

RICHARD WARREN, PRESIDENT

MIKE CLAUSEN, BOARD MEMBER

SHELLEY FULLER, BOARD MEMBER

RANDY WOODARD, BOARD MEMBER

JAY MARTIN, BOARD MEMBER

NANCY OJEDA, VICE-PRESIDENT/b>

CHUCK ENGELKEN, BOARD MEMBER



## CITY OF LA PORTE DEVELOPMENT CORPORATION MEETING AGENDA

Notice is hereby given of a meeting of the City of La Porte Development Corporation to be held on June 27, 2016, at the City Hall Council Chambers, 604 W. Fairmont Parkway, La Porte, Texas, beginning at 5:00 PM to consider the following items of business:

### 1. CALL TO ORDER

### 2. CONSENT AGENDA *(All consent agenda items are considered routine by the La Porte Development Corporation Board and will be enacted by one motion. There will be no separate discussion of these items unless a Board member requests an item be removed and considered separately)*

(a) Consider approval or other action regarding minutes of the La Porte Development Corporation Board meeting held on May 23, 2016 - P. Fogarty

(b) Financial Report - M. Dolby

### 3. PUBLIC HEARING AND ASSOCIATED MATTERS

(a) Public hearing to receive comments regarding proposed project of the La Porte Development Corporation in amount not to exceed \$230,000.00 to award an economic incentive to Northern Safety Company, Inc., for promotion of expanded business enterprises, including consolidation of operations at 359 Pike Court in La Porte, Texas; consider approval or other action authorizing La Porte Development Corporation project in an amount not to exceed \$230,000.00 for Northern Safety Company, Inc., for promotion of expanded business enterprises, including consolidation of operations at 359 Pike Court in La Porte, Texas and authorizing Board President Richard Warren to execute a Development Agreement with Northern Safety Company, Inc. in connection with such project - T. Leach

### 4. AUTHORIZATIONS

(a) Consider approval or other action authorizing Staff to execute payment in the amount of \$75,000.00 to ACT Independent Turbo Services, Inc., in accordance with terms of incentive agreement - T. Leach

(b) Consider approval or other action authorizing Board President Richard Warren to sign and execute a development agreement with Margaret Lindsey Russell for an enhancement grant project in an amount not to exceed \$25,000.00 for property located at 1026 S. 8th Street La Porte, Texas - T. Leach

### 5. SET DATE FOR NEXT MEETING - T. Leach

### 6. Board member comments regarding matters appearing on agenda; Recognition of

community members, city employees, and upcoming events; inquiry of staff regarding specific factual information or existing policies.

7. **Adjourn**

The La Porte Development Corporation Board reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code (the Texas open meetings laws).

In compliance with the Americans with Disabilities Act, the City of La Porte will provide for reasonable accommodations for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meetings. Please contact Patrice Fogarty, City Secretary, at 281.470.5019.

**CERTIFICATION**

I certify that a copy of the June 27, 2016, agenda of items to be considered by the Board of the La Porte Development Corporation was placed on the City Hall Bulletin Board on June 21, 2016.



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Patrice Fogarty, City Secretary

RICHARD WARREN, PRESIDENT  
SHELLEY FULLER, BOARD MEMBER  
CHUCK ENGELKEN, BOARD MEMBER  
JAY MARTIN, BOARD MEMBER



MIKE CLAUSEN, BOARD MEMBER  
RANDY WOODARD, BOARD MEMBER  
NANCY OJEDA, VICE-PRESIDENT

## MINUTES OF LA PORTE DEVELOPMENT CORPORATION BOARD MEETING OF MAY 23, 2016

The City of La Porte Development Corporation Board met on **May 23, 2016**, at the City Hall Council Chambers, 604 West Fairmont Parkway, La Porte, Texas, 77571, at **5:00 p.m.** to consider the following items of business:

### 1. CALL TO ORDER

President Richard Warren called the meeting to order at 5:02 p.m. The following members of the La Porte Development Corporation Board were present: Board members Fuller, Clausen, Woodard and Ojeda. Absent: Board member Martin. Staff Present: Corby Alexander, Patrice Fogarty, Scott Livingston, and Clark Askins. Board member Engelken arrived at 5:12 p.m.

