

A RESOLUTION

2012-08-09-0033R

**AUTHORIZING THE CREATION OF THE "SAN ANTONIO EARLY CHILDHOOD EDUCATION MUNICIPAL DEVELOPMENT CORPORATION" TO DEVELOP AUTHORIZED PROGRAMS FOR EARLY CHILDHOOD EDUCATION SERVICES TO PROMOTE LITERACY; AND APPROVING THE ARTICLES OF INCORPORATION.**

**WHEREAS**, the City of San Antonio, Texas (the "City") is a duly created political subdivision of the State of Texas operating as a home-rule municipality pursuant to the laws of the State of Texas and its City Charter; and

**WHEREAS**, Chapter 379A, Texas Local Government Code (the "Act") authorizes the City to create a municipal development corporation to develop and implement programs for early childhood development that prepare each child to enter school and make each child ready to learn after completing the program, that provide educational services to promote literacy, and that establish math, reading, and lifelong learning skills; and

**WHEREAS**, it is hereby officially found and determined that the formation of a municipal development corporation is wise, expedient, necessary, and advisable and that it is in the public interest and to the benefit of the City and its citizens that a municipal development corporation be authorized and created pursuant to the provisions of the Act to aid and act on behalf of the City to accomplish such governmental purposes; **NOW THEREFORE:**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**Section 1. Authorization and Approval for Creation of Government Corporation.** The City Council hereby authorizes and approves the creation of a municipal development corporation to act on behalf of the City, with all powers granted to such corporations in the Act, to be known as the "SAN ANTONIO EARLY CHILDHOOD EDUCATION MUNICIPAL DEVELOPMENT CORPORATION" (the "Corporation").

**Section 2. Approval of Articles of Incorporation.** The City Council hereby approves the Articles of Incorporation proposed to be used in organizing and operating the Corporation (a copy of which is attached, in substantially final form, to this Resolution as Exhibit A, and made a part hereof for all purposes).

**Section 3. Authority to Act on Behalf of City.** The City Council specifically authorizes the Corporation to act on its behalf to further accomplish the governmental purposes stated in this Resolution and in the Articles of Incorporation.

**Section 4. Incorporation of Recitals.** The City Council hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the City Council hereby incorporates such recitals as a part of this Resolution.

**Section 5. Severability.** If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Resolution would have been enacted without such invalid provision.

**Section 6. Open Meetings.** It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

**Section 7. Effective Date.** The effective date of this Resolution shall be governed by the provisions of Section 1-15 of the City Code of San Antonio, Texas. This Resolution shall take effect immediately if passed by eight affirmative votes; otherwise, this Resolution shall take effect ten days from the date of passage.

*PASSED AND APPROVED* this 9<sup>th</sup> day of August, 2012.



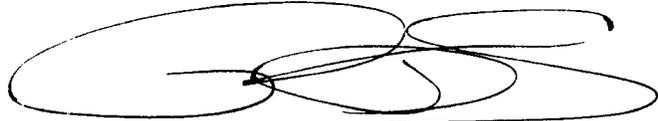
**M A Y O R**  
Julian Castro

**ATTEST:**



Leticia M. Vacek, City Clerk

**APPROVED AS TO FORM:**



Michael D. Bernard, City Attorney

## CERTIFICATE FOR RESOLUTION

I, the undersigned City Clerk of the City of San Antonio, Texas (the "Issuer"), hereby certify as follows:

1. The City Council of the Issuer (the "Council") convened in regular session, open to the public, on August 9, 2012 (the "Meeting"), at the designated meeting place, and the roll was called of the duly constituted officers and members of said Council, to wit:

Julián Castro, Mayor  
Diego M. Bernal, Councilmember  
Ivy R. Taylor, Councilmember  
Leticia Ozuna, Councilmember  
Rey Saldana, Councilmember

David Medina, Jr., Councilmember  
Ray Lopez, Councilmember  
Cris Medina, Councilmember  
W. Reed Williams, Councilmember  
Elisa Chan, Councilmember  
Carlton Soules, Councilmember

and all of said persons were present, except NONE, thus constituting a quorum. Whereupon among other business, the following was transacted at the Meeting: a written Resolution No. 2012-08-09-00332, entitled:

**RESOLUTION AUTHORIZING THE CREATION OF THE "SAN ANTONIO EARLY CHILDHOOD EDUCATION MUNICIPAL DEVELOPMENT CORPORATION" TO DEVELOP AUTHORIZED PROGRAMS FOR EARLY CHILDHOOD EDUCATION SERVICES TO PROMOTE LITERACY; AND APPROVING THE ARTICLES OF INCORPORATION.**

(the "Resolution") was duly introduced for the consideration of the Council. It was then duly moved and seconded that the Resolution be finally passed and adopted in accordance with the Issuer's Home Rule Charter; and after due discussion, such motion, carrying with it the adoption of the Resolution prevailed and carried by the following vote:

YES: 8 NOES: 3 ABSTENTIONS: 0.

