

RESOLUTION NO. 24-88

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN AGREEMENT BY AND BETWEEN THE CITY OF MESQUITE, TEXAS, THE MESQUITE INDEPENDENT SCHOOL DISTRICT, THE COUNTY OF DALLAS, THE DALLAS COUNTY COMMUNITY COLLEGE DISTRICT, PARKLAND HOSPITAL, AND PEP BOYS, INC., PROVIDING FOR A COMMERCIAL-INDUSTRIAL TAX ABATEMENT FOR PEP BOYS, INC., AND AUTHORIZING ITS EXECUTION BY THE MAYOR; AND PROVIDING AN EFFECTIVE DATE THEREOF.

WHEREAS, the City Council has been presented a proposed Agreement by and between the City of Mesquite, Texas, the Mesquite Independent School District, the County of Dallas, the Dallas County Community College District, Parkland Hospital and Pep Boys, Inc., establishing a Reinvestment Zone in the City of Mesquite, Texas, and entering into a commercial/Industrial tax abatement agreement with Pep Boys, Inc., a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (hereinafter called "Agreement"); and

WHEREAS, upon full review and consideration of the Agreement, and all matters attendant and related thereto, the City Council is of the opinion that the terms and conditions thereof should be approved, and that the Mayor, shall be authorized to execute it on behalf of the City of Mesquite;

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

SECTION 1. The terms and conditions of the Agreement having been reviewed by the City Council of the City of Mesquite and found to be acceptable and in the best interests of the City of Mesquite and its citizens, are hereby in all things approved.

SECTION 2. The Mayor is hereby authorized to execute the Agreement and all other documents in connection therewith on behalf of the City of Mesquite, substantially according to the terms and conditions set forth in the Agreement.

SECTION 3. That this resolution shall take effect from and after its passage, as in the Charter in such cases is made and provided.

DULY PASSED by the City Council of the City of Mesquite, Texas, on the 20th day of June, 1988.

George A. Vanner, Sr.
George A. Vanner, Sr.
Mayor

ATTEST:

Lynn Prugel
Lynn Prugel
City Secretary

APPROVED:

Johathan Graham
Johathan Graham
City Attorney

000190

THE STATE OF TEXAS
COUNTY OF DALLAS

AGREEMENT

This Agreement is entered into by and between the City of Mesquite, Texas, a home rule city and municipal corporation of Dallas County, Texas duly acting herein by and through its Mayor (*hereinafter referred to as City*); Mesquite Independent School District duly acting herein by and through its Superintendent, the County of Dallas, Texas, duly acting herein by and through its County Judge, Dallas County Community College duly acting herein by and through its Chairman of the Board, Parkland Hospital duly acting herein by and through its Chairman of the Board (*hereinafter referred to collectively as TAXING UNITS*); and Pep Boys, Inc., duly acting by and through its Chief Executive Officer (*hereinafter referred to as OWNER*).

WITNESSETH:

WHEREAS, on the 6th day of June, 1988, the City Council of the City of Mesquite, Texas, passed Ordinance No. 2526 establishing Reinvestment Zone No. One, City of Mesquite, Texas for commercial/Industrial tax abatement, hereinafter referred to as the ORDINANCE, as authorized by Chapter 312, Texas Property Tax Code, as amended, hereinafter referred to as STATUTE; and

WHEREAS, the CITY has adopted by Resolution (No. 7-88), Criteria and Guidelines governing tax abatement reinvestment zones and agreements (the "CRITERIA"); and

WHEREAS, the CRITERIA constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the CITY as contemplated by the STATUTE; and

WHEREAS, the CITY has adopted a resolution (Resolution No. 9-88) stating that it elects to be eligible to participate in tax abatement; and

WHEREAS, the CITY desires to participate in tax abatement to maintain and/or enhance the commercial/Industrial economic and employment base of the Mesquite area to the long term interest and benefit of the CITY and TAXING UNITS, in accordance with said ORDINANCE and STATUTE; and

WHEREAS, the contemplated use of the PREMISES, as hereinafter defined, the contemplated improvements to the PREMISES in the amount as set forth in this Agreement, and the other terms hereof are consistent with encouraging development of said Reinvestment Zone No. One in accordance with the

000190

THE STATE OF TEXAS
COUNTY OF DALLAS

AGREEMENT

This Agreement is entered into by and between the City of Mesquite, Texas, a home rule city and municipal corporation of Dallas County, Texas, duly acting herein by and through its Mayor (*hereinafter referred to as City*); Mesquite Independent School District duly acting herein by and through its Superintendent, the County of Dallas, Texas, duly acting herein by and through its County Judge, Dallas County Community College duly acting herein by and through its Chairman of the Board, Parkland Hospital duly acting herein by and through its Chairman of the Board (*hereinafter referred to collectively as TAXING UNITS*); and Pep Boys, Inc., duly acting by and through its Chief Executive Officer (*hereinafter referred to as OWNER*).