### 2. CONSENT *(All consent agenda items are considered routine by the La Porte Development Corporation Board and will be enacted by one motion. There will be no separate discussion of these items unless a Board member requests an item be removed and considered separately.)*

(a) Consider approval or other action regarding minutes of the La Porte Development Corporation Board meeting held on April 25, 2016 – P. Fogarty

(b) Receive Financial Report – S. Livingston

(c) Consider approval or other action authorizing Staff to execute payment in the amount of \$18,091.56 to 4 Ever Clean Pool Chemical Co., LLC., at 101 S. Iowa Street La Porte, Texas for completion of enhancement grant project, in accordance with terms of incentive agreement – S. Livingston

Board member Clausen moved to approve the Consent Agenda items pursuant to staff recommendations. Board member Fuller seconded. **MOTION PASSED UNANIMOUSLY 5/0.**

### 3. DISCUSSION AND POSSIBLE ACTION

(a) Consider approval or other action authorizing Board President Richard Warren to sign and execute an incentive agreement with "Lawrence W. Maher Jr., Family Trust" in connection with an enhancement grant project in an amount not to exceed \$17,045.50, for property located at 505 W. Fairmont Parkway, La Porte, Texas – S. Livingston

Economic Development Coordinator Scott Livingston presented a summary.

Board member Clausen moved to authorize Board President Richard Warren to sign and execute an incentive agreement with "Lawrence W. Maher Jr., Family Trust" in connection with an enhancement

grant project in an amount not to exceed \$17,045.50, for property located at 505 W. Fairmont Parkway, La Porte, Texas. Board member Ojeda seconded. **MOTION PASSED UNANIMOUSLY 6/0.**

- (b) Discussion and possible action regarding future projects and/or initiatives of the La Porte Development Corporation – S. Livingston

Economic Development Coordinator Scott Livingston presented a summary and discussed the outcome of the online survey created to poll each Board member's interest in proceeding with implementing any ideas that were introduced and/or discussed during the course of the meeting held on March 31, 2016.

Board member Woodard asked how much it will cost to build a new structure for restroom facilities at Five Points. Assistant City Manager Traci Leach responded \$150,000.00 - \$200,000.00. Board member Woodard asked why a weather landing system is included in the budget. City Manager Corby Alexander advised it is a follow-up from previous administration.

Board member Ojeda asked how it came about that 123 additional parking spaces at the baseball park were recommended. Economic Development Coordinator Scott Livingston responded the City has land for spaces, and it is an estimate that was available from the Parks and Recreation Department.

**4. SET DATE FOR NEXT MEETING**

Board members set the next meeting dates Monday, June 27, 2016, at 5:00 p.m. Board member Woodard advised he will not be in attendance at the meeting on June 27, 2016.

**5. BOARD MEMBER COMMENTS** regarding matters appearing on agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information or existing policies.

There were no comments.

**6. ADJOURN**

There being no further business, Board member Engelken moved to adjourn the meeting at 5:46 p.m. Board member Ojeda seconded. **MOTION PASSED UNANIMOUSLY 6/0.**

Respectfully submitted,

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Patrice Fogarty, City Secretary

Passed and approved on this 27th day of June, 2016.

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President Richard Warren

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Respectfully submitted,

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Patrice Fogarty, City Secretary

Passed and approved on this 27th day of June, 2016.

