit shall be at the expense of the Corporation.

Section 4. ***Deposit and Investment of Corporate Funds***:

d. All proceeds from the issuance of bonds, notes, other debt instruments (the "*Debt Obligations*" herein) issued by the Corporation shall be deposited and invested as provided in the resolutions, orders, indentures, or other documents authorizing or relating to the issuance.

e. All other monies of the Corporation shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the City. The Board shall designate authorized signatures on all payment authorization and/or check requests of TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) or more. Any check request or other financial instrument for a proposed expenditure totaling less than TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) shall require only one signature of either the Chairperson, Treasurer, or CEO of the Corporation. The accounts reconciliation and investment of such funds and accounts may be reviewed by the Finance Department of the City, at the City's expense.

Section 5. ***Expenditures of Corporate Money:*** The monies of the Corporation, including, without limitation, sales and use taxes collected pursuant to the Act, monies derived from the repayment of loans, rents received from the lease or use of property, the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, and the proceeds derived from the sale of Debt Obligations, may be expended by the Corporation for any of the purposes authorized by the Act, subject to the following limitation:

a. Expenditures for the proceeds of Debt Obligations shall be identified and described in the orders, resolutions, indentures or other agreements submitted to and approved by the Board prior to the sale and delivery of the Debt Obligations to the purchasers thereof required by Article VII, Section 6 of these Bylaws.

b. All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by Article VII, Section 2, or as approved by the Board of Directors and when required by policy or Texas Law the City Council.

Section 6. ***Issuance of Obligations:*** No Debt Obligations, including refunding Debt Obligations, shall be sold and delivered by the Corporation unless the Board shall approve such Obligations by action taken no more than sixty (60) days prior to the date of sale of the Debt Obligations.

Section 7. ***Conflicts of Interest:*** A Board Member, officer of the Corporation, or member of the City Council may not lend money to or borrow money from the Corporation or otherwise transact business with the Corporation.

Section 8. ***Donations:*** The Board may accept on behalf of the Corporation any contribution, donation, bequest, or devise for the general purposes or for any special purposes of the Corporation.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 1. ***Fiscal Year:*** The fiscal year of the Corporation shall be the same as the fiscal year of the City.

Section 2. ***Biennial Review of CDC Procedures:*** The CDC will review and revise these Bylaws on an as-needed basis, which shall occur, at a minimum, once every two (2) years. Regular meeting agenda items will be set for discussion and deliberation of changes proposed by the City Council, CDC, and/or CDC staff, in either open session or executive session as appropriate for the specific matters at issue.

Section 3. ***Seal:*** The official seal of the Corporation shall be determined by the Board.

Section 4. ***Resignation:*** Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein; or, if no time is specified, at the time of its receipt by the Chairperson or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. ***Approval or Advice and Consent by the Council:*** To the extent that these Bylaws refer to any approval by the City or the Council or refer to advice and consent by the Council, such approval, or advice and consent shall be evidenced by a certified copy of a resolution, order, or motion duly adopted by the Council.

Section 6. ***Services of City Staff and Officers:*** The Corporation shall have the right to utilize the services of City staff and personnel for usual and routine matters, provided that the performance of such service does not materially interfere with the other duties of such personnel of the City. Subject to the approval of the City Manager or the City Council, the Corporation may utilize the services of City personnel for unusual and non-routine matters. The Corporation shall pay reasonable compensation to the City for such services or use of any City personnel.

Section 7. ***Indemnification of Directors, Officers and Employees***:

a. As provided in the Act, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.

b. The Corporation shall indemnify a person who was, is or has been threatened to be made a named defendant or respondent in a proceeding because the person is or was a Board Member, officer, employee, or agent, but only if the determination to indemnify is made in accordance with the provision of Tex. Bus. Org. Code Ann. Chapter 8, as amended.

c. The Corporation shall indemnify each and every member of the Board, its officers, its employees, its agents, and each member of the City Council and each employee of the City, to the fullest extent permitted by law and not otherwise covered by insurance, against

any and all actions or omissions that may arise out of the functions and activities of the Corporation.

d. The Corporation may purchase and maintain insurance on behalf of any Board Member, officer, employee or agent of the Corporation, or on behalf of any person serving at the request of the Corporation as a Board Member, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against that person and incurred by that person in any such capacity or arising out of any such status with regard to the Corporation, whether or not the Corporation has the power to indemnify that person against liability for any of those acts.

e. Any indemnification or liability insurance provided under this Section may be obtained through the City's general insurance coverage.

ARTICLE IX

EFFECTIVE DATE, AMENDMENTS

Section 1. ***Effective Date:*** These Bylaws shall become effective upon the occurrence of the following events:

a. The adoption and approval of these Bylaws by the Board; and

b. The approval of these Bylaws by the City Council.

Section 2. ***Amendments to Articles of Incorporation and Bylaws:*** The CDC's Articles of Incorporation and these Bylaws may be amended or repealed and an amended articles of incorporation and bylaws may be adopted by an affirmative vote of at least four (4) Board Members present at any regular meeting or at any special meeting. Any amendment of the Articles of Incorporation and Bylaws will be effective only upon approval by the City Council.

PRINCETON COMMUNITY
DEVELOPMENT CORPORATION
SECOND ~~FIRST~~ AMENDED
BYLAWS

Princeton Community Development Corporation
City of Princeton, Texas

PCDC Resolution No. PCDC-2025-04-01
City Council Resolution No. R02_____

SECOND~~FIRST~~ AMENDED BYLAWS OF THE PRINCETON COMMUNITY DEVELOPMENT CORPORATION

ARTICLE I

PURPOSE AND POWERS

Section 1. ***Purpose:*** The Princeton Community Development Corporation (the "*Corporation*" or "*CDC*" herein) is incorporated for the purposes set forth in its Articles of Incorporation, the same to be accomplished on behalf of the City of Princeton, Collin County, Texas, (the "*City*") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act, Chapters 501–505 of the Texas Local Government Code (the "*Act*"), as amended, and other applicable laws, rules, and regulations.

Section 2. ***Powers:*** In the fulfillment of its corporate purpose, the Corporation, as a Type B development corporation, shall be governed by Chapter 505 of the Act, and shall have all of the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law, subject to the limitations prescribed herein.

Section 3. ***Governing Documents:*** These Bylaws, and the CDC's ~~polices~~policies and procedures, code of ethics, and rules of order (collectively the "*Governing Documents*" and each individually a "*Governing Document*" herein) shall (i) be consistent with the Princeton Home Rule Charter (the "*Charter*" or "*HRC*"), Texas law, and the CDC's Articles of Incorporation; (ii) be approved by resolution of the City Council of Princeton, Texas (the "*City Council*" or "*Council*"), as specified by Section 501.064 of the Act and other applicable laws, rules, and regulations, as amended; and (iii) be in effect upon approval by resolution of the City Council and remain in effect until such time as amended, or suspended, or new rules are adopted in the manner provided by law.

Section 4. ***Bylaws:*** The contents of this document shall be referred to as the "*Bylaws*" of the Corporation or the "*CDC Bylaws*."

Section 5. ***Policies & Procedures:*** The CDC Board of Directors and City Council will approve and adopt written policies and procedures that define governance and ~~opertional~~ operational guidelines for the Corporation. These policies and procedures may from time to time be amended as deemed necessary by the CDC staff, Board of Directors, or City Council.

Section 6. ***Conflicts:*** In the event that there exists a conflict between the Governing Documents of the CDC and the terms of the CDC's Articles of

Incorporation, the Articles of Incorporation shall govern. In the event that there exists a conflict between the Governing Documents of the CDC and the terms of the Charter, the Charter shall govern. In the event that there exists a conflict between these Bylaws and any Governing Document of the CDC, these Bylaws shall govern.

ARTICLE II

OFFICES

Section 1. ***Principal Office:*** The principal office of the Corporation in the State of Texas shall be located in the City's corporate boundaries, which principal office will be used primarily for administrative and management services.

Section 2. ***Registered Office and Registered Agent:*** The Corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent, whose office is identical with such registered office, as

required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be identical with the principal office of the corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board, to the extent permitted under applicable laws, rules, and regulations.

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ARTICLE III

BOARD OF DIRECTORS

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

a. The property and affairs of the Corporation shall be ~~managed~~ governed and controlled by a Board of Directors (the "*Board*") and, subject to the restrictions imposed by law, the CDC's Articles of Incorporation, and these Bylaws, the Board shall exercise all of the powers of the Corporation.

b. The Board shall consist of seven (7) directors (each individually a "*Board Member*" or "*Director*"), each of whom, as well as each replacement, shall be appointed by the City Council. In accordance with HRC Section 9.03, appointees to the CDC may be either residents of the City, or the designated representatives of businesses located within the City's territorial limits and extraterritorial jurisdiction, to the extent permitted by state law.

c. Board Members may not hold any elective office of the State of Texas, or any political subdivision thereof, during their terms serving on the CDC.

d. Qualifications of and nominations and appointments to the Board shall be determined by (i) applicable laws, rules, and regulations; (ii) the Charter; and (iii) the bylaws of the City Council, as amended.

Section 2. ***Training:*** As of the Effective Date, all Board Members shall attend a training course on economic development (or similar course as required and/or authorized under state law) within one (1) year after the Effective Date or one (1) year after their appointment date, as the case dictates. The Board may grant a Board Member an extension under this subsection for good cause shown, subject to the requirements provided under Texas law.

Section 3. ***Meeting of Directors:*** The Board may hold their meetings at such place or places, but in any event within the City, as the Board may from time to time determine; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the Corporation, as specified in Article II of these Bylaws.

Section 4. ***Attendance Policy:*** If a Director is absent for two (2) consecutive meetings or misses a total of three (3) meetings over the course of a twelve-month (12-month) period, the Director's office is forfeited and the Director is deemed to have resigned effective immediately on the date of the most recent absence, unless a suitable number of absences are timely and formally excused by the Board and City Council.

Section 5. ***Compensation to Directors:*** Directors shall not receive a salary or any other compensation for their service as a Director. However, Directors may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties.

ARTICLE IV

CDC BOARD MEETINGS

Section 1. ***Texas Open Meetings Act:*** All meetings and deliberations of the Board shall be noticed, called, posted, convened, held, and conducted in strict accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as amended ("*TOMA*").

Section 2. ***Location of Regular Meetings:*** Regular meetings of the Board shall be held ~~on the 1st Tuesday of each month~~on a monthly basis at a time and location to be determined by the Chairman of the Board of Directors. The meetings are generally to be held in the City Council Chambers at the Princeton Municipal Center located at 2000 E. Princeton Drive unless otherwise directed by the Chairman or at least four (4) members of the Board of Directors, provided that all meetings of the Board must be held within the corporate boundaries of the City. Additionally, ~~and begin at 6:00 p.m.~~ tThe Board may discuss and authorize an alternate schedule and designate alternative dates for regular meetings to accommodate holiday schedules or other conflicts without formal modification of these Bylaws.