WITNESSETH:

WHEREAS, on the 6th day of June, 1988, the City Council of the City of Mesquite, Texas, passed Ordinance No. 2526 establishing Reinvestment Zone No. One, City of Mesquite, Texas for commercial/industrial tax abatement, hereinafter referred to as the ORDINANCE, as authorized by Chapter 312, Texas Property Tax Code, as amended, hereinafter referred to as STATUTE; and

WHEREAS, the CITY has adopted by Resolution (No. 7-88), Criteria and Guidelines governing tax abatement reinvestment zones and agreements (the "CRITERIA"); and

WHEREAS, the CRITERIA constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the CITY as contemplated by the STATUTE; and

WHEREAS, the CITY has adopted a resolution (Resolution No. 9-88) stating that it elects to be eligible to participate in tax abatement; and

WHEREAS, the CITY desires to participate in tax abatement to maintain and/or enhance the commercial/industrial economic and employment base of the Mesquite area to the long term interest and benefit of the CITY and TAXING UNITS, in accordance with said ORDINANCE and STATUTE; and

WHEREAS, the contemplated use of the PREMISES, as hereinafter defined, the contemplated improvements to the PREMISES in the amount as set forth in this Agreement, and the other terms hereof are consistent with encouraging development of said Reinvestment Zone No. One in accordance with the

000191

purposes for its creation and are in compliance with the CRITERIA and the ORDINANCE and similar guidelines and criteria adopted by the CITY and all applicable law;

NOW THEREFORE, the parties hereto do mutually agree as follows:

1. The property to be the subject of this Agreement shall be that property described by metes and bounds and map attached hereto as EXHIBITS "A" and "B" and made a part hereof and shall be hereinafter referred to as PREMISES.

2. The OWNER shall commence construction of its Regional Administrative Office and Distribution Center on the PREMISES (hereinafter referred to as IMPROVEMENTS) with total construction cost of not less than five million dollars (\$5,000,000) and substantially complete same on or about January 31, 1989; provided, that OWNER shall have such additional time to complete the IMPROVEMENTS as may be required in the event of a "force majeure" if OWNER is diligently and faithfully pursuing completion of the IMPROVEMENTS. For this purpose, "force majeure" shall mean any contingency or cause beyond the reasonable control of OWNER including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, governmental or de facto governmental action (unless caused by acts or omission of OWNER), fire, explosions or floods, and strikes. The date of completion of the IMPROVEMENTS shall be defined as the date a Certificate of Occupancy is issued by the City of Mesquite.

3. The OWNER agrees and covenants that it will diligently and faithfully in a good and workmanlike manner pursue the completion of the IMPROVEMENTS as a good and valuable consideration of this AGREEMENT. OWNER further covenants and agrees that all construction of the IMPROVEMENTS will be in accordance with all applicable state and local laws and regulations or valid waiver thereof. In further consideration, OWNER shall thereafter, from the date a Certificate of Occupancy is issued until the expiration of the Agreement, continuously operate and maintain the PREMISES as the Regional Administrative Office and Distribution Center for Pep Boys, Inc.

4. In the event that: (1) the IMPROVEMENTS for which an abatement has been granted are not completed in accordance with this Agreement; or (2) OWNER allows its ad valorem taxes owed the CITY