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President Richard Warren

## REQUEST FOR LA PORTE DEVELOPMENT CORPORATION AGENDA ITEM

Agenda Date Requested: <u>June 27, 2016</u> Requested By: <u>Traci Leach</u> Department: <u>Economic Development/Tourism</u> Report: <input checked="" type="radio"/> Resolution: <input type="radio"/> Ordinance: <input type="radio"/>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right; padding-right: 10px;"><u>Appropriation</u></td> <td></td> </tr> <tr> <td style="padding-right: 10px;">Source of Funds:</td> <td><u>N/A</u></td> </tr> <tr> <td style="padding-right: 10px;">Account Number:</td> <td></td> </tr> <tr> <td style="padding-right: 10px;">Amount Budgeted:</td> <td></td> </tr> <tr> <td style="padding-right: 10px;">Amount Requested:</td> <td></td> </tr> <tr> <td style="padding-right: 10px;">Budgeted Item:</td> <td><input type="radio"/> YES <input type="radio"/> NO</td> </tr> </table>	<u>Appropriation</u>		Source of Funds:	<u>N/A</u>	Account Number:		Amount Budgeted:		Amount Requested:		Budgeted Item:	<input type="radio"/> YES <input type="radio"/> NO
<u>Appropriation</u>													
Source of Funds:	<u>N/A</u>												
Account Number:													
Amount Budgeted:													
Amount Requested:													
Budgeted Item:	<input type="radio"/> YES <input type="radio"/> NO												

**Exhibits:**

- 1. Notice of published Public Hearing**
- 2. Development Agreement**
- 3. Project Scorecard**

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### SUMMARY & RECOMMENDATIONS

On April 25, 2016, the Board authorized staff to publish a public hearing notice for an economic development incentive in an amount not to exceed \$300,000 for Northern Safety Company, Inc. Since that time, staff has been communicating with Northern Safety’s representatives to finalize the scope of the project and draft a development agreement.

Initial estimates indicated that this project would generate sales tax revenues and taxable business personal/inventory property in amounts that would yield a 2.2 year payback on a \$300,000 LPDC incentive. As discussions progressed, estimates regarding revenue were revised by the company. Based on the revised project estimates, staff is recommending, and the Company has agreed to, a modified LPDC incentive of \$230,000. The project includes an economic development incentive in an amount not to exceed \$230,000 within a five-year period and allocated according to the following terms:

- Payments of \$50,000 (Payment #1 of 5), \$50,000 (#2 of 5), \$40,000 (#3 of 5), \$40,000 (#4 of 5), and \$50,000 (#5 of 5); and
- 120 full employment, rather than 140, phased in over time; and
- Added business personal property and inventory taxable value of \$1.25 million, as opposed to \$2.5 million; and
- New, annual taxable retail sales of \$1.5 million for payment #3 and \$2.5 million for payments #4 and 5; and
- Minimum five (5) year lease, and
- The City will support the company’s application to the Texas Enterprise Zone Program, Texas Skills Development Fund, and any other State-sponsored incentive programs.

Each payment identified above is contingent upon Northern Safety meeting specific performance benchmarks and providing evidence of such performance to the Board. With the revised project estimates, the payback period is 4.65 years.

Staff recommends approval of the development agreement with Northern Safety Company, Inc for an economic development incentive in an amount not to exceed \$230,000.

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**Action Required by the La Porte Development Corporation:**

1. Conduct Public Hearing to receive comments to consider awarding an economic incentive to Northern Safety Company, Inc. to retain and create primary jobs, and support the development, retention, and expansion of manufacturing and industrial facilities, as well as regional or national corporate headquarters facilities.
2. Consider approval or other action authorizing the Board President to execute a Development Agreement with Northern Safety Company, Inc. for an economic development incentive in an amount not to exceed \$230,000.

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**Approved for the La Porte Development Corporation Agenda**

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**Corby D. Alexander, City Manager**

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**Date**

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**City of La Porte Solicitation:**

The City of La Porte RFP #16508 Parks and Recreation Department Operations Assessment will be accepted until 2:00 p.m. on Tuesday, May 24, 2016 at the City Hall Information Desk located at 604 W. Fairmont Pkwy., La Porte TX, 77571. Solicitations will be opened and read immediately following the closing hour. For information to register and bid visit: [www.publicpurchase.com](http://www.publicpurchase.com). For questions, contact [purchasing@laportetx.gov](mailto:purchasing@laportetx.gov).

**City of La Porte Solicitation:**

The City of La Porte Sealed Bid #16016- Concrete Sidewalk Repair will be accepted until 2:00 p.m. on Tuesday, May 24, 2016 at the City Hall Information Desk located at 604 W. Fairmont Pkwy., La Porte TX, 77571. Solicitations will be opened and read immediately following the closing hour. For information to register and bid visit: [www.publicpurchase.com](http://www.publicpurchase.com). For questions, contact [purchasing@laportetx.gov](mailto:purchasing@laportetx.gov).