Section 3. ***Other Locations:*** The Board may, occasionally, to the extent permitted under applicable law, elect to meet at other locations or by teleconference and, upon such election, shall give public notice of the change of location in accordance with provisions of State law.

Section 4. ***Cancellation of Meetings:*** When the day for any regular meeting falls on a legal holiday, or may not be held due to a lack of a quorum, inclement weather or a matter beyond the Board's control, the regularly scheduled meeting for such day shall be deemed canceled unless otherwise specified by the CDC. Meetings canceled due to holidays, lack of a quorum, inclement weather or other matters beyond the Board's control may be rescheduled for another date, at the election of the Chairperson or at least four (4) Directors and posted in accordance with TOMA.

Section 5. ***Pre-CDC Meeting Workshops:*** Workshop meetings may be called by the City Secretary or CDC ~~Coordinator~~ staff upon written request from the Chairperson, the City Manager, CDC CEO, or any three (3) members of the Board upon written notice. The time, place, and purpose of such meetings shall be stated in each instance in accordance with law. Workshop meetings shall be to discuss in detail, or explore in depth, matters of particular interest to the CDC or City Council. The public ~~and staff~~ may not participate in the discussions at a workshop meeting unless invited to do so. No formal CDC action shall be taken at a workshop meeting.

Section 6. ***Special/Emergency Meetings:*** Special or Emergency meetings may be called by the City Secretary or CDC ~~Coordinator~~ staff upon written request from the Chairperson, the City Manager, CDC CEO, or any three (3) members of the Board. Notice of special or emergency meetings shall be given by the City Secretary or designee to each member of the Board, including, without limitation, the Chairperson, and also to both the CDC Attorney and the City Manager, providing notice by way of email, voice mail message, or notice left at residence. The time, place, and purpose of such meetings shall be stated in each instance in accordance with law. A special meeting, by definition, is not a regularly scheduled meeting, or a meeting to make-up for a regularly called meeting that was re- scheduled due to one of the conditions enumerated in Article IV, Section 4 above. The City Secretary shall give notice to each director for any emergency meeting in person or telephone, at least two (2) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a

special meeting. At any meeting at which every Director shall be present, even though without any individual notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon consistent with applicable law.

Section 7. ***Notice of Meetings:*** Notice of meetings and the agenda for all CDC meetings shall be posted by the City Secretary, CDC ~~Coordinator~~staff, or designee on the City's official bulletin board pursuant to the requirements of TOMA, as well as on the City and CDC websites.

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a. Whenever any notice is required to be given to the Board, said notice shall be deemed to be sufficient if given by (i) depositing the same in a post office box in a sealed postage paid wrapper addressed to the person entitled thereto at his or her post office address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing; or (ii) electronic mail. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objection to the transaction of any business on the grounds that the meeting is not lawfully called or convened. The business to be transacted and the purpose of any regular or special meeting of the Board needs to be specified in the notice or waiver of notice of such meeting. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 8. ***Quorum and Voting:*** A majority of the Directors shall constitute a quorum for conducting the official business of the Corporation. The act of a majority of the Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation, unless the act of a greater number is required by law. However, in no event shall any project or expenditure be approved upon the affirmative vote of less than four (4) Directors present at a meeting. A Director may not vote by proxy. Directors must be present in order to vote at any meeting.

Section 9. ***Super Majority Vote:*** In the event that a super majority vote is needed for approval or denial of an item by the Board, the requisite number of votes is outlined in this Section. When determining whether a supermajority threshold is met, in the absence of special rules, the number of votes cast shall be multiplied by a decimal approximating required fraction to determine the required number. With all votes necessarily cast in whole numbers, any decimals in the result must be rounded up. As illustrative examples:

For a seven-member voting body in full attendance (seven votes cast):

7 X 0.667 = 4.669 7 x 0.75 = 5.25

If 2/3 majority required = 5+ votes

If ¾ majority required = 6+ votes

If one voting member is absent, recused, or seat vacant:

6 x 0.667 = 4 6 x 0.75 = 4.5

If 2/3 majority required = 4+ votes

If ¾ majority required = 5+ votes

Section 10. ***Code of Conduct:*** The Conduct Guidelines are designed to describe the manner in which elected and appointed officials should treat one another, City staff, constituents, and others they come into contact with while representing the City.

a. Elected and appointed officials are individuals with a wide variety of backgrounds, personalities, values, opinions, and goals. Despite this diversity, all have chosen to serve in public office in order to preserve and protect the present and the future of the community. In all cases, this common goal should be acknowledged even though individuals may not agree on every issue.

b. *Honor the role of the Chairperson in maintaining Order*: It is the responsibility of the Chairperson to keep the comments of Board Members on track during public meetings. Board Members should honor efforts by the Chairperson to focus discussion on current agenda items. If there is disagreement about the agenda or the Chairperson's actions, those objections should be voiced politely and with reason, following procedures outlined in parliamentary procedure.

c. *Practice civility and decorum in discussions and debate:* Difficult questions, tough challenges to a particular point of view, and criticism of ideas and information are legitimate elements of debate by a free democracy in action. Free debate does not require nor justify, however, public officials to make belligerent, personal, impertinent, slanderous, threatening, abusive, or disparaging comments.

d. *Avoid personal comments that could offend other members:* If a Board Member is personally offended by the remarks of another Board Member, the offended Board Member should make notes of the actual words used and call for a "point of personal privilege" that challenges the other Board Member to justify or apologize for the language used. The Chairperson will maintain control of this discussion.

e. *Demonstrate effective problem-solving approaches:* Board Members have a public stage and have the responsibility to show how individuals with disparate points of view can find common ground and seek a compromise that benefits the community as a whole.

Section 11. ***Conduct of Business:***

a. At the Board meetings, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board or applicable law.

b. At all Board meetings, the Chairperson shall preside, and in the absence of the Chairperson, the Vice Chairperson shall exercise the powers of the Chairperson.

c. The Secretary of the Corporation 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.

ARTICLE V

AGENTS AND EMPLOYEES

Section 1. ***CDC Chief Executive Officer (CEO)***: The CEO shall be a Corporation-compensated employee of the City and subject to all personnel rules,

policies, and procedures of the City, as amended. The CEO shall be the chief executive officer of the Corporation responsible for all daily operations, budget management, and the implementation of these Bylaws and the CDC's policies and procedures and resolutions, to the extent permitted under applicable laws, rules, and regulations. The CEO may sign upon the approval of the Board, in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, to the extent permitted under applicable laws, rules, and regulations. The CEO shall attend all called Board meetings and perform those duties, responsibilities, and functions as the City Manager shall prescribe; provided, however, all duties, responsibilities, and functions of the CEO shall be in furtherance of and consistent with these Bylaws, the Articles of Incorporation, and applicable law, including, without limitation, the Act. For the avoidance of confusion, the duties, responsibilities, and functions of the CEO, as a City employee, shall be subject to the sole review, direction, and supervision of the City Manager. The City Manager, in his/her sole discretion, shall have the right to appoint, suspend, and/or remove the CEO, but only after reasonable advance notice to and consultation with the Board. The City Manager, in cooperation with the Board, shall conduct an annual review of the CEO and set reasonable goals and expectations.

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Section 2. ***Other Employees:*** The CEO, only after obtaining prior, written authorization from the City Manager and reasonable advance notice to and consultation with the Board, may hire other Corporation-compensated employees of the City to assist with the daily operations of the Corporation; provided, however, said employee position(s) must be adequately budgeted by the Board and City Council as part of the Corporation's annual budget. The CEO is responsible for the day-to-day management, oversight, and annual review of said employees in accordance with the personnel rules, policies, and procedures of the City, as amended.

Section 3. ***Contracts for Service:*** Subject to any limitations imposed by applicable laws, rules, or regulations, the Corporation may contract with any qualified and appropriate person, association, corporation, or governmental entity to perform and discharge designated tasks to aid or assist the CDC.

ARTICLE VI

OFFICERS

Section 1. ***Titles, Duties, and Term of Office***:

a. The officers of the Corporation shall include (i) a Chairperson; (ii) a Vice Chairperson; (iii) a Secretary; (iv) a Treasurer; and (v) 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 Vice Chairperson or Secretary. Terms of office shall be one (1) year, ending December 31, or upon the election of a replacement, with the right of an officer to be re-elected.

b. At its first meeting in February of each year, or as soon as practicable after CDC appointments occurring that calendar year are final and any new members are sworn in, the Directors shall elect one (1) Chairperson, ~~and~~ one (1) Vice Chairperson, one (1) Treasurer, and one (1) Secretary from among its membership. The Vice Chairperson shall act in the absence or illness of the Chairperson or failure or refusal of the Chairperson to act consistent with state law.

c. All officers shall be elected by and be subject to removal from office at any time, by a vote of a majority of the entire Board.

d. A vacancy in the office of any officer shall be filled for the remaining term by a vote of a majority of the entire Board.

Section 2. ***Chairperson:*** The Chairperson shall be the presiding officer and serve the role of "President" of the Board. The Chairperson:

a. Shall preside at all Board meetings. The Chairperson may participate in the discussion of all matters coming before the CDC, unless otherwise provided under applicable laws, rules, or regulations.

b. Shall preserve order at all Board meetings, to enforce the rules of the CDC and City Council and to determine the order of business under the rules of the CDC.

c. Shall vote on all matters coming before the Board, unless otherwise provided under applicable laws, rules, or regulations.

d. Shall have the authority, upon notice to the members of the Board, to call a special meeting of the Board when in his or her judgment such a meeting is required.

e. Shall have the authority to appoint, with Board approval, standing committees to aid and assist the Board in its business undertakings or other matters incidental to the operation and functions of the Board.

f. Shall have the authority to appoint, with Board approval, ad hoc committees which may address issues of a temporary nature of concern or which have a temporary effect on the business of the Board.

g. Shall sign with the Secretary of the Board, or other designated person, any deed, mortgage, bonds, contracts, or other instruments which the Board has approved and, ~~unless the execution of said document has been expressly~~/or designate the CEO to sign said documents. Additionally, the Chair may delegate~~d~~ to some other officer or agent of the Corporation by appropriate Board resolution, by a specific provision of these Bylaws, or by statute.

h. May ~~be delegated the responsibility to act~~act as the CDC's ceremonial representative at public events and functions or delegate the CEO or other board member to do so. In the Chairperson's absence, ~~and/or absence to said delegation,~~ the Vice Chairperson assumes this responsibility, unless said responsibility was previously

delegated by the Chairperson. In both the Chairperson and Vice Chairperson's absence, the Chairperson will appoint another Board Member to assume the responsibility.

i. Subject to appeal to the full CDC, shall have the authority to prevent the misuse of motions, the abuse of any privilege, or the obstruction of the business of the CDC by ruling any such matter out of order. In so ruling, the Chairperson shall be courteous and fair and should presume that the moving party is acting in good faith.