Tax Abatement Agreement
Pep Boys, Inc.
Page 2

000192

and TAXING UNITS to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of any such ad valorem taxes; or (3) OWNER breaches any of the terms or conditions of this Agreement, then this Agreement shall be default. In the event that the OWNER defaults in its performance of (1), (2) or (3) above, then the CITY or TAXING UNITS shall give the OWNER written notice of such default and if the CITY or TAXING UNITS shall give the OWNER written notice of such default and if the OWNER has not cured such default within thirty (30) days of said written notice, or, if such default cannot be cured by the payment of money and cannot with due diligence be cured within a 90-day period owing to causes beyond the control of the OWNER, this Agreement may be terminated by the CITY or TAXING UNITS. Notice shall be in writing and shall be delivered by personal delivery or certified mail to the Chief Executive Officer of Pep Boys, Inc., at its Corporate headquarters address of record. As liquidated damages in the event of default, all taxes which otherwise would have been paid to the CITY and TAXING UNITS without the benefit of abatement (but without the addition of penalty; interest will be charged at the statutory rate for delinquent taxes as determined by Section 33.01 of the Property Tax Code of the State of Texas) will become a debt to the CITY and TAXING UNITS and shall be due, owing and paid to the CITY and TAXING UNITS within sixty (60) days of the expiration of the above-mentioned applicable cure period.

5. The CITY and the TAXING UNITS each represent and warrant that the PREMISES does not include any property that is owned by a member of their respective councils or boards, agencies, commissions, or other governmental bodies approving, or having responsibility for the approval of, this Agreement.

6. The terms and conditions of this Agreement are binding upon the successors and assigns of all parties hereto. This Agreement cannot be assigned by OWNER other than to wholly-owned subsidiary of OWNER unless written permission is first granted by the CITY and TAXING UNITS, which permission shall be at the sole discretion of the CITY and TAXING UNITS.

7. It is understood and agreed between the parties that the OWNER, in performing its obligations hereunder, is acting independently, and the CITY and TAXING UNITS assume no responsibilities or liabilities in connection therewith to third parties and OWNER agrees to indemnify and hold harmless therefrom.

8. The OWNER further agrees that the CITY and TAXING UNITS, their agents and employees, shall have reasonable right of access to the PREMISES to inspect the IMPROVEMENTS in order to insure that the construction of the IMPROVEMENTS are in accordance with this Agreement and all applicable state and local laws and regulations or valid waiver thereof. After completion of the IMPROVEMENTS, the CITY and TAXING UNITS shall have the continuing right to inspect the PREMISES to insure that the PREMISES are thereafter maintained and operated in accordance with this Agreement.

9. Subject to the terms and conditions of this Agreement, and subject to the rights and holders of any outstanding bonds of the CITY and TAXING UNITS, a portion of ad valorem real property taxes from the PREMISES otherwise owed to the CITY and TAXING UNITS shall be abated. Said abatement shall be an amount equal to 26% of the taxes assessed upon the increased value of the IMPROVEMENTS over the value in the year in which this Agreement is executed and in accordance with the terms of this Agreement and all applicable state and local regulations or valid waiver thereof, provided that the OWNER shall have the right to protest and/or contest any assessment of the PREMISES and said abatement shall be applied to the amount of taxes finally determined to be due as a result of any such protest and/or contest. Said abatement shall extend for a period of six (6) years beginning January 1, 1989.

10. This Agreement was authorized by Resolution of the City Council at its council meeting on the 20th day of June, 1988, authorizing the Mayor to execute the Agreement on behalf of the City.

11. This Agreement was authorized by the Board Minutes of the Mesquite Independent School District at its Board of Trustees meeting on the 9th day of May, 1988, whereupon it was duly determined that the Board President would execute the Agreement on behalf of the Mesquite Independent School District, a copy of said authorization is attached as Exhibit "C".

12. This Agreement was authorized by the minutes of the Commissioners Court of Dallas County, Texas, at its meeting on the ___ day of _____, whereupon it was duly determined that the County Judge would execute the Agreement on behalf of Dallas County, a copy of said authorization is attached as Exhibit "D" *

* Was not approved by Commissioners Court of Dallas County.

00195

13. This Agreement was entered into by the Chairman of the Board of Dallas County Community College District pursuant to authority granted by its Board of Trustees on the 2nd day of August, 1988, whereby the President and Chief Executive Officer was authorized to execute this Agreement on behalf of DEED, a copy of said authorization is attached hereto as EXHIBIT "E".

14. This Agreement was entered into by the Chairman of the Board of Parkland Hospital pursuant to authority granted by its Board of Directors on the 20 day of June, 1988, whereby the President and Chief Executive Officer was authorized to execute this Agreement on behalf of _____, a copy of said authorization is attached hereto as EXHIBIT "F".