**NOTICE OF PUBLIC HEARING**

**LA PORTE DEVELOPMENT CORPORATION BOARD (TYPE B BOARD)**

Notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas will conduct a public hearing at 5:00 p.m. on the 27th day of June, 2016, in the Council Chambers at City Hall, 604 West Fairmont Parkway, La Porte, Texas. The purpose of the public hearing is to receive public input on a proposed project by the La Porte Development Corporation in an amount not to exceed \$300,000.00, benefiting Northern Safety Company, Inc., to promote and develop an expanded business enterprise, specifically to facilitate the consolidation and construction of the company's proposed facility at 359 Pike Court, La Porte, TX 77571.

Persons wishing to address the Board pro or con shall be required to sign in before the meeting is convened.

CITY OF LA PORTE  
Patrice Fogarty, TRMC  
City Secretary

A quorum of City Council members may be present and participate in discussions during this meeting, however, no action will be taken by Council.

This facility has disability accommodations available. Requests for accommodations or interpretive services at meetings should be made 48 hours prior to the meeting. Please contact the City Secretary's office at (281) 471-5020 or TDD Line (281) 471-5030 for further information.

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**ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BETWEEN THE LA PORTE DEVELOPMENT CORPORATION, AND NORTHERN SAFETY COMPANY, INC., A NEW YORK CORPORATION, FOR USE OF TYPE B DEVELOPMENT CORPORATION SALES TAX FUNDS**

THIS AGREEMENT made by and entered into this 27<sup>th</sup> day of June 2016 between the La Porte Development Corporation, a Type B non-profit corporation operating under authority of Texas Local Government Code Chapters 501 and 505, hereinafter "LPDC", and Northern Safety Company, Inc., a New York Corporation, hereinafter referred to as "Recipient".

**WITNESSETH:**

WHEREAS, the voters of the City of La Porte authorized the levying of additional sales tax within the City for promotion of economic development and the LPDC is authorized to use such tax revenues for certain qualifying projects and other economic development related purposes; and

WHEREAS, Recipient is a New York based corporation, which is a national distributor of top quality safety and industrial supplies, and which employs positions classified as primary jobs, as the term "primary jobs" is defined in Chapter 501 of the Texas Local Government Code; and

WHEREAS, Recipient is currently identified in the Sales Tax Analysis and Reporting Service ("STARS Report") for Quarter #4 of 2015 as the "Northern Safety Company" at 301 E. Main Street in La Porte, TX; and

WHEREAS, Recipient currently utilizes facilities for its business operations at 301 E. Main Street in La Porte, Texas and at 1475 Sam Houston Parkway, Pasadena, Texas; and

WHEREAS, Recipient wishes to relocate and consolidate its current business operations in Pasadena and La Porte to a new site at 359 Pike Court, La Porte, Texas ("Business Site"), where it will make improvements of at least **\$140,000.00** to the Business Site, which it will lease for a minimum of **five (5) years**, to accommodate increasing business demand, creating an estimated increase to the business personal property tax base valuation in La Porte of **\$1,25,000.00**, generating a minimum of **\$2,500,000.00** in new, annual taxable sales at site, and which operation is anticipated to employ an estimated **one hundred and twenty (120)** full time employees; and

WHEREAS, Recipient has requested that LPDC provide financial incentives towards the proposed consolidation of Recipient's business operations to the Business Site, under a qualifying project of the LPDC for the creation and retention of primary jobs, as authorized by Texas Local Government Code Chapters 501 and 505, and it is the desire of LPDC to assist in the funding of same, finding that such expenditures will contribute to 1) the creation or retention of primary jobs, and 2) will be suitable for the development, retention, or expansion of manufacturing and industrial facilities, as well as regional or national corporate headquarters facilities.