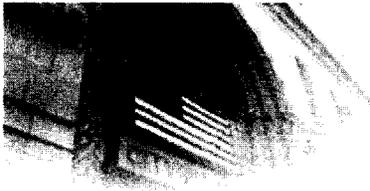
2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Council's minutes of the Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Council's minutes of the Meeting pertaining to the adoption of the Resolution; the persons named in the above and foregoing paragraph are duly chosen, qualified, and acting officers and members of the Council as indicated therein; each of the officers and members of the Council was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting, and that the Resolution would be introduced and considered for adoption at the Meeting and each of such officers and members consented, in advance, to the holding of the Meeting for such purpose; and the Meeting was open to the public, and public notice of the time, place, and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

SIGNED AND SEALED the 9<sup>th</sup> day of August, 2012.

(SEAL)



*Leticia N. Vard*  
\_\_\_\_\_  
City Clerk, City of San Antonio, Texas



Request for  
**COUNCIL**  
**ACTION**

City of San Antonio



## Agenda Voting Results - 9A

<b>Name:</b>	9A						
<b>Date:</b>	08/09/2012						
<b>Time:</b>	07:04:11 PM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	A Resolution authorizing the creation of the "San Antonio Early Childhood Education Municipal Development Corporation" to develop authorized programs for early childhood education services. [Sheryl Sculley, City Manager; Peter Zanoni, Assistant City Manager]						
<b>Result:</b>	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				
Leticia Ozuna	District 3		x				
Rey Saldaña	District 4		x				x
David Medina Jr.	District 5		x				
Ray Lopez	District 6		x			x	
Cris Medina	District 7		x				
W. Reed Williams	District 8			x			
Elisa Chan	District 9			x			
Carlton Soules	District 10			x			

## EXHIBIT A

### **ARTICLES OF INCORPORATION**

We, the undersigned natural persons, each of whom is at least 18 years of age, a citizen of the State of Texas, and a resident of the City of San Antonio, Texas (the "City"), acting as incorporators of a public, nonprofit municipal development corporation under and with all the powers described in Chapter 379A, Texas Local Government Code, as amended (the "Act") with the approval of the City Council (the "Council") of the City, do hereby adopt the following Articles of Incorporation for such corporation:

#### **ARTICLE I. NAME**

The name of the Corporation is the "SAN ANTONIO EARLY CHILDHOOD EDUCATION MUNICIPAL DEVELOPMENT CORPORATION" (the "Corporation").

#### **ARTICLE II. AUTHORIZATION**

The Corporation is a public, nonprofit municipal development corporation governed by the Act, as now existing or as to be amended.

#### **ARTICLE III. PURPOSE**

(a) The Corporation is organized for literacy and enhanced early childhood development programs that prepare each child to enter school and make each child ready to learn after completing the program as authorized by the Act.

(b) The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of the State of Texas to municipal development corporations incorporated under the Act.

(c) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, any director or officer of the Corporation or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation effecting one of its purposes). No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting, to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office.

(d) Notwithstanding any other provisions of these Articles of Incorporation, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by organizations exempt from taxation under Section 501 (c) (3) of the Internal Revenue Code of 1986 (the "Code") and its regulations as they now exist or as they may hereafter be amended, or by an organization to which contributions are deductible under Section 170 (c) (2) of the Code and its regulations as they now exist or as they may hereafter be amended. The Corporation will be an integral part of the City and its income shall be exempt from federal taxation by virtue of Section 115 of the Internal Revenue Code.

#### **ARTICLE IV. MEMBERSHIP**

The Corporation has no members and is a nonstock corporation.

#### **ARTICLE V. AMENDMENTS**

These Articles of Incorporation may be amended at any time as provided in the Act, to make any changes and add any provisions which might have been included in the Articles of Incorporation in the first instance. Any amendment may be accomplished in the following methods:

(a) The Board of Directors of the Corporation may file a written application with the Council requesting permission to amend these Articles of Incorporation, specifying in such application the amendment proposed to be made, and if the Council by appropriate resolution or ordinance determines that it is wise, expedient, necessary, or advisable that the proposed amendment be made and shall approve the form of the same and authorize it to be made, then the Board of Directors of the Corporation may amend the Articles of Incorporation by adopting such amendment at a meeting of the Board of Directors and delivering the amended Articles of Incorporation to the Secretary of State, or

(b) Council, by the adoption of an ordinance, may approve an amended or restated Articles of Incorporation and deliver the amended or restated Articles of Incorporation to the Secretary of State.

#### **ARTICLE VI. INITIAL REGISTERED OFFICE AND AGENT**

The street address of the initial registered office of the Corporation is City Hall, 100 Military Plaza, San Antonio, Texas 78204, and the name of its initial registered agent at such address is Leticia Vacek, City Clerk for the City of San Antonio.