15. This shall constitute a valid and binding Agreement between the CITY and Pep Boys, Inc., when executed in accordance herewith, regardless of whether any other TAXING UNIT executes this Agreement. If a TAXING UNIT executes this Agreement, this shall constitute a valid and binding Agreement between such TAXING UNIT and Pep Boys, Inc., when executed on behalf of said parties, for the abatement of such TAXING UNIT'S taxes in accordance therewith.

The Agreement is performable in Dallas County, Texas, witness our hands this _____ day of _____, 1988.

ATTEST:

Lynn Pringle
CITY SECRETARY

CITY OF MESQUITE, TEXAS

Gregg A. Kinner, Sr.
MAYOR

APPROVED AS TO FORM:

Jonathan Nathan
CITY ATTORNEY

ATTEST:

[Signature]

MESQUITE INDEPENDENT SCHOOL DISTRICT

[Signature]
SUPERINTENDENT

Tax Abatement
Pep Boys, Inc.
Page 5



00196

APPROVED AS TO FORM:

[Signature]
ATTORNEY FOR
MESQUITE INDEPENDENT
SCHOOL DISTRICT

ATTEST:

COMMISSIONERS COURT OF
DALLAS COUNTY

COUNTY JUDGE

APPROVED AS TO FORM:

ATTORNEY FOR
DALLAS COUNTY

ATTEST:

DALLAS COUNTY COMMUNITY
COLLEGE DISTRICT
[Signature]
CHAIRMAN OF THE BOARD

[Signature]

APPROVED AS TO FORM:

[Signature]
ATTORNEY FOR DALLAS COUNTY
COMMUNITY COLLEGE DISTRICT

ATTEST:

PARKLAND HOSPITAL
[Signature]
CHAIRMAN OF
THE BOARD

[Signature]
Notary Public State of TEXAS
My Commission Expires 4/29/90

APPROVED AS TO FORM:

[Signature]
ATTORNEY FOR
PARKLAND HOSPITAL

Tax Abatement Agreement
Pop Boys, Inc.
Page 6

00196A

ATTEN:

PEP BOYS, INC., OWNER

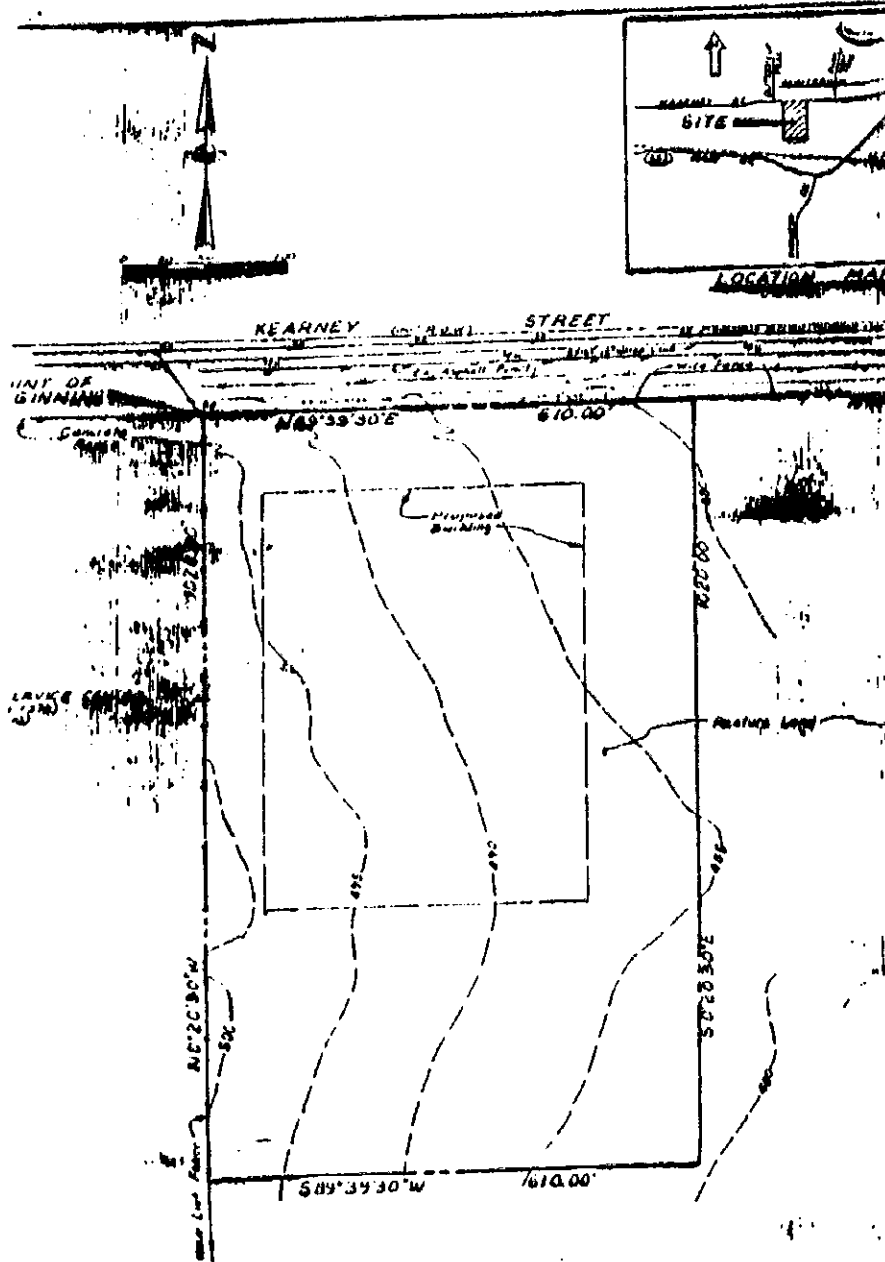
Michael J. Holden
Sr. VP - Finance

PRESIDENT

Tax Abatement Agreement
Pep Boys, Inc.
Page 7

EXHIBIT "A"

00196B



00196C

WHEREAS, Kearney Street Joint Venture acting by and through the undersigned, its duly authorized agent, is the sole owner of a tract of land situated in the City of Mesquite, Dallas County, Texas, in the THOMAS SCOTT SURVEY, ABSTRACT NO. 1353, as recorded in Volume _____, Page _____, of the Deed Records of Dallas County, Texas, and being part of a certain 73.062-acre tract of land conveyed to Gisham Properties, Inc., Trustee, by Deed dated March 19, 1974, recorded in Volume 74062, Page 1225 of the Deed Records of Dallas County, Texas and being more particularly described as follows:

BEGINNING at a point for corner in the south line of Kearney Street formerly Long Creek Road (600-foot right-of-way), said point being the northwest corner of a certain 10.912-acre tract of land conveyed to the City of Mesquite, by Deed dated March 11, 1969, recorded in Volume 69055, Page 1378 of the Deed Records of Dallas County, Texas;

THENCE North 89 degrees 39 minutes 30 seconds East with the south line of Kearney Street, a distance of 610.00 feet to a point for corner;

THENCE South 0 degrees 20 minutes 30 seconds East, departing said south line, a distance of 1020.00 feet to a point for corner;

THENCE South 89 degrees 39 minutes 30 seconds West, a distance of 610.00 feet to a point for corner on the east line of said City of Mesquite tract;

THENCE North 0 degrees 20 minutes 30 seconds West, along said east line, a distance of 1,020 feet to the POINT OF BEGINNING AND CONTAINING 622,200 square feet or 14.2637 acres of land, more or less.

SURVEYOR'S CERTIFICATE

I do hereby certify that I, Paul Wong, Jr., a Registered Public Surveyor of the State of Texas, have plotted the above subdivision from an actual survey on the ground, and that all lot corners, angle points, and points of curve have been properly marked on the ground, and that this plat correctly represents that survey made by me, or under my supervision.

PAUL WONG, JR.
REGISTERED PUBLIC SURVEYOR
TEXAS
No. 7958

MESQUITE INDEPENDENT SCHOOL DISTRICT

A RESOLUTION OF THE MESQUITE INDEPENDENT SCHOOL DISTRICT, MESQUITE, TEXAS, DECLARING THAT THE SCHOOL DISTRICT ELECTS TO PARTICIPATE IN A TAX ABATEMENT PROGRAM IN ACCORDANCE WITH THE TEXAS PROPERTY REDEVELOPMENT AND TAX ABATEMENT ACT, AS AMENDED.