Any Board Member may move to require enforcement of the rules, and the affirmative vote of a majority of the Board shall require the presiding officer to act. The Chairperson, with the concurrence of the Board and consistent with state law, may remove a person from the meeting for legal cause or disruption, as defined by state law.

j. Shall perform all duties incident to the office, and such other duties as shall be prescribed from time to time by the Board.

Section 3. ***Vice Chairperson:*** The Vice Chairperson shall act in the absence or illness of the Chairperson or failure or refusal of the Chairperson to act, consistent with state law. The Vice Chairperson shall have the powers of the Chairperson for the duration of the meeting, or until such time as the Chairperson appears at the meeting.

Section 4. ***Treasurer:*** The City's Finance Department shall have the responsibility for the disbursement, custody and security of all funds and securities of the Corporation in accordance with these Bylaws and statutes governing the Corporation formed under the Act. The Treasurer shall maintain the financial reports provided by the City's Finance Department. The Treasurer may delegate all or part of his or her duties and responsibilities as Treasurer to the City's Finance Department.

Section 5. ***Secretary:*** The Secretary may sign with the CEO upon the approval of the Board in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, documents and instruments, except the papers as the Board may direct, all of which shall at all reasonable time be open to public inspection upon application at the office of the Corporation during business hours, and shall in general perform all duties incident to the office of secretary including but not limited to signing Board minutes on behalf of the board subject to the control of the Board. The Secretary or designee shall submit a copy of all corporation minutes and actions to the City Secretary within a reasonable time after a meeting. The Secretary may delegate all or part of his or her duties and responsibilities as Secretary to the CDC ~~Coordinator~~staff.

Section 6. ***Election of Officers:*** The Chairperson, Vice Chairperson, Secretary, and Treasurer shall be elected from among the members of the Board annually.

Section 7. ***Compensation:*** Officers who are members of the Board shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties.

ARTICLE VII

FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 1. ***Community Development Plan:*** The Board shall research, develop, prepare, and submit on an annual basis to the Council for its approval, a community development plan for the City, which shall include proposed methods and the expected costs of implementation (the "*Community Development Plan*" herein). The Community Development Plan shall, without limitation (i) include both short-term and long-term goals for the community development of the City; and (ii) take into consideration general development plans and policies of the City Council.

Section 2. ***Annual Corporate Budget:*** On or before June 30th of each year, the Board shall adopt a proposed budget of expected revenues and proposed expenditures of the next ensuing fiscal year. The budget shall not be effective nor shall expenditures occur until the same has been approved by the Council.

Section 3. ***Books, Records, Audits:***

a. The Corporation shall keep independent financial records and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs.

Notwithstanding Article VII, Section 4, the Corporation may maintain any financial records solely at the City offices.

b. All remaining or surplus annual sales-tax revenues of the Corporation will be retained by the Corporation and placed in a fund balance account until such revenues can be programmed or used for ~~elligible~~eligible expenditures as under Texas law.

c. The books, records, accounts, and financial statements of the Corporation shall be audited at least once each fiscal year by an outside, independent auditing and accounting firm approved by the Board. Such audit shall be at the expense of the Corporation.

Section 4. ***Deposit and Investment of Corporate Funds***:

d. All proceeds from the issuance of bonds, notes, other debt instruments (the "*Debt Obligations*" herein) issued by the Corporation shall be deposited and invested as provided in the resolutions, orders, indentures, or other documents authorizing or relating to the issuance.

e. All other monies of the Corporation shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the City. The Board shall designate authorized signatures on all payment authorization and/or check requests of TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) or more. Any check request or other financial instrument for a proposed expenditure totaling less than TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) shall require only one signature of either the Chairperson, ~~or T~~Treasurer, or CEO of the Corporation. The accounts reconciliation and investment of such funds and accounts may be reviewed by the Finance Department of the City, at the City's expense.

Section 5. ***Expenditures of Corporate Money***: The monies of the Corporation, including, without limitation, sales and use taxes collected pursuant to the Act, monies derived from the repayment of loans, rents received from the lease or use of property, the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, and the proceeds derived from the sale of Debt Obligations, may be expended by the Corporation for any of the purposes authorized by the Act, subject to the following limitation:

a. Expenditures for the proceeds of Debt Obligations shall be identified and described in the orders, resolutions, indentures or other agreements submitted to and approved by the Board prior to the sale and delivery of the Debt Obligations to the purchasers thereof required by Article VII, Section 6 of these Bylaws.

b. All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by Article VII, Section 2, or as approved by the Board of Directors and when required by policy or Texas Law the City Council.

Section 6. ***Issuance of Obligations***: No Debt Obligations, including refunding Debt Obligations, shall be sold and delivered by the Corporation unless the Board shall approve such Obligations by action taken no more than sixty (60) days prior to the date of sale of the Debt Obligations.

Section 7. ***Conflicts of Interest***: A Board Member, officer of the Corporation, or member of the City Council may not lend money to or borrow money from the Corporation or otherwise transact business with the Corporation.

Section 8. ***Donations***: The Board may accept on behalf of the Corporation any contribution, donation, bequest, or devise for the general purposes or for any special purposes of the Corporation.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 1. ***Fiscal Year***: The fiscal year of the Corporation shall be the same as the fiscal year of the City.

Section 2. ***Biennial Review of CDC Procedures:*** The CDC will review and revise these Bylaws on an as-needed basis, which shall occur, at a minimum, once every two (2) years. Regular meeting agenda items will be set for discussion and deliberation of changes proposed by the City Council, CDC, and/or CDC staff, in either open session or executive session as appropriate for the specific matters at issue.

Section 3. ***Seal***: The official seal of the Corporation shall be determined by the Board.

Section 4. ***Resignation:*** Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein; or, if no time is specified, at the time of its receipt by the Chairperson or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. ***Approval or Advice and Consent by the Council:*** To the extent that these Bylaws refer to any approval by the City or the Council or refer to advice and consent by the Council, such approval, or advice and consent shall be evidenced by a certified copy of a resolution, order, or motion duly adopted by the Council.

Section 6. ***Services of City Staff and Officers***: ~~The professional Staff of the CDC shall be the staff of the City of Princeton. Additionally, T~~The Corporation shall have the right to utilize the services of ~~other~~ City staff and personnel for usual and routine matters, provided that the performance of such service does not materially interfere with the other duties of such personnel of the City. Subject to the approval of the City Manager or the City Council, the Corporation may utilize the services of City personnel for unusual and non-routine matters. The Corporation shall pay reasonable compensation to the City for such services or use of any City personnel.

Section 7. ***Indemnification of Directors, Officers and Employees***:

a. As provided in the Act, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.

b. The Corporation shall indemnify a person who was, is or has been threatened to be made a named defendant or respondent in a proceeding because the person is or was a Board Member, officer, employee, or agent, but only if the determination to indemnify is made in accordance with the provision of Tex. Bus. Org. Code Ann. Chapter 8, as amended.

c. The Corporation shall indemnify each and every member of the Board, its officers, its employees, its agents, and each member of the City Council and each employee of the City, to the fullest extent permitted by law and not otherwise covered by insurance, against

any and all actions or omissions that may arise out of the functions and activities of the Corporation.

d. The Corporation may purchase and maintain insurance on behalf of any Board Member, officer, employee or agent of the Corporation, or on behalf of any person serving at the request of the Corporation as a Board Member, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against that person and incurred by that person in any such capacity or arising out of any such status with regard to the Corporation, whether or not the Corporation has the power to indemnify that person against liability for any of those acts.

e. Any indemnification or liability insurance provided under this Section may be obtained through the City's general insurance coverage.

ARTICLE IX

EFFECTIVE DATE, AMENDMENTS

Section 1. ***Effective Date:*** These Bylaws shall become effective upon the occurrence of the following events:

a. The adoption and approval of these Bylaws by the Board; and

b. The approval of these Bylaws by the City Council.

Section 2. ***Amendments to Articles of Incorporation and Bylaws:*** The CDC's Articles of Incorporation and these Bylaws may be amended or repealed and an amended articles of ~~incroporation~~incorporation and bylaws may be adopted by an affirmative vote of at least four (4) Board Members present at any regular meeting or at any special meeting. Any amendment of the Articles of ~~Incoproration~~Incorporation and Bylaws will be effective only upon approval by the City Council.

Official Memo

TO: Economic Development Corporation Board Members
FROM: David Hall, Alternate City Manager
DATE: October 20, 2026
SUBJECT: Bylaws of the EDC

Purpose:
Consideration of possible amendments to the Second Amended Bylaws of the EDC.

Background:
The bylaws of the EDC were last amended in April 2025. The Board has requested a review of the bylaws and may consider the need for possible amendments. The current bylaws, and a red-lined version of changes made from the First Amended bylaws to the current Second Amended bylaws in April 2025, are attached.

Substantive changes (various grammatical corrections are also red lined):

- Article IV Section 2. Location of Regular Meetings: language was amended to allow greater flexibility for the Board in scheduling meetings.
- Multiple Sections: staff titles were generalized to allow greater flexibility for future changes in staffing
- Article IV, Section 7. Notice of Meetings: Added language to allow notifications to be sent to the Board via email.
- Article VI, Section 1. Titles, Duties, and Term of Office: added the option to elect officers irregularly if needed and included the Treasurer and Secretary elections to the February annual elections.
- Article VI, Section 2. Chairperson: added language to allow the CEO to sign documents and act as the EDC's representative at public events or functions, as delegated by the Chairperson.
- Article VI, Section 5. Secretary: added language clarifying the Secretary may sign Board meeting minutes.
- Article VI, Section 6. Election of Officers: added language specifying officer elections are held annually.
- Article VII, Section 4. Deposit and Investment of Corporate Funds: Added language to allow the CEO to sign check requests or other financial instruments for expenses totaling less than $10,000.
- Article VII, Section 5. Expenditures of Corporate Money: added language to specify how expenditures shall be made.
- Article VIII, Section 6. Services of City Staff and Officers: clarifying language regarding the EDC's use of city staff.

Financial Impact:
N/A

Staff Recommendation:
N/A

Supporting Documentation:
Resolution No. 2025-04-14-R01 Second Amended Bylaws

Legal:
N/A

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS
COLLIN COUNTY
CITY OF PRINCETON, TEXAS

We, the undersigned officers of the City Council of the City of Princeton, Texas (the "*City Council*" or "*Council*"), hereby certify as follows:

1. The City Council convened in a regular meeting on the 14th day of April, 2025, at the regular designated meeting place (the "*Meeting*"), and the roll was called of the duly constituted officers and members of said City Council, to wit:

Eugene Escobar, Jr., Mayor	Terrance Johnson, Place 1
Cristina Todd, Place 2	Bryan Washington, Place 3
Ryan Gerfers, Place 4	Steve Deffibaugh, Place 5 and Mayor Pro-Tempore
Ben Long, Place 6	Carolyn David-Graves, Place 7

and all of said persons were present, except NA, thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting (the "*Resolution*"):

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PRINCETON, TEXAS, RATIFYING AND APPROVING THE PRINCETON ECONOMIC DEVELOPMENT CORPORATION'S SECOND AMENDED BYLAWS FOR ITS AFFAIRS; PROVIDING FOR REPEALING AND SEVERABILITY CLAUSES; PROVIDING FOR AN EFFECTIVE DATE; AND CONTAINING OTHER MATTERS RELATED THERETO.