WHEREAS, Texas law and the by-laws of the LPDC require that certain expenditures and projects by the LPDC be approved by the governing body of the City; and whereas the LPDC Board has duly approved such project and the expenditures for same have been authorized by the La Porte City Council; and

NOW THEREFORE, in consideration of the covenants and conditions stated herein, and in consideration of the mutual benefits that will accrue to each of the parties hereof, as well as to the citizens of the City of La Porte, Texas, the parties have agreed and do hereby agree as follows:

## ARTICLE I

In consideration of Recipient consolidating its business operations at the Business Site, which proposal was considered in that certain public hearing authorizing a proposed project for the expenditure of LPDC funds for the creation and retention of primary jobs and the development, retention, or expansion of manufacturing and industrial facilities, held before the LPDC on 27 June 2016, LPDC agrees to provide Recipient an incentive package consisting of cash payments in a total sum not to exceed \$230,000.00, to be distributed in five increments of **\$50,000.00, \$50,000.00, \$40,000.00, \$40,000.00, and \$50,000.00**, with each distribution conditioned on the attainment of certain performance thresholds, more specifically outlined as follows:

- A. A cash incentive payment in an amount equal to **\$50,000.00** will be distributed to Recipient by LPDC, upon receipt by LPDC of all of the following items by **31 January 2017**:
- (1) Copy of a properly executed commercial lease agreement for Recipient's lease of at least 100,000 square feet of space at 359 Pike Court, La Porte, Texas for a minimum **five (5) year** primary term.
  - (2) Proof of Certificate of Occupancy issued by the City of La Porte, Texas to Recipient for completion of improvements at the Business Site.
  - (3) Proof of minimum capital investment in the amount of at least **\$140,000.00** toward real and/or business personal property improvements of the Business Site, which shall be verified by submission of proof of all of the following:
    - a) Copies all applicable invoices and receipts of payment;
    - b) Pictures showing proof of completed improvements;
    - c) Copies of all applicable certificates, permits, and final inspection reports required by the City of La Porte, Texas; and
  - (4) Proof of employment of at least **fifty-five (55)** full time employees at the Business Site, which shall be established by submission to LPDC, by the said deadline, of the following:

- a) Copies of Recipient's 941 Report to the Internal Revenue Service and C3 Report to the Texas Workforce Commission for each employee (but with social security numbers of each employee redacted), and
- b) A signed and notarized statement executed by any authorized officer or director of Recipient affirming that **fifty-five (55)** full time employees are employed by Recipient for positions permanently located at the Business Site.

In no case will the **\$50,000.00** payment be made by LPDC if written proof of all aforementioned items are not delivered to and received by the LPDC by **31 January 2017**. In the case that written proof of all aforementioned items are presented to LPDC on or before said **31 January 2017** deadline, the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof of said items outlined in this Section A, from Recipient. Upon verification of the completion of all three aforementioned items, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit the **\$50,000.00** to Recipient within a period not to exceed thirty (30) days.

B. A cash incentive payment in an amount equal to **\$50,000.00** will be distributed to Recipient by LPDC, upon receipt by LPDC of each of the following items by **31 October 2017**:

- (1) Receipt of documentation evidencing that the total taxable value of all property of Recipient, at the conclusion of Recipient's consolidation of its business operations at the Business Site, including interests in all business personal property owned by the Recipient, as well as equipment and inventory, is assessed at a minimum value of one and a quarter million dollars (**\$1,250,000.00**) by the Harris County Appraisal District for tax year 2017.
- (2) Proof of employment of at least **sixty-five (65)** full-time employees at the Business Site, which shall be established by submission to LPDC by the said deadline, of the following:
  - a) Copies of Recipient's 941 Report to the Internal Revenue Service and C3 Report to the Texas Workforce Commission for each employee (but with social security numbers of each employee redacted); and
  - b) A signed and notarized statement executed by any authorized officer or director of Recipient affirming that **sixty-five (65)** full time employees are employed by Recipient for positions permanently located at the Business Site.

In no case will the **\$50,000.00** payment be made by LPDC if written proof of all

aforementioned items is not delivered to and received by LPDC by **31 October 2017**. In the case that written proof of all aforementioned items is presented to LPDC on or before said **31 October 2017** deadline, the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof of said items outlined in this Section B, by LPDC from Recipient. Upon verification of the completion of all aforementioned items, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit the **\$50,000.00** to Recipient within a period not to exceed thirty (30) days.