WHEREAS, the enhancement of the local economy is in the best interest of the citizens of Mesquite; and,

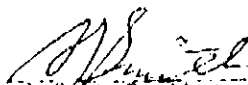
WHEREAS, the creation of specified reinvestment zones will be reasonably likely to contribute to the retention or expansion of primary employment or to attract major investment that would be a benefit to the property and that would contribute to the economic development of the City of Mesquite and the Mesquite Independent School District;

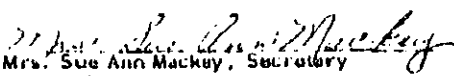
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE MESQUITE INDEPENDENT SCHOOL DISTRICT:

SECTION 1. That the Mesquite Independent School District does hereby elect to participate in a tax abatement program in accordance with the TEXAS PROPERTY REDEVELOPMENT AND TAX ABATEMENT ACT, as amended, and the policies, regulations, and criteria developed and adopted by the City Council of the City of Mesquite; and,

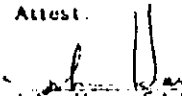
SECTION 2. That participation by the school district is limited to those businesses that are approved by the City of Mesquite.

DULY RESOLVED by the Board of Education of the Mesquite Independent School District, Mesquite, Texas, on the 9th day of May, 1988.


H. J. Smith, President
Board of Education


Mrs. Sue Ann Mackey, Secretary
Board of Education

Attest:


John Horn, Ed.D.,
Superintendent of Schools

00196E

Board of Trustees Meeting Minutes
August 2, 1988
Page Two

"EXHIBIT B"

Exhibits 1, 2, 3, and 4 attached hereto and made a part hereof and incorporated herein as though fully set out herein.

LULAC CONVENTION

Dr. Tyree reported the District had participated in the LULAC Convention held in Dallas in July. The theme of the convention was educational partnerships. The foundation paid \$1,500 and the DCCCD paid \$3,500 to be a corporate sponsor of the convention.

CONSENT AGENDA

A motion was made by Mr. Gilmore and seconded by Mr. Buchholz to approve all the items listed under the Consent Agenda, with the exception of Policy Report No. 9. Motion passed with a unanimous vote. (See Exhibit 5 through 8 and 10 through 38 attached hereto and made a part hereof and incorporated herein as though fully set out herein.)

INDIVIDUAL ITEMS

Policy Report No. 39
Approval of Tax Abatement Agreement with Pop Boys, Inc. and Other Taxing Units Concerning Property in the City of Mesquite

A motion was made by Mr. Buchholz and seconded by Mr. Gilmore to approve Policy Report No. 39 (Exhibit 39). Motion passed with a unanimous vote. (See Exhibit 39 attached hereto and made a part hereof and incorporated herein as though fully set out herein.)

Policy Report No. 40
Approval of Intellectual Property Policy

A motion was made by Mr. Buchholz and seconded by Mr. Gilmore to approve Policy Report No. 40 (Exhibit 40). Motion passed with a unanimous vote. (See Exhibit 40 attached hereto and made a part hereof and incorporated herein as though fully set out herein.)

Informative Report No. 41
Summary of Budget Committee Meeting

In the absence of Mrs. Powell, Budget Committee Chair, Mr. Buchholz presented the report from the Budget Committee. (See Exhibit 41 attached hereto and made a part hereof and incorporated herein as though fully set out herein.)

Financial Reports Nos. 42 and 43

A motion was made by Mr. Buchholz and seconded by Mr. Hall to approve Financial Report No. 42 (Presentation of Preliminary Budget for 1988-89) and Financial Report No. 43 (Approval of Date to be Set for Public Hearing on Adoption of the 1988-89 Budget). Motion passed with a unanimous vote. (See Exhibit Nos. 42 and 43 attached hereto and made a part hereof and incorporated herein as though fully set out herein.)

(8-2-88)

*** Excerpt from Board of Trustees Minutes - Dallas County Community College District, Page 2 - Policy Report No. 39, Exhibit on next page.

00196F

Exhibit No. 39

Board Meeting 8/02/88

POLICY REPORT NO. 39

Approval of Tax Abatement Agreement with Pep Boys, Inc. and Other Taxing Units Concerning Property in the City of Mesquite

It is recommended that the Board of Trustees authorize Robert Bettis, Chairman of the Board of Trustees of the Dallas County Community College District, to execute the attached tax abatement agreement with Pep Boys, Inc. and other participating taxing units that levy ad valorem taxes in the City of Mesquite.