#### **ARTICLE VII. BOARD OF DIRECTORS**

(a) The affairs of the Corporation shall be managed by an eleven member Board of Directors appointed by the Council (or such greater or lesser number to be equivalent at all times to the total number of positions constituting the Council). All directors shall be residents of the City and there shall be at least one director from each district that elects a member to the Council. Directors may not be an employee, officer, or member of the governing body of the City. The Corporation may take action after such time as a majority of the eleven (11) initial board members have been appointed.

(b) Directors are appointed to serve two year staggered terms or until their successors are appointed by the Council. The Directors shall be appointed by the Council and the Corporation shall take no action until such time as a majority of the initial board members have been appointed. Thereafter all appointments shall be in accordance with the Act. The Council may remove a director at any time without cause. Directors shall serve without a salary or compensation except that they shall be entitled to reimbursement for their actual and necessary expenses incurred in the performance of their official duties as directors. Any vacancy occurring on the Board shall be filled by appointment of the Council of a person who shall hold office until the expiration of the term for which he is appointed.

(c) Directors may not have a personal interest in a contract executed by the Corporation.

**ARTICLE VIII. DIRECTOR LIABILITY**

To the fullest extent permitted by Texas statutes, as the same exist or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits broader limitations than permitted prior to such amendment), a director of the Corporation shall not be liable to the Corporation for monetary damages for an act or omission in the director's capacity as a director. Any repeal or amendment of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the Corporation existing at the time of such repeal or amendment.

**ARTICLE IX. INCORPORATORS**

The name and street address of each incorporator are:

<u>NAMES</u>	<u>ADDRESSES</u>
Mayor Hon. Julian Castro	City Hall, 100 Military Plaza San Antonio, Texas 78204
City Manager Sheryl Sculley	City Hall, 100 Military Plaza San Antonio, Texas 78204
City Attorney Michael Bernard	City Hall, 100 Military Plaza San Antonio, Texas 78204

Each of the incorporators resides in the City of San Antonio, Texas and is at least 18 years of age.

**ARTICLE X. LOCAL GOVERNMENT AUTHORIZING CREATION OF CORPORATION**

The local government which has caused the Corporation to be created to act in accordance with the Act is the City of San Antonio, Texas. The City's address is: City Hall, 100 Military Plaza, San Antonio, Texas 78204.

**ARTICLE XI. AUTHORIZATION AND APPROVAL BY CITY**

Pursuant to a resolution adopted by the Council on August 9, 2012, the City has approved these Articles of Incorporation and has authorized the creation of the Corporation to act on its behalf to further the public purposes set forth in the Resolution and these Articles of Incorporation.

**ARTICLE XII. DISSOLUTION**

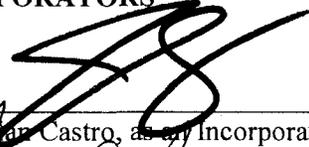
The Corporation may be dissolved by the Council by the adoption of an ordinance and in accordance with the Texas Non-Profit Corporation Act. Upon dissolution of the Corporation or the winding up of its affairs, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation by distributing such assets to the City of San Antonio, a Texas Municipal Corporation, which is an entity within the definition provided in section 170 (c) (1) of the Code.

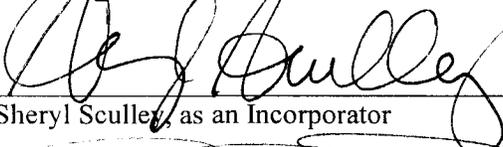
**ARTICLE XIII. MISCELLANEOUS**

No dividends will ever be paid by the Corporation, and no part of the Corporation's net earnings remaining after payment of its expenses and other obligations will be distributed to or inure to be benefit of its directors or officers, or any individual, private firm, or private corporation or association, except in reasonable amounts for services rendered.

Executed this 9th day of August, 2012.

**INCORPORATORS**

  
\_\_\_\_\_  
Hon. Julian Castro, as an Incorporator

  
\_\_\_\_\_  
Sheryl Sculley, as an Incorporator

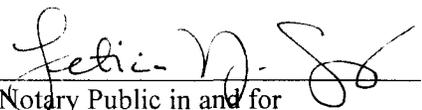
  
\_\_\_\_\_  
Michael Bernard, as an Incorporator

**ACKNOWLEDGEMENT**

THE STATE OF TEXAS §  
COUNTY OF BEXAR §

I, the undersigned, a Notary Public in and for the State of Texas, do hereby certify that on this 9th day of August, 2012, personally appeared Hon. Julian Castro, Sheryl Sculley, and Michael Bernard, and each being by me first duly sworn, severally declared that they are the persons who signed the foregoing Articles of Incorporation as incorporators and in their respective capacities, as shown above and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office the day and year above written.

  
\_\_\_\_\_  
Notary Public in and for  
the State of Texas  
My Commission Expires 12-27-15