The Resolution was duly introduced for the consideration of said City Council. It was then duly moved and seconded that the Resolution be passed; and, after due discussion, said motion, carrying with it the passage of the Resolution, prevailed and carried, with all members of said City Council shown present above voting "Aye," except as noted below:

NAYS: 0 ABSTENTIONS: 0

2. A true, full, and correct copy of the aforesaid Resolution passed at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; said Resolution has been duly recorded in said Council's minutes of said Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from said Council's minutes of said Meeting pertaining to the passage of said Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of said Council as indicated therein; that each of the officers and members of said Council was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid

Meeting, and that said Resolution would be introduced and considered for passage at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose; and that said Meeting was open to the public, and public notice of the time, place, and purpose of said Meeting was given all as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

3. The Mayor of the City of Princeton, Texas, hereby approves the Resolution; and the Mayor and the City Secretary of the City of Princeton, Texas, hereby declare that their signing of this Certificate shall constitute the signing of the attached and following copy of said Resolution for all purposes.

ADOPTED AND APPROVED on this the 14th day of April, 2025.

CITY OF PRINCETON, TEXAS

Eugene Escobar, Jr., Mayor
City of Princeton, Texas

ATTEST

Amber Anderson, City Secretary
City of Princeton, Texas

[CITY SEAL]

CITY OF PRINCETON, TEXAS

RESOLUTION NO. 2025-04-14-R01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PRINCETON, TEXAS, RATIFYING AND APPROVING THE PRINCETON ECONOMIC DEVELOPMENT CORPORATION'S SECOND AMENDED BYLAWS FOR ITS AFFAIRS; PROVIDING FOR REPEALING AND SEVERABILITY CLAUSES; PROVIDING FOR AN EFFECTIVE DATE; AND CONTAINING OTHER MATTERS RELATED THERETO.

WHEREAS, the City of Princeton, Texas (the "*City*"), has previously established the Princeton Economic Development Corporation ("*PEDC*") as a Type A development corporation under the Development Corporation Act, Chapters 501–505 of the Texas Local Government Code (the "*Act*");

WHEREAS, pursuant to Section 501.064 of the Act, the bylaws of the PEDC and each amendment thereto must be approved by resolution of the (i) PEDC's Board of Directors (the "*Board*"); and (ii) City's governing body—the City Council of the City of Princeton, Texas (the "*City Council*");

WHEREAS, on April 7, 2025, the Board, via Resolution No. EDC-2025-04-07, approved and adopted amended bylaws for its affairs (the "*Second Amended Bylaws*" herein), which Second Amended Bylaws are attached hereto as **Exhibit A** and incorporated herein for all intents and purposes;

WHEREAS, the Second Amended Bylaws are hereby found and determined to be consistent with the PEDC's Articles of Incorporation, the City's Home Rule Charter, and the Act;

WHEREAS, the City Council hereby ratifies and approves the Second Amended Bylaws and, upon the Effective Date of this Resolution, the Second Amended Bylaws shall govern the administration and regulation of the PEDC's affairs;

WHEREAS, upon the Effective Date of this Resolution, any and all ordinances, resolutions, or lesser enactments or motions of the City Council in conflict with the provisions of the Second Amended Bylaws or this Resolution are hereby replaced and repealed to the extent of that conflict; and

WHEREAS, the City Council declares it in the best interests of the health, safety, and welfare of the public to adopt this Resolution.

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

Section 1. Findings. The above findings are hereby found to be true and correct and adopted as findings of fact, incorporated herein, and operative provisions hereof.

Section 2. Ratification and Approval of PEDC's Second Amended Bylaws. The City Council hereby ratifies and approves the Second Amended Bylaws, which Second Amended Bylaws are attached hereto as **Exhibit A** and incorporated herein for all intents and purposes. Upon the Effective Date of this Resolution, the Second Amended Bylaws shall govern the administration and regulation of the PEDC's affairs.

Section 3. Repeal of Conflicting Resolutions. This Resolution shall be and is hereby declared to be cumulative of all other ordinances, resolutions, or lesser enactments or motions of the City of Princeton, Texas, and this Resolution shall not operate to repeal or affect any of such other resolutions or ordinances, except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Resolution, in which event such conflicting provisions, if any, in such other resolution or ordinance are hereby repealed.

Section 4. Severability. Should any section, provision, or part of this Resolution be held unconstitutional, illegal, or invalid, or the application to any person or circumstance thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section, provision, or part shall in no way affect, impair, or invalidate the remaining portion or portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this Resolution are declared to be severable.

Section 5. Prerequisites Satisfied. All prerequisites for the adoption of this Resolution have been duly satisfied, conducted, and completed, including, without limitation, all public notices, procedures, and publications as required by law, including, without limitation, the Open Meetings Act, Chapter 551 of the Texas Government Code.

Section 6. Effective Date. This Resolution shall be in full force and take effect immediately upon passage (the "*Effective Date*").

AND SO IT IS RESOLVED.

EXHIBIT A

PRINCETON ECONOMIC DEVELOPMENT CORPORATION SECOND AMENDED BYLAWS

Princeton Economic Development Corporation
City of Princeton, Texas

PEDC Resolution No. EDC-2025-04-07
City Council Resolution No. 2025-04-14-R01

SECOND AMENDED BYLAWS OF THE
PRINCETON ECONOMIC DEVELOPMENT CORPORATION

ARTICLE I

PURPOSE AND POWERS

Section 1. ***Purpose:*** The Princeton Economic Development Corporation (the "*Corporation*" or "*EDC*" herein) is incorporated for the purposes set forth in its Articles of Incorporation, the same to be accomplished on behalf of the City of Princeton, Collin County, Texas, (the "*City*") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act, Chapters 501–505 of the Texas Local Government Code (the "*Act*"), as amended, and other applicable laws, rules, and regulations.

Section 2. ***Powers:*** In the fulfillment of its corporate purpose, the Corporation, as a Type A development corporation, shall be governed by Chapter 504 of the Act, and shall have all of the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law, subject to the limitations prescribed herein.

Section 3. ***Governing Documents:*** These Bylaws, and the EDC's policies and procedures, code of ethics, and rules of order (collectively the "*Governing Documents*" and each individually a "*Governing Document*" herein) shall (i) be consistent with the Princeton Home Rule Charter (the "*Charter*" or "*HRC*"), Texas law, and the EDC's Articles of Incorporation; (ii) be approved by resolution of the City Council of Princeton, Texas (the "*City Council*" or "*Council*"), as specified by Section 501.064 of the Act and other applicable laws, rules, and regulations, as amended; and (iii) be in effect upon approval by resolution of the City Council and remain in effect until such time as amended, or suspended, or new rules are adopted in the manner provided by law.

Section 4. ***Bylaws:*** The contents of this document shall be referred to as the "*Bylaws*" of the Corporation or the "*EDC Bylaws*."

Section 5. ***Policies & Procedures:*** The Board and City Council will approve and adopt written policies and procedures that define governance and operational guidelines for the Corporation. These policies and procedures may from time to time be amended as deemed necessary by the EDC staff, Board, or City Council.

Section 6. ***Conflicts:*** In the event that there exists a conflict between the Governing Documents of the EDC and the terms of the EDC's Articles of Incorporation, the Articles of Incorporation shall govern. In the event that there exists a conflict between the Governing Documents of the EDC and the terms of the Charter, the Charter shall govern. In the event that there exists a conflict between these Bylaws and any other Governing Document of the EDC, these Bylaws shall govern.

ARTICLE II

OFFICES

Section 1. ***Principal Office:*** The principal office of the Corporation in the State of Texas shall be located in the City's corporate boundaries, which principal office will be used primarily for administrative and management services.

Section 2. ***Registered Office and Registered Agent:*** The Corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent, whose office is identical with such registered office, as

required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be identical with the principal office of the corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board, to the extent permitted under applicable laws, rules, and regulations.

ARTICLE III

BOARD OF DIRECTORS

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

a. The property and affairs of the Corporation shall be governed and controlled by a Board of Directors (the "*Board*" herein) and, subject to the restrictions imposed by law, the EDC's Articles of Incorporation, and these Bylaws, the Board shall exercise all of the powers of the Corporation.

b. The Board shall consist of at least seven (7) directors (each individually a "*Board Member*" or "*Director*"), each of whom, as well as each replacement, shall be appointed by the City Council. In accordance with HRC Section 9.03, appointees to the EDC may be either residents of the City, or the designated representatives of businesses located within the City's territorial limits and extraterritorial jurisdiction, to the extent permitted by state law.

c. Board Members may not hold any elective office of the State of Texas, or any political subdivision thereof, during their terms serving on the EDC.

d. Qualifications of and nominations and appointments to the Board shall be determined by (i) applicable laws, rules, and regulations; (ii) the Charter; and (iii) the bylaws of the City Council, as amended.

Section 2. ***Training:*** As of the Effective Date, all Board Members shall attend a training course on economic development within one (1) year after the Effective Date or one (1) year after their appointment date, as the case dictates. The Board may grant a Board Member an extension under this subsection for good cause shown, subject to the requirements provided under Texas law.

Section 3. ***Meeting of Directors:*** The Board may hold their meetings at such place or places, but in any event within the City, as the Board may from time to time determine; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the Corporation, as specified in Article II of these Bylaws.

Section 4. ***Attendance Policy:*** If a Director is absent for two (2) consecutive meetings or misses a total of three (3) meetings over the course of a twelve-month (12-month) period, the Director's office is forfeited and the Director is deemed to have resigned effective immediately on the date of the most recent absence, unless a suitable number of absences are timely and formally excused by the Board and City Council.

Section 5. ***Compensation to Directors:*** Directors shall not receive a salary or any other compensation for their service as a Director. However, Directors may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties.

ARTICLE IV

EDC BOARD MEETINGS

Section 1. ***Texas Open Meetings Act:*** All meetings and deliberations of the Board shall be noticed, called, posted, convened, held, and conducted in strict accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as amended ("*TOMA*").

Section 2. ***Location of Regular Meetings:*** Regular meetings of the Board shall be held on a monthly basis at a time and location to be determined by the Chairman of the Board of Directors. The meetings are generally to be held in the City Council Chambers at the Princeton Municipal Center located at 2000 E. Princeton Drive unless otherwise directed by the Chairman or at least four (4) members of the Board of Directors, provided that all meetings of the Board must be held within the corporate boundaries of the City. Additionally, the Board may discuss and authorize an alternate schedule and designate alternative dates for regular meetings to accommodate holiday schedules or other conflicts without formal modification of these Bylaws.