The essential terms of the agreement are as follows:

- 1) Pep Boys shall construct a 243,650 square foot regional administrative office and distribution center upon 14.3 acres of land in the City of Mesquite by January 31, 1989. The value of the improvements shall be at least \$5,000,000.
- 2) In exchange for these improvements, the City of Mesquite and participating taxing units shall reduce the taxes assessed upon the increased value of the land by virtue of the improvements by 25% during a 6-year period which begins January 1, 1989.

The estimated amount of taxes abated during the 6-year period is \$3,560.

001966

A. Budget and Finance Committee

1. Committee member Ann Margolin reported on the Budget & Finance Committee meeting of June 28, 1988, which included the following information from the Financial & Statistical Report for May, 1988:
 - Gross Patient services revenue reflects an unfavorable budget variance of \$1.5 million for the month and an unfavorable budget variance of \$9.8 million year to date. The unfavorable variances are the result of patient volume shortfalls in inpatient services. The openings of many of the new nursing units indicated in our original budget submission for fiscal year 1988 had to be put off because of insufficient numbers of registered nurses.
 - Salaries & Wages reflect a favorable budget variance of \$38 thousand for the month and \$1.1 million year to date.
 - Employee benefits and medical professional fees have been broken out of supplies and other expenses. Employee benefits are those expenses incurred by the hospital only and do not include any employee contributions. Medical and professional fees are those expenses incurred by the hospital for services rendered by CMC and UTHSC.
 - Employee benefits reflect a favorable budget variance of \$21 thousand for the month and \$77 thousand year to date.
 - Medical professional fees reflect an unfavorable budget variance of \$298 thousand for the month and \$498 thousand year to date.
 - Supplies & other expenses reflect an unfavorable budget variance of \$171 thousand for the month and a favorable budget variance of \$1.1 million year to date.
 - Total inpatient days had an unfavorable variance of 8.7% for the month, and unfavorable variance of 5.0% year to date.
 - Clinic & ER visits had an unfavorable variance of 0.6% for the month and an unfavorable variance of 4.5% year to date.
 - Nursery patient days had an unfavorable variance of 11.7% for the month and an unfavorable variance of 4.5% year to date.
 - Patient Service cash receipts reflect an unfavorable budget variance of \$1.2 million for the eight month period ended May 31, 1988. A prior year settlement of \$800 thousand is expected to be received prior to the end of fiscal year 1988.

MAY 23 1988
HOSPITAL DISTRICT

Mrs. Margolin also presented the following recommendation:

- *** ◦ Approval of request by City of Mesquite for the Dallas County Hospital District to enter into a tax abatement agreement
- *** Excerpt from Board of Managers Minutes - Dallas County Hospital District (6-28-88), Pages 7 & 8.

00196I

-8-

with the City of Mesquite for property upon which an administrative office and distribution center for Pep Boys, Inc. will be located within the City of Mesquite.

Following discussion, it was moved, seconded, and unanimously passed to approve the recommendation as presented.

2. It was moved, seconded and unanimously passed to approve the minutes of the Budget & Finance Committee meeting of May 24, 1983.

8. Long Range Planning Committee

1. Committee Chairman Esquivel reported on the Long Range Planning Committee meeting of June 28, 1988.

He noted that the Committee had reviewed a proposed Strategic Plan for the Hospital District and identified several areas which should be covered by the Plan once it is adopted.

Some of the highlights were:

- Reconfirm commitment to provide healthcare services to the indigent and medically needy by operating in a businesslike manner while remaining accountable to the residents of Dallas County through the Board of Managers.
- To remain a leading tertiary provider in full partnership with the medical school, thereby cross-subsidizing care to the medically indigent.
- Build a continuum of care to manage the severity of illness by providing alternative settings.
- Decentralization of inpatient and outpatient acute care services which would allow the District to use these cost-effective alternatives to tertiary care.
- Develop specialty diagnosis and treatment services in a manner that complements University Medical Center, while permitting Parkland to remain a full partner.

Mr. Esquivel noted that the document should be completed and presented to the Board in four months, and that when approved should serve as a guide upon which to base decisions facing the Board of Managers during the next five to seven years.

At this time, Mr. Bass complimented Dr. Boubulian and his staff on the work that has gone into the Plan thus far. He noted that it is very comprehensive and that it covers a lot of areas. He also cautioned those present not to totally accept it as presented today, as it is still very much in a draft form.

Dr. Anderson discussed with the Board the possibility of continuing the C & Y Project. He noted that at this point there was no recommendation for approval by the Board.