C. A cash incentive payment in an amount equal to **\$130,000.00** will be distributed to the Recipient by the LPDC, in three annual installments of **\$40,000.00**, **\$40,000.00** and **\$50,000.00**, based on the following criteria:

(1) For the twelve (12) month period beginning 1 July 2017 and ending 30 June 2018, (Year #1 of Operation), the first annual installment of **\$40,000.00** will be distributed to the Recipient by the LPDC, upon receipt by the LPDC of all required items as outlined below, by **31 October 2018**:

a) Documentation evidencing that the total taxable value of all property of the Recipient, at the Business Site, including interests in all business personal property owned by the Recipient, as well as equipment and inventory, is assessed at a minimum value of one and a quarter million dollars (**\$1,250,000.00**) by the Harris County Appraisal District for tax year 2018; and

b) Proof of employment of at least **seventy-five (75)** full-time employees at the Business Site, which shall be established by submission to LPDC, by the said deadline, of the following:

i. Copies of Recipient's 941 Report to the Internal Revenue Service and C3 Report to the Texas Workforce Commission for each employee (but with social security numbers of each employee redacted), and

A signed and notarized statement executed by any authorized officer or director of the Recipient affirming that **seventy-five(75)** full time employees are employed by Recipient for positions permanently located at the Business Site; and

c) Documentation evidencing that the Recipient generates taxable sales from the Business Site that is at least **\$1,500,000.00** more than the amount of taxable sales generated from the

beginning of the 1<sup>st</sup> Quarter of 2015 through and including the 4<sup>th</sup> Quarter of 2015 for activity at Recipient's business at 301 E. Main Street in La Porte, Texas ("Baseline Sales Tax Revenue Amount" herein) as reflected in the Sales Tax Analysis and Reporting Service (STARS Report for Quarter #4 of 2015).

In no case will the **\$40,000.00** payment be made by LPDC if written proof of all aforementioned items is not delivered to and received by LPDC by **31 October 2018**. In the case that written proof of all aforementioned items is presented to LPDC on or before said **31 October 2018** deadline, the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof by LPDC from Recipient. Upon verification of the completion of all aforementioned items, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit the **\$40,000.00** to Recipient within a period not to exceed thirty (30) days.

(2) For the twelve (12) month period beginning 1 July 2018 and ending 30 June 2019 (Year #2 of Operation) the second annual installment of **\$40,000.00** will be distributed to the Recipient by the LPDC, upon receipt by the LPDC of all required items as outlined below, by **31 October 2019**:

- a) Documentation evidencing that the total taxable value of all property of the Recipient at the Business Site, including interests in all business personal property owned by the Recipient, as well as equipment and inventory, is assessed at a minimum value of one and a quarter million dollars (**\$1,250,000.00**) by the Harris County Appraisal District for tax year 2019; and
- b) Proof of employment of at least **one hundred (100)** full-time employees at the Business Site, which shall be established by submission to LPDC, by the said deadline, of the following:
  - i. Copies of Recipient's 941 Report to the Internal Revenue Service and C3 Report to the Texas Workforce Commission for each employee (but with social security numbers of each employee redacted), and
  - ii. A signed and notarized statement executed by and authorized officer or director of the Recipient affirming that **one hundred and forty (140)** full time employees are employed by Recipient for positions permanently located at the Business Site; and

- c) Documentation evidencing that the Recipient generates taxable sales from the Business Site that is at least **\$2, 500,000.00** -more than the amount of taxable sales generated from the beginning of the 1<sup>st</sup> Quarter of 2015 through and including the 4<sup>th</sup> Quarter of 2015 for activity at Recipient's business at 301 E. Main Street in La Porte, Texas ("Baseline Sales Tax Revenue Amount" herein) as reflected in the Sales Tax Analysis and Reporting Service (STARS Report for Quarter #4 of 2015).

In no case will the **\$40,000.00** payment be made by LPDC if written proof of all aforementioned items is not delivered to and received by LPDC by **31 October 2019**. In the case that written proof of all aforementioned items is presented to LPDC on or before said **31 October 2019** deadline, the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof by LPDC from Recipient. Upon verification of the completion of all aforementioned items, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit the **\$40,000.00** to Recipient within a period not to exceed thirty (30) days.