Section 3. ***Other Locations:*** The Board may, occasionally, to the extent permitted under applicable law, elect to meet at other locations or by teleconference and, upon such election, shall give public notice of the change of location in accordance with provisions of State law.

Section 4. ***Cancellation of Meetings:*** When the day for any regular meeting falls on a legal holiday, or may not be held due to a lack of a quorum, inclement weather or a matter beyond the Board's control, the regularly scheduled meeting for such day shall be deemed canceled unless otherwise specified by the EDC. Meetings canceled due to holidays, lack of a quorum, inclement weather or other matters beyond the Board's control may be rescheduled for another date, at the election of the Chairperson or at least four (4) Directors and posted in accordance with TOMA.

Section 5. ***Pre-EDC Meeting Workshops:*** Workshop meetings may be called by the City Secretary or EDC staff upon written request from the Chairperson, the City Manager, EDC CEO or any three (3) members of the Board upon written notice. The time, place, and purpose of such meetings shall be stated in each instance in accordance with law. Workshop meetings shall be to discuss in detail, or explore in depth, matters of particular interest to the EDC or City Council. The public may not participate in the discussions at a workshop meeting unless invited to do so. No formal EDC action shall be taken at a workshop meeting.

Section 6. ***Special/Emergency Meetings:*** Special or emergency meetings may be called by the City Secretary or EDC staff upon written request from the Chairperson, the City Manager, EDC CEO, or any three (3) members of the Board. Notice of special or emergency meetings shall be given by the City Secretary or designee to each member of the Board, including, without limitation, the Chairperson, and also to both the EDC Attorney and the City Manager, providing notice by way of email, voice mail message, or notice left at residence. The time, place, and purpose of such meetings shall be stated in each instance in accordance with law. A special meeting, by definition, is not a regularly scheduled meeting, or a meeting to make-up for a regularly called meeting that was re- scheduled due to one of the conditions enumerated in Article IV, Section 4 above. The City Secretary shall give notice to each Director for any emergency meeting in person or telephone, at least two (2) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a special

meeting. At any meeting at which every Director shall be present, even though without any individual notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon consistent with applicable law.

Section 7. ***Notice of Meetings:*** Notice of meetings and the agenda for all EDC meetings shall be posted by the City Secretary, EDC staff, or designee on the City's official bulletin board pursuant to the requirements of TOMA, as well as on the City and EDC websites.

a. Whenever any notice is required to be given to the Board, said notice shall be deemed to be sufficient if given by (i) depositing the same in a post office box in a sealed postage paid wrapper addressed to the person entitled thereto at his or her post office address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing; or (ii) electronic mail. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objection to the transaction of any business on the grounds that the meeting is not lawfully called or convened. The business to be transacted and the purpose of any regular or special meeting of the Board needs to be specified in the notice or waiver of notice of such meeting. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 8. ***Quorum and Voting:*** A majority of the Directors shall constitute a quorum for conducting the official business of the Corporation. The act of a majority of the Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation, unless the act of a greater number is required by law. However, in no event shall any project or expenditure be approved upon the affirmative vote of less than four (4) Directors present at a meeting. A Director may not vote by proxy. Directors must be present in order to vote at any meeting.

Section 9. ***Super Majority Vote:*** In the event that a super majority vote is needed for approval or denial of an item by the Board, the requisite number of votes is outlined in this Section. When determining whether a supermajority threshold is met, in the absence of special rules, the number of votes cast shall be multiplied by a decimal approximating required fraction to determine the required number. With all votes necessarily cast in whole numbers, any decimals in the result must be rounded up. As illustrative examples:

<u>For a seven-member voting body in full attendance (seven votes cast):</u>

7 X 0.667 = 4.669	7 x 0.75 = 5.25
If 2/3 majority required =	5+ votes
If ¾ majority required =	6+ votes

<u>If one voting member is absent, recused, or seat vacant:</u>

6 x 0.667 = 4	6 x 0.75 = 4.5
If 2/3 majority required =	4+ votes
If ¾ majority required =	5+ votes

Section 10. ***Code of Conduct***: The Conduct Guidelines are designed to describe the manner in which elected and appointed officials should treat one another, City staff, constituents, and others they come into contact with while representing the City.

a. Elected and appointed officials are individuals with a wide variety of backgrounds, personalities, values, opinions, and goals. Despite this diversity, all have chosen to serve in public office in order to preserve and protect the present and the future of the community. In all cases, this common goal should be acknowledged even though individuals may not agree on every issue.

b. *Honor the role of the Chairperson in maintaining Order:* It is the responsibility of the Chairperson to keep the comments of Board Members on track during public meetings. Board Members should honor efforts by the Chairperson to focus discussion on current agenda items. If there is disagreement about the agenda or the Chairperson's actions, those objections should be voiced politely and with reason, following procedures outlined in parliamentary procedure.

c. *Practice civility and decorum in discussions and debate:* Difficult questions, tough challenges to a particular point of view, and criticism of ideas and information are legitimate elements of debate by a free democracy in action. Free debate does not require nor justify, however, public officials to make belligerent, personal, impertinent, slanderous, threatening, abusive, or disparaging comments.

d. *Avoid personal comments that could offend other members:* If a Board Member is personally offended by the remarks of another Board Member, the offended Board Member should make notes of the actual words used and call for a "point of personal privilege" that challenges the other Board Member to justify or apologize for the language used. The Chairperson will maintain control of this discussion.

e. *Demonstrate effective problem-solving approaches:* Board Members have a public stage and have the responsibility to show how individuals with disparate points of view can find common ground and seek a compromise that benefits the community as a whole.

Section 11. ***Conduct of Business:***

a. At the Board meetings, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board or applicable law.

b. At all Board meetings, the Chairperson shall preside, and in the absence of the Chairperson, the Vice Chairperson shall exercise the powers of the Chairperson.

c. The Secretary of the Corporation 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.

ARTICLE V

AGENTS AND EMPLOYEES

Section 1. ***EDC Chief Executive Officer (CEO):*** The CEO shall be a Corporation-compensated employee of the City and subject to all personnel rules, policies, and procedures of the City, as amended. The CEO shall be the chief executive officer of the Corporation responsible for all daily operations, budget management, and the implementation of these Bylaws and the EDC's policies and procedures and resolutions, to the extent permitted under applicable laws, rules, and regulations. The CEO may sign upon the approval of the Board, in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, to the extent permitted under applicable laws, rules, and regulations. The CEO shall attend all called Board meetings and perform those duties, responsibilities, and functions as the City Manager shall prescribe; provided, however, all duties, responsibilities, and functions of the CEO shall be in furtherance of and consistent with these Bylaws, the Articles of Incorporation, and applicable law, including, without limitation, the Act. For the avoidance of confusion, the duties, responsibilities, and functions of the CEO, as a City employee, shall be subject to the sole review, direction, and supervision of the City Manager. The City Manager, in his/her sole discretion, shall have the right to appoint, suspend, and/or remove the CEO, but only after reasonable advance notice to and consultation with the Board. The City Manager, in cooperation with the Board, shall conduct an annual review of the CEO and set reasonable goals and expectations.

Section 2. ***Other Employees:*** The CEO, only after obtaining prior, written authorization from the City Manager and reasonable advance notice to and consultation with the Board, may hire other Corporation-compensated employees of the City to assist with the daily operations of the Corporation; provided, however, said employee position(s) must be adequately budgeted by the Board and City Council as part of the Corporation's annual budget. The CEO is responsible for the day-to-day management, oversight, and annual review of said employees in accordance with the personnel rules, policies, and procedures of the City, as amended.

Section 3. ***Contracts for Service:*** Subject to any limitations imposed by applicable laws, rules, or regulations, the Corporation may contract with any qualified and appropriate person, association, corporation, or governmental entity to perform and discharge designated tasks to aid or assist the EDC.

ARTICLE VI

OFFICERS

Section 1. ***Titles, Duties, and Term of Office***:

a. The officers of the Corporation shall include (i) a Chairperson; (ii) a Vice Chairperson; (iii) a Secretary; (iv) a Treasurer; and (v) 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 Vice Chairperson or Secretary. Terms of office shall be one (1) year, ending December 31 or upon the election of a replacement, with the right of an officer to be re-elected.

b. At its first meeting in February of each year, or as soon as practicable after EDC appointments occurring that calendar year are final and any new members are sworn in, the Directors shall elect one (1)

Chairperson, one (1) Vice Chairperson, one (1) Treasurer, and one (1) Secretary from among its membership. The Vice Chairperson shall act in the absence or illness of the Chairperson or failure or refusal of the Chairperson to act consistent with state law.

c. All officers shall be elected by and be subject to removal from office at any time, by a vote of a majority of the entire Board.

d. A vacancy in the office of any officer shall be filled for the remaining term by a vote of a majority of the entire Board.

Section 2. ***Chairperson:*** The Chairperson shall be the presiding officer and serve the role of "President" of the Board. The Chairperson:

a. Shall preside at all Board meetings. The Chairperson may participate in the discussion of all matters coming before the EDC, unless otherwise provided under applicable laws, rules, or regulations.

b. Shall preserve order at all Board meetings, to enforce the rules of the EDC and City Council and to determine the order of business under the rules of the EDC.

c. Shall vote on all matters coming before the Board, unless otherwise provided under applicable laws, rules, or regulations.

d. Shall have the authority, upon notice to the members of the Board, to call a special meeting of the Board when in his or her judgment such a meeting is required.

e. Shall have the authority to appoint, with Board approval, standing committees to aid and assist the Board in its business undertakings or other matters incidental to the operation and functions of the Board.

f. Shall have the authority to appoint, with Board approval, ad hoc committees which may address issues of a temporary nature of concern or which have a temporary effect on the business of the Board.

g. Shall sign with the Secretary of the Board, or other designated person, any deed, mortgage, bonds, contracts, or other instruments which the Board has approved and / or designate the CEO to sign said documents. Additionally, the Chair may delegate to some other officer or agent of the Corporation by appropriate Board resolution, by a specific provision of these Bylaws, or by statute.

h. May act as the EDC's ceremonial representative at public events and functions or delegate the CEO or other board member to do so. In the Chairperson's absence, the Vice Chairperson assumes this responsibility, unless said responsibility was previously delegated by the Chairperson. In both the Chairperson and Vice Chairperson's absence, the Chairperson will appoint another Board Member to assume the responsibility.

i. Subject to appeal to the full EDC, shall have the authority to prevent the misuse of motions, the abuse of any privilege, or the obstruction of the business of the EDC by ruling any such matter out of order. In so ruling, the Chairperson shall be courteous and fair and should presume that the moving party is acting in good faith.

Any Board Member may move to require enforcement of the rules,

and the affirmative vote of a majority of the Board shall require the presiding officer to act. The Chairperson, with the concurrence of the Board and consistent with state law, may remove a person from the meeting for legal cause or disruption, as defined by state law.

j. Shall perform all duties incident to the office, and such other duties as shall be prescribed from time to time by the Board.

