

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF PFLUGERVILLE, TEXAS APPROVING THE
ECONOMIC PERFORMANCE AGREEMENT BETWEEN
THE PFLUGERVILLE COMMUNITY DEVELOPMENT
CORPORATION AND ESSENTIUM, INC.**

WHEREAS, the Pflugerville Community Development Corporation (PCDC) has entered into an Economic Development Performance Agreement (EDPA) with Essentium Inc.; and

WHEREAS, the PCDC Board finds ESSENTIUM is a firm committed to creating industrial solutions for the world's top manufacturers and bridging the gap between 3D printing and machining, by commercializing a suite of high technology offerings in the 3D materials and 3D manufacturing machine platform sectors, and by employing a team of materials scientists, chemists, chemical and mechanical engineers, production specialists, global supply chain and sourcing specialists and applications engineers; and

WHEREAS, the PCDC Board of Directors approved the EDPA on September 27, 2018; and

WHEREAS, the PCDC requires an amendment of \$100,000 in its FY2019 budget to provide economic incentives to Essentium for the creation of jobs and increased economic activity within the City of Pflugerville; and

WHEREAS, Essentium intends to lease adequate space in the City of Pflugerville for its operations for a minimum of five years and shall secure a Certificate of Occupancy from the City of Pflugerville, with occupancy and operations to commence by no later than the last day of April 2019, such place of operations to be identified as Essentium's headquarters in the State of Texas; and

WHEREAS, City Council has determined that the Project set forth in the EDPA is an "Authorized Project" as that term is defined in Chapter 505 of the Texas Local Government Code, as amended; and

WHEREAS, City Council of the City of Pflugerville (City Council) has determined that granting Essentium an economic incentive of up to \$100,000 as described in the EDPA in Year One for relocation of its employees and/or equipment to in the City of Pflugerville, Texas (City) serves the City, is a permissible "Project Cost" as that term is defined in Chapters 501 and 505 of the Texas Government Code, as amended; and

WHEREAS, the City Council has determined that granting Essentium a job grant described in the EDPA in Year Two, of \$2500 per primary job created in the City during that year, not to exceed a total of \$125,000, serves the City, is a permissible "Project Cost" as that term is defined in Chapters 501 and 505 of the Texas Government Code, as amended; and

WHEREAS, City Council has determined that granting Essentium a job grant described in the

EDPA in Year Three, of \$2500 per primary job created in the City during that year, not to exceed a total of \$100,000, serves the City, is a permissible “Project Cost” as that term is defined in Chapters 501 and 505 of the Texas Government Code, as amended; and

WHEREAS, City Council has determined that granting Essentium a job grant described in the EDPA in Year Four, of \$2500 per primary job created in the City during that year, not to exceed a total of \$75,000.00, serves the City, is a permissible “Project Cost” as that term is defined in Chapters 501 and 505 of the Texas Government Code, as amended; and

WHEREAS, City Council has determined that granting Essentium a job grant described in the EDPA in Year Five, of \$2500 per primary job created in the City during that year, not to exceed a total of \$75,000.00, serves the City, is a permissible “Project Cost” as that term is defined in Chapters 501 and 505 of the Texas Government Code, as amended; and

WHEREAS, City Council has determined that granting Essentium a job grant described in the EDPA in Year Six, of \$2500 per primary job created in the City during that year, not to exceed a total of \$50,000, serves the City, is a permissible “Project Cost” as that term is defined in Chapters 501 and 505 of the Texas Government Code, as amended; and

WHEREAS, this EDPA is conditional in the event the City receives a petition no later than the 60th day after the date notice of this Project is published, which is duly certified and accepted by the City Council, from more than 10% of the registered voters of the City, requesting that an election be held before the Project is undertaken in accordance with Section 505.160 of the Texas Local Government Code, as amended; and

WHEREAS, the terms, conditions and obligations made by PCDC and accepted by Essentium, Inc. are conditional upon the authority granted by Section 501.073(a) of the Texas Local Government Code (requiring the City Council to approve all programs and expenditures of the PCDC), and, accordingly, the EDPA is not effective until the City Council has approved this Project in accordance with Texas law; and

WHEREAS, City Council finds it is just, proper, and in the best interest of the City to approve the EDPA between PCDC and Essentium, Inc.;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL THAT:

1. The above recitals are hereby adopted verbatim as if recited herein.
2. The Economic Development Performance Agreement by and between Pflugerville Community Development Corporation and Essentium, Inc., dated October 9, 2018 is approved.

[Signature page follows.]

PASSED and **APPROVED** this, the 9th day of October, 2018, by the City Council of the City of Pflugerville, Texas.

CITY OF PFLUGERVILLE:

Victor Gonzales, Mayor

ATTEST:

Karen Thompson, City Secretary