Section 3. ***Vice Chairperson:*** The Vice Chairperson shall act in the absence or illness of the Chairperson or failure or refusal of the Chairperson to act, consistent with state law. The Vice Chairperson shall have the powers of the Chairperson for the duration of the meeting, or until such time as the Chairperson appears at the meeting.

Section 4. ***Treasurer:*** The City's Finance Department shall have the responsibility for the disbursement, custody and security of all funds and securities of the Corporation in accordance with these Bylaws and statutes governing the Corporation formed under the Act. The Treasurer shall maintain the financial reports provided by the City's Finance Department. The Treasurer may delegate all or part of his or her duties and responsibilities as Treasurer to the City's Finance Department.

Section 5. ***Secretary:*** The Secretary may sign with the CEO upon the approval of the Board in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, documents and instruments, except the papers as the Board may direct, all of which shall at all reasonable time be open to public inspection upon application at the office of the Corporation during business hours, and shall in general perform all duties incident to the office of secretary including but not limited to signing Board minutes on behalf of the board subject to the control of the Board. The Secretary or designee shall submit a copy of all corporation minutes and actions to the City Secretary within a reasonable time after a meeting. The Secretary may delegate all or part of his or her duties and responsibilities as Secretary to the EDC staff.

Section 6. ***Election of Officers:*** The Chairperson, Vice Chairperson, Secretary, and Treasurer shall be elected from among the members of the Board annually.

Section 7. ***Compensation:*** Officers who are members of the Board shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties.

ARTICLE VII

FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 1. ***Economic Development Plan:*** The Board shall research, develop, prepare, and submit on an annual basis to the Council for its approval, an economic development plan for the City, which shall include proposed methods and the expected costs of implementation (the "*Economic Development Plan*" herein). The Economic Development Plan shall, without limitation (i) include both short-term and long-term goals for the economic development of the City; and (ii) take into consideration general development plans and policies of the City Council.

Section 2. ***Annual Corporate Budget:*** On or before June 30th of each year, the Board shall adopt a proposed budget of expected revenues and proposed expenditures of the next ensuing fiscal year. The budget shall not be effective nor shall expenditures occur until the same has been approved by

the Council.

Section 3. ***Books, Records, Audits:***

a. The Corporation shall keep independent financial records and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs. Notwithstanding Article VII, Section 4, the Corporation may maintain any financial records solely at the City offices.

b. All remaining or surplus annual sales-tax revenues of the Corporation will be retained by the Corporation and placed in a fund balance account until such revenues can be programmed or used for eligible expenditures as under Texas law.

c. The books, records, accounts, and financial statements of the Corporation shall be audited at least once each fiscal year by an outside, independent auditing and accounting firm approved by the Board. Such audit shall be at the expense of the Corporation.

Section 4. ***Deposit and Investment of Corporate Funds***:

d. All proceeds from the issuance of bonds, notes, other debt instruments (the "*Debt Obligations*" herein) issued by the Corporation shall be deposited and invested as provided in the resolutions, orders, indentures, or other documents authorizing or relating to the issuance.

e. All other monies of the Corporation shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the City. The Board shall designate authorized signatures on all payment authorization and/or check requests of TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) or more. Any check request or other financial instrument for a proposed expenditure totaling less than TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) shall require only one signature of either the Chairperson, Treasurer, or CEO of the Corporation. The accounts reconciliation and investment of such funds and accounts may be reviewed by the Finance Department of the City, at the City's expense.

Section 5. ***Expenditures of Corporate Money:*** The monies of the Corporation, including, without limitation, sales and use taxes collected pursuant to the Act, monies derived from the repayment of loans, rents received from the lease or use of property, the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, and the proceeds derived from the sale of Debt Obligations, may be expended by the Corporation for any of the purposes authorized by the Act, subject to the following limitation:

a. Expenditures for the proceeds of Debt Obligations shall be identified and described in the orders, resolutions, indentures or other agreements submitted to and approved by the Board prior to the sale and delivery of the Debt Obligations to the purchasers thereof required by Article VII, Section 6 of these Bylaws.

b. All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by Article VII, Section 2, or as approved by the Board of Directors and when required by policy or Texas Law the City Council.

Section 6. ***Issuance of Obligations:*** No Debt Obligations, including refunding Debt Obligations, shall be sold and delivered by the Corporation unless the Board shall approve such Obligations by action taken no more than sixty (60) days prior to the date of sale of the Debt Obligations.

Section 7. ***Conflicts of Interest:*** A Board Member, officer of the Corporation, or member of the City Council may not lend money to or borrow money from the Corporation or otherwise transact business with the Corporation.

Section 8. ***Donations:*** The Board may accept on behalf of the Corporation any contribution, donation, bequest, or devise for the general purposes or for any special purposes of the Corporation.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 1. ***Fiscal Year:*** The fiscal year of the Corporation shall be the same as the fiscal year of the City.

Section 2. ***Biennial Review of EDC Procedures:*** The EDC will review and revise these Bylaws on an as-needed basis, which shall occur, at a minimum, once every two (2) years. Regular meeting agenda items will be set for discussion and deliberation of changes proposed by the City Council, EDC, and/or EDC staff, in either open session or executive session as appropriate for the specific matters at issue.

Section 3. ***Seal:*** The official seal of the Corporation shall be determined by the Board.

Section 4. ***Resignation:*** Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein; or, if no time is specified, at the time of its receipt by the Chairperson or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. ***Approval or Advice and Consent by the Council:*** To the extent that these Bylaws refer to any approval by the City or the Council or refer to advice and consent by the Council, such approval, or advice and consent shall be evidenced by a certified copy of a resolution, order, or motion duly adopted by the Council.

Section 6. ***Services of City Staff and Officers:*** The Corporation shall have the right to utilize the services of City staff and personnel for usual and routine matters, provided that the performance of such service does not materially interfere with the other duties of such personnel of the City. Subject to the approval of the City Manager or the City Council, the Corporation may utilize the services of City personnel for unusual and non-routine matters. The Corporation shall pay reasonable compensation to the City for such services or use of any City personnel.

Section 7. ***Indemnification of Directors, Officers and Employees***:

a. As provided in the Act, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.

b. The Corporation shall indemnify a person who was, is or has been threatened to be made a named defendant or respondent in a proceeding because the person is or was a Board Member, officer, employee, or agent, but only if the determination to indemnify is made in accordance with the provision of Tex. Bus. Org. Code Ann.

Chapter 8, as amended.

c. The Corporation shall indemnify each and every member of the Board, its officers, its employees, its agents, and each member of the City Council and each employee of the City, to the fullest extent permitted by law and not otherwise covered by insurance, against any and all actions or omissions that may arise out of the functions and activities of the Corporation.

d. The Corporation may purchase and maintain insurance on behalf of any Board Member, officer, employee or agent of the Corporation, or on behalf of any person serving at the request of the Corporation as a Board Member, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against that person and incurred by that person in any such capacity or arising out of any such status with regard to the Corporation, whether or not the Corporation has the power to indemnify that person against liability for any of those acts.

e. Any indemnification or liability insurance provided under this Section may be obtained through the City's general insurance coverage.

ARTICLE IX

EFFECTIVE DATE, AMENDMENTS

Section 1. ***Effective Date:*** These Bylaws shall become effective upon the occurrence of the following events:

a. The adoption and approval of these Bylaws by the Board; and

b. The approval of these Bylaws by the City Council.

Section 2. ***Amendments to Articles of Incorporation and Bylaws:*** The EDC's Articles of Incorporation and these Bylaws may be amended or repealed and an amended articles of incorporation and bylaws may be adopted by an affirmative vote of at least four (4) Board Members present at any regular meeting or at any special meeting. Any amendment of the Articles of Incorporation and Bylaws will be effective only upon approval by the City Council.

PRINCETON ECONOMIC
DEVELOPMENT CORPORATION
SECOND~~FIRST~~ AMENDED
BYLAWS

Princeton Economic Development Corporation
City of Princeton, Texas

PEDC Resolution No. EDC-2025-04-07
City Council Resolution No. R01_____

SECONDFIRST AMENDED BYLAWS OF THE PRINCETON ECONOMIC DEVELOPMENT CORPORATION

ARTICLE I

PURPOSE AND POWERS

Section 1. ***Purpose:*** The Princeton Economic Development Corporation (the "*Corporation*" or "*EDC*" herein) is incorporated for the purposes set forth in its Articles of Incorporation, the same to be accomplished on behalf of the City of Princeton, Collin County, Texas, (the "*City*") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act, Chapters 501–505 of the Texas Local Government Code (the "*Act*"), as amended, and other applicable laws, rules, and regulations.

Section 2. ***Powers:*** In the fulfillment of its corporate purpose, the Corporation, as a Type A development corporation, shall be governed by Chapter 504 of the Act, and shall have all of the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law, subject to the limitations prescribed herein.

Section 3. ***Governing Documents:*** These Bylaws, and the EDC's ~~polices~~policies and procedures, code of ethics, and rules of order (collectively the "*Governing Documents*" and each individually a "*Governing Document*" herein) shall (i) be consistent with the Princeton Home Rule Charter (the "*Charter*" or "*HRC*"), Texas law, and the EDC's Articles of Incorporation; (ii) be approved by resolution of the City Council of Princeton, Texas (the "*City Council*" or "*Council*"), as specified by Section 501.064 of the Act and other applicable laws, rules, and regulations, as amended; and (iii) be in effect upon approval by resolution of the City Council and remain in effect until such time as amended, or suspended, or new rules are adopted in the manner provided by law.

Section 4. ***Bylaws:*** The contents of this document shall be referred to as the "*Bylaws*" of the Corporation or the "*EDC Bylaws*."

Section 5. ***Policies & Procedures:*** The Board and City Council will approve and adopt written policies and procedures that define governance and ~~opertional~~ operational guidelines for the Corporation. These policies and procedures may from time to time be amended as deemed necessary by the EDC staff, Board, or City Council.

Section 6. ***Conflicts:*** In the event that there exists a conflict between the Governing Documents of the EDC and the terms of the EDC's Articles of Incorporation, the Articles of Incorporation shall govern. In the event that there exists a conflict between the Governing Documents of the EDC and the terms of the Charter, the Charter shall govern. In the event that there exists a conflict between these Bylaws and any other Governing Document of the EDC, these Bylaws shall govern.

ARTICLE II

OFFICES

Section 1. ***Principal Office:*** The principal office of the Corporation in the State of Texas shall be located in the City's corporate boundaries, which principal office will be used primarily for administrative and management services.

Section 2. ***Registered Office and Registered Agent:*** The Corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent, whose office is identical with such registered office, as

required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be identical with the principal office of the corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board, to the extent permitted under applicable laws, rules, and regulations.

ARTICLE III

BOARD OF DIRECTORS

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

a. The property and affairs of the Corporation shall be governed ~~managed~~ and controlled by a Board of Directors (the "*Board*" herein) and, subject to the restrictions imposed by law, the EDC's Articles of Incorporation, and these Bylaws, the Board shall exercise all of the powers of the Corporation.

b. The Board shall consist of at least seven (7) directors (each individually a "*Board Member*" or "*Director*"), each of whom, as well as each replacement, shall be appointed by the City Council. In accordance with HRC Section 9.03, appointees to the EDC may be either residents of the City, or the designated representatives of businesses located within the City's territorial limits and extraterritorial jurisdiction, to the extent permitted by state law.

c. Board Members may not hold any elective office of the State of Texas, or any political subdivision thereof, during their terms serving on the EDC.

d. Qualifications of and nominations and appointments to the Board shall be determined by (i) applicable laws, rules, and regulations; (ii) the Charter; and (iii) the bylaws of the City Council, as amended.

Section 2. ***Training:*** As of the Effective Date, all Board Members shall attend a training course on economic development within one (1) year after the Effective Date or one (1) year after their appointment date, as the case dictates. The Board may grant a Board Member an extension under this subsection for good cause shown, subject to the requirements provided under Texas law.

Section 3. ***Meeting of Directors:*** The Board may hold their meetings at such place or places, but in any event within the City, as the Board may from time to time determine; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the Corporation, as specified in Article II of these Bylaws.

Section 4. ***Attendance Policy:*** If a Director is absent for two (2) consecutive meetings or misses a total of three (3) meetings over the course of a twelve-month (12-month) period, the Director's office is forfeited and the Director is deemed to have resigned effective immediately on the date of the most recent absence, unless a suitable number of absences are timely and formally excused by the Board and City Council.

Section 5. ***Compensation to Directors:*** Directors shall not receive a salary or any other compensation for their service as a Director. However, Directors may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties.

ARTICLE IV

EDC BOARD MEETINGS

Section 1. ***Texas Open Meetings Act:*** All meetings and deliberations of the Board shall be noticed, called, posted, convened, held, and conducted in strict accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as amended ("*TOMA*").

Section 2. ***Location of Regular Meetings:*** Regular meetings of the Board shall be held on a ~~an~~monthly basis at a time and location to be determined by the Chairman of the Board of Directors~~the 1st Monday of each month~~. The meetings are generally to be ~~-~~held in the City Council Chambers at the Princeton Municipal Center located at 2000 E. Princeton Drive unless otherwise directed by the Chairman or at least four (4) members of the Board of Directors, provided that all meetings of the Board must be held within the corporate boundaries of the City~~, and begin at 6:00 p.m.~~ Additionally, t~~T~~he Board may discuss and authorize an alternate schedule and designate alternative dates for regular meetings to accommodate holiday schedules or other conflicts without formal modification of these Bylaws.

Section 3. ***Other Locations:*** The Board may, occasionally, to the extent permitted under applicable law, elect to meet at other locations or by teleconference and, upon such election, shall give public notice of the change of location in accordance with provisions of State law.

Section 4. ***Cancellation of Meetings:*** When the day for any regular meeting falls on a legal holiday, or may not be held due to a lack of a quorum, inclement weather or a matter beyond the Board's control, the regularly scheduled meeting for such day shall be deemed canceled unless otherwise specified by the EDC. Meetings canceled due to holidays, lack of a quorum, inclement weather or other matters beyond the Board's control may be rescheduled for another date, at the election of the Chairperson or at least four (4) Directors and posted in accordance with TOMA.

Section 5. ***Pre-EDC Meeting Workshops:*** Workshop meetings may be called by the City Secretary or EDC staff~~Coordinator~~ upon written request from the Chairperson, the City Manager, EDC CEO or any three (3) members of the Board upon written notice. The time, place, and purpose of such meetings shall be stated in each instance in accordance with law. Workshop meetings shall be to discuss in detail, or explore in depth, matters of particular interest to the EDC or City Council. The public ~~and staff~~ may not participate in the discussions at a workshop meeting unless invited to do so. No formal EDC action shall be taken at a workshop meeting.

Section 6. ***Special/Emergency Meetings:*** Special or emergency meetings may be called by the City Secretary or EDC staff~~Coordinator~~ upon written request from the Chairperson, the City Manager, EDC CEO, or any three (3) members of the Board. Notice of special or emergency meetings shall be given by the City Secretary or designee to each member of the Board, including, without limitation, the Chairperson, and also to both the EDC Attorney and the City Manager, providing notice by way of email, voice mail message, or notice left at residence. The time, place, and purpose of such meetings shall be stated in each instance in accordance with law. A special meeting, by definition, is not a regularly scheduled meeting, or a meeting to make-up for a regularly called meeting that was re- scheduled due to one of the conditions enumerated in Article IV, Section 4 above. The City Secretary shall give notice to each Director for any emergency meeting in person or telephone, at least two (2) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to

the purposes of the Corporation may be considered and acted upon at a special meeting. At any meeting at which every Director shall be present, even though without any individual notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon consistent with applicable law.

Section 7. ***Notice of Meetings:*** Notice of meetings and the agenda for all EDC meetings shall be posted by the City Secretary, EDC staff~~Coordinator~~, or designee on the City's official bulletin board pursuant to the requirements of TOMA, as well as on the City and EDC websites.

a. Whenever any notice is required to be given to the Board, said notice shall be deemed to be sufficient if given by (i) depositing the same in a post office box in a sealed postage paid wrapper addressed to the person entitled thereto at his or her post office address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing; or (ii) electronic mail. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objection to the transaction of any business on the grounds that the meeting is not lawfully called or convened. The business to be transacted and the purpose of any regular or special meeting of the Board needs to be specified in the notice or waiver of notice of such meeting. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 8. ***Quorum and Voting:*** A majority of the Directors shall constitute a quorum for conducting the official business of the Corporation. The act of a majority of the Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation, unless the act of a greater number is required by law. However, in no event shall any project or expenditure be approved upon the affirmative vote of less than four (4) Directors present at a meeting. A Director may not vote by proxy. Directors must be present in order to vote at any meeting.

Section 9. ***Super Majority Vote:*** In the event that a super majority vote is needed for approval or denial of an item by the Board, the requisite number of votes is outlined in this Section. When determining whether a supermajority threshold is met, in the absence of special rules, the number of votes cast shall be multiplied by a decimal approximating required fraction to determine the required number. With all votes necessarily cast in whole numbers, any decimals in the result must be rounded up. As illustrative examples:

For a seven-member voting body in full attendance (seven votes cast):

7 X 0.667 = 4.669	7 x 0.75 = 5.25
If 2/3 majority required =	5+ votes
If ¾ majority required =	6+ votes

If one voting member is absent, recused, or seat vacant:

6 x 0.667 = 4	6 x 0.75 = 4.5
If 2/3 majority required =	4+ votes
If ¾ majority required =	5+ votes

Section 10. ***Code of Conduct***: The Conduct Guidelines are designed to describe the manner in which elected and appointed officials should treat one another, City staff, constituents, and others they come into contact with while representing the City.

a. Elected and appointed officials are individuals with a wide variety of backgrounds, personalities, values, opinions, and goals. Despite this diversity, all have chosen to serve in public office in order to preserve and protect the present and the future of the community. In all cases, this common goal should be acknowledged even though individuals may not agree on every issue.

b. *Honor the role of the Chairperson in maintaining Order:* It is the responsibility of the Chairperson to keep the comments of Board Members on track during public meetings. Board Members should honor efforts by the Chairperson to focus discussion on current agenda items. If there is disagreement about the agenda or the Chairperson's actions, those objections should be voiced politely and with reason, following procedures outlined in parliamentary procedure.

c. *Practice civility and decorum in discussions and debate:* Difficult questions, tough challenges to a particular point of view, and criticism of ideas and information are legitimate elements of debate by a free democracy in action. Free debate does not require nor justify, however, public officials to make belligerent, personal, impertinent, slanderous, threatening, abusive, or disparaging comments.

d. *Avoid personal comments that could offend other members:* If a Board Member is personally offended by the remarks of another Board Member, the offended Board Member should make notes of the actual words used and call for a "point of personal privilege" that challenges the other Board Member to justify or apologize for the language used. The Chairperson will maintain control of this discussion.

e. *Demonstrate effective problem-solving approaches:* Board Members have a public stage and have the responsibility to show how individuals with disparate points of view can find common ground and seek a compromise that benefits the community as a whole.

Section 11. ***Conduct of Business:***

a. At the Board meetings, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board or applicable law.

b. At all Board meetings, the Chairperson shall preside, and in the absence of the Chairperson, the Vice Chairperson shall exercise the powers of the Chairperson.

c. The Secretary of the Corporation 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.

ARTICLE V

AGENTS AND EMPLOYEES

Section 1. ***EDC Chief Executive Officer (CEO)***: The CEO shall be a Corporation-compensated employee of the City and subject to all personnel rules, policies, and procedures of the City, as amended. The CEO shall be the chief executive officer of the Corporation responsible for all daily operations, budget management, and the implementation of these Bylaws and the EDC's policies and procedures and resolutions, to the extent permitted under applicable laws, rules, and regulations. The CEO may sign upon the approval of the Board, in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, to the extent permitted under applicable laws, rules, and regulations. The CEO shall attend all called Board meetings and perform those duties, responsibilities, and functions as the City Manager shall prescribe; provided, however, all duties, responsibilities, and functions of the CEO shall be in furtherance of and consistent with these Bylaws, the Articles of Incorporation, and applicable law, including, without limitation, the Act. For the avoidance of confusion, the duties, responsibilities, and functions of the CEO, as a City employee, shall be subject to the sole review, direction, and supervision of the City Manager. The City Manager, in his/her sole discretion, shall have the right to appoint, suspend, and/or remove the CEO, but only after reasonable advance notice to and consultation with the Board. The City Manager, in cooperation with the Board, shall conduct an annual review of the CEO and set reasonable goals and expectations.

Section 2. ***Other Employees:*** The CEO, only after obtaining prior, written authorization from the City Manager and reasonable advance notice to and consultation with the Board, may hire other Corporation-compensated employees of the City to assist with the daily operations of the Corporation; provided, however, said employee position(s) must be adequately budgeted by the Board and City Council as part of the Corporation's annual budget. The CEO is responsible for the day-to-day management, oversight, and annual review of said employees in accordance with the personnel rules, policies, and procedures of the City, as amended.

Section 3. ***Contracts for Service:*** Subject to any limitations imposed by applicable laws, rules, or regulations, the Corporation may contract with any qualified and appropriate person, association, corporation, or governmental entity to perform and discharge designated tasks to aid or assist the EDC.

ARTICLE VI

OFFICERS

Section 1. ***Titles, Duties, and Term of Office***:

a. The officers of the Corporation shall include (i) a Chairperson; (ii) a Vice Chairperson; (iii) a Secretary; (iv) a Treasurer; and (v) 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 Vice Chairperson or Secretary. Terms of office shall be one (1) year, ending December 31 or upon the election of a replacement, with the right of an officer to be re-elected.

b. At its first meeting in February of each year, or as soon as practicable after EDC appointments occurring that calendar year are final and any new members are sworn in, the Directors shall elect one (1) Chairperson, ~~and~~ one (1) Vice Chairperson, one (1) Treasurer, and one (1) Ssecretary from among its membership. The Vice Chairperson shall act in the absence or illness of the Chairperson or failure or refusal of the Chairperson to act consistent with state law.

c. All officers shall be elected by and be subject to removal from office at any time, by a vote of a majority of the entire Board.

d.

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d. A vacancy in the office of any officer shall be filled for the remaining term by a vote of a majority of the entire Board.

Section 2. ***Chairperson:*** The Chairperson shall be the presiding officer and serve the role of "President" of the Board. The Chairperson:

a. Shall preside at all Board meetings. The Chairperson may participate in the discussion of all matters coming before the EDC, unless otherwise provided under applicable laws, rules, or regulations.

b. Shall preserve order at all Board meetings, to enforce the rules of the EDC and City Council and to determine the order of business under the rules of the EDC.

c. Shall vote on all matters coming before the Board, unless otherwise provided under applicable laws, rules, or regulations.

d. Shall have the authority, upon notice to the members of the Board, to call a special meeting of the Board when in his or her judgment such a meeting is required.

e. Shall have the authority to appoint, with Board approval, standing committees to aid and assist the Board in its business undertakings or other matters incidental to the operation and functions of the Board.

f. Shall have the authority to appoint, with Board approval, ad hoc committees which may address issues of a temporary nature of concern or which have a temporary effect on the business of the Board.

g. Shall sign with the Secretary of the Board, or other designated person, any deed, mortgage, bonds, contracts, or other instruments which the Board has approved and / or designate the CEO to sign said documents. Additionally, the Chair may, ~~unless the execution of said document has been expressly~~ delegate~~d~~ to some other officer or agent of the Corporation by appropriate Board resolution, by a specific provision of these Bylaws, or by statute.

h. May ~~be delegated the responsibility to~~ act as the EDC's ceremonial representative at public events and functions or delegate the CEO or other board member to do so~~.~~. In the Chairperson's absence ~~and / or absense to said delegation,~~ the Vice Chairperson assumes this responsibility, unless said responsibility was previously delegated by the Chairperson. In both the Chairperson and Vice Chairperson's absence, the Chairperson will appoint another Board Member to assume the responsibility.

i. Subject to appeal to the full EDC, shall have the authority to prevent the misuse of motions, the abuse of any privilege, or the obstruction of the business of the EDC by ruling any such matter out of order. In so ruling, the Chairperson shall be courteous and fair and should presume that the moving party is acting in good faith.

Any Board Member may move to require enforcement of the rules, and the affirmative vote of a majority of the Board shall require the presiding officer to act. The Chairperson, with the concurrence of the Board and consistent with state law, may remove a person from the meeting for legal cause or disruption, as defined by state law.

j. Shall perform all duties incident to the office, and such other duties as shall be prescribed from time to time by the Board.

Section 3. ***Vice Chairperson:*** The Vice Chairperson shall act in the absence or illness of the Chairperson or failure or refusal of the Chairperson to act, consistent with state law. The Vice Chairperson shall have the powers of the Chairperson for the duration of the meeting, or until such time as the Chairperson appears at the meeting.

Section 4. ***Treasurer:*** The City's Finance Department shall have the responsibility for the disbursement, custody and security of all funds and securities of the Corporation in accordance with these Bylaws and statutes governing the Corporation formed under the Act. The Treasurer shall maintain the financial reports provided by the City's Finance Department. The Treasurer may delegate all or part of his or her duties and responsibilities as Treasurer to the City's Finance Department.

Section 5. ***Secretary:*** The Secretary may sign with the CEO upon the approval of the Board in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, documents and instruments, except the papers as the Board may direct, all of which shall at all reasonable time be open to public inspection upon application at the office of the Corporation during business hours, and shall in general perform all duties incident to the office of secretary including but not limited to signing Board minutes on behalf of the board subject to the control of the Board. The Secretary or designee ~~-~~shall submit a copy of all corporation minutes and actions to the City Secretary within a reasonable time after a meeting. The Secretary may delegate all or part of his or her duties and responsibilities as Secretary to the EDC staff~~Coordinator~~.

Section 6. ***Election of Officers:*** The Chairperson, Vice Chairperson, Secretary, and Treasurer shall be elected from among the members of the Board annually.

Section 7. ***Compensation:*** Officers who are members of the Board shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties.

ARTICLE VII

FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 1. ***Economic Development Plan:*** The Board shall research, develop, prepare, and submit on an annual basis to the Council for its approval, an economic development plan for the City, which shall include proposed methods and the expected costs of implementation (the "*Economic Development Plan*" herein). The Economic Development Plan shall, without limitation (i) include both short-term and long-term goals for the economic development of the City; and (ii) take into consideration general development plans and policies of the City Council.

Section 2. ***Annual Corporate Budget:*** On or before June 30th of each year, the Board shall adopt a proposed budget of expected revenues and proposed expenditures of the next ensuing fiscal year. The budget shall not be effective nor shall expenditures occur until the same has been approved by the Council.

Section 3. ***Books, Records, Audits:***

a. The Corporation shall keep independent financial records and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs.

~~b.~~a. Notwithstanding Article VII, Section 4, the Corporation may maintain any financial records solely at the City offices.

~~c.~~b. All remaining or surplus annual sales-tax revenues of the Corporation will be retained by the Corporation and placed in a fund balance account until such revenues can be programmed or used for ~~elligible~~eligible expenditures as under Texas law.

~~d.~~c. The books, records, accounts, and financial statements of the Corporation shall be audited at least once each fiscal year by an outside, independent auditing and accounting firm approved by the Board. Such audit shall be at the expense of the Corporation.

Section 4. ***Deposit and Investment of Corporate Funds***:

~~e.~~d. All proceeds from the issuance of bonds, notes, other debt instruments (the "*Debt Obligations*" herein) issued by the Corporation shall be deposited and invested as provided in the resolutions, orders, indentures, or other documents authorizing or relating to the issuance.

~~f.~~e. All other monies of the Corporation shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the City. The Board shall designate authorized signatures on all payment authorization and/or check requests of TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) or more. Any check request or other financial instrument for a proposed expenditure totaling less than TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) shall require only one signature of either the Chairperson, ~~or~~ Treasurer, or CEO of the Corporation. The accounts reconciliation and investment of such funds and accounts may be reviewed by the Finance Department of the City, at the City's expense.

Section 5. ***Expenditures of Corporate Money***: The monies of the Corporation, including, without limitation, sales and use taxes collected pursuant to the Act, monies derived from the repayment of loans, rents received from the lease or use of property, the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, and the proceeds derived from the sale of Debt Obligations, may be expended by the Corporation for any of the purposes authorized by the Act, subject to the following limitation:

a. Expenditures for the proceeds of Debt Obligations shall be identified and described in the orders, resolutions, indentures or other agreements submitted to and approved by the Board prior to the sale and delivery of the Debt Obligations to the purchasers thereof required by Article VII, Section 6 of these Bylaws.

b. All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by Article VII, Section 2, or as approved by the Board of Directors and when required by policy or Texas Law the City Council.

Section 6. ***Issuance of Obligations***: No Debt Obligations, including refunding Debt Obligations, shall be sold and delivered by the Corporation unless the Board shall approve such Obligations by action taken no more than sixty (60) days prior to the date of sale of the Debt Obligations.

Section 7. ***Conflicts of Interest***: A Board Member, officer of the Corporation, or member of the City Council may not lend money to or borrow money from the

Corporation or otherwise transact business with the Corporation.

Section 8. ***Donations:*** The Board may accept on behalf of the Corporation any contribution, donation, bequest, or devise for the general purposes or for any special purposes of the Corporation.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 1. ***Fiscal Year:*** The fiscal year of the Corporation shall be the same as the fiscal year of the City.

Section 2. ***Biennial Review of EDC Procedures:*** The EDC will review and revise these Bylaws on an as-needed basis, which shall occur, at a minimum, once every two (2) years. Regular meeting agenda items will be set for discussion and deliberation of changes proposed by the City Council, EDC, and/or EDC staff, in either open session or executive session as appropriate for the specific matters at issue.

Section 3. ***Seal:*** The official seal of the Corporation shall be determined by the Board.

Section 4. ***Resignation:*** Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein; or, if no time is specified, at the time of its receipt by the Chairperson or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. ***Approval or Advice and Consent by the Council:*** To the extent that these Bylaws refer to any approval by the City or the Council or refer to advice and consent by the Council, such approval, or advice and consent shall be evidenced by a certified copy of a resolution, order, or motion duly adopted by the Council.

Section 6. ***Services of City Staff and Officers:*** ~~*The professional Staff of the EDC shall be the staff of the City of Princeton. Additionally, T*~~The Corporation shall have the right to utilize the services of ~~other~~ City staff and personnel for usual and routine matters, provided that the performance of such service does not materially interfere with the other duties of such personnel of the City. Subject to the approval of the City Manager or the City Council, the Corporation may utilize the services of City personnel for unusual and non-routine matters. The Corporation shall pay reasonable compensation to the City for such services or use of any City personnel.

Section 7. ***Indemnification of Directors, Officers and Employees:***

a. As provided in the Act, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.

b. The Corporation shall indemnify a person who was, is or has been threatened to be made a named defendant or respondent in a proceeding because the person is or was a Board Member, officer, employee, or agent, but only if the determination to indemnify is made in accordance with the provision of Tex. Bus. Org. Code Ann. Chapter 8, as amended.

c. The Corporation shall indemnify each and every member of the Board, its officers, its employees, its agents, and each member of the City Council and each employee of the City, to the fullest extent permitted by law and not otherwise covered by insurance, against any and all actions or omissions that may arise out of the functions and activities of the Corporation.

d. The Corporation may purchase and maintain insurance on behalf of any Board Member, officer, employee or agent of the Corporation, or on behalf of any person serving at the request of the Corporation as a Board Member, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against that person and incurred by that person in any such capacity or arising out of any such status with regard to the Corporation, whether or not the Corporation has the power to indemnify that person against liability for any of those acts.

e. Any indemnification or liability insurance provided under this Section may be obtained through the City's general insurance coverage.

ARTICLE IX

EFFECTIVE DATE, AMENDMENTS

Section 1. ***Effective Date:*** These Bylaws shall become effective upon the occurrence of the following events:

a. The adoption and approval of these Bylaws by the Board; and

b. The approval of these Bylaws by the City Council.

Section 2. ***Amendments to Articles of Incorporation and Bylaws:*** The EDC's Articles of Incorporation and these Bylaws may be amended or repealed and an amended articles of incorporation and bylaws may be adopted by an affirmative vote of at least four (4) Board Members present at any regular meeting or at any special meeting. Any amendment of the Articles of Incorporation and Bylaws will be effective only upon approval by the City Council.