- 3) For the twelve (12) month period beginning 1 July 2019 and ending 30 June 2020 (Year #3 of Operation), the final annual installment of **\$50,000.00** will be distributed to the Recipient by the LPDC, upon receipt by the LPDC of all required items as outlined below, by **31 October 2020**:

- a) Documentation evidencing that the total taxable value of all property of the Recipient at the Business Site, including interests in all business personal property owned by the Recipient, as well as equipment and inventory, is assessed at a minimum value of one and a quarter million dollars (**\$1,250,000.00**) by the Harris County Appraisal District for tax year 2020; and

- b) Proof of employment of at least **one hundred and twenty (120)** full-time employees at the Business Site, which shall be established by submission to LPDC, by the said deadline, of the following:

- i. Copies of Recipient's 941 Report to the Internal Revenue Service and C3 Report to the Texas Workforce Commission for each employee (but with social security numbers of each employee redacted), and
- ii. A signed and notarized statement executed by an authorized officer or director of the Recipient affirming that **one hundred and twenty (120)** full time

employees are employed by Recipient for positions permanently located at the Business Site; and

- c) Documentation evidencing that the Recipient generates taxable sales from the Business Site that is at least **\$2,500,000.00** -more than the amount of taxable sales generated from the beginning of the 1<sup>st</sup> Quarter of 2015 through and including the 4<sup>th</sup> Quarter of 2015 for activity at Recipient's business at 301 E. Main Street in La Porte, Texas ("Baseline Sales Tax Revenue Amount" herein) as reflected in the Sales Tax Analysis and Reporting Service (STARS Report for Quarter #4 of 2015).

In no case will the **\$50,000.00** payment be made by LPDC if written proof of all aforementioned items is not delivered to and received by LPDC by **31<sup>st</sup> October 2020**. In the case that written proof of all aforementioned items is presented to LPDC on or before said **31<sup>st</sup> October 2020**, the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof by LPDC from Recipient. Upon verification of the completion of all aforementioned items, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit the **\$50,000.00** to Recipient within a period not to exceed thirty (30) days.

- D. Notwithstanding the foregoing, if for any Year of Operation, as that term is defined in this Section, Recipient provides proof that all business personal property owned by the Recipient at the Business Site, including equipment and inventory, is assessed at a minimum value of one and a quarter million dollars (**\$1,250,000.00**) by the Harris County Appraisal District for the given tax year; and Recipient employs at least **minimum employees as laid out above of 55 year one, 65 year two, 75 year three, 100 year four and 120 in the final year** of full-time employees at the Business Site; and the Recipient generates taxable sales that do not meet or exceed the Baseline Sales Tax Revenue Amount by **\$2,500,000.00**, then the Recipient will only be eligible for a pro rata share of the proposed annual payment based on the percentage of the achieved sales tax. but the Recipient's annual taxable sales do meet or exceed the Baseline Sales Tax Revenue Amount by at least **80% of the taxable sales identified in each payment under this Section**, then in that case Recipient shall be entitled to a pro rata share of the installment payment made at the end of the applicable Year of Operation. However, in the case that Recipient fails to meet or exceed the Baseline Sales Tax Revenue Amount by at least **80%** in a given Year of Operation, then Recipient shall be entitled to no portion of the installment, for that Year of Operation.

In accordance with the preceding paragraph, if after the conclusion of a Year of Operation, but no later than 120 days after the conclusion of the Year of Operation, the Recipient submits proof that it exceeded the Baseline Sales Tax Revenue Amount as reflected in the Sales Tax Analysis and Reporting Service (STARS Report for Quarter #4 of 2015) by at least **\$2,000,000.00**, but less than **\$2,500,000.00**, then in that event the LPDC shall convene a meeting of the

LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof of such sales tax revenue data. Upon verification of same, for qualification of pro rata payment, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit a pro rata share of the **proposed payment for that year** an amount as applicable, to Recipient within a period not to exceed thirty (30) days.

## ARTICLE II

All funds received as herein provided shall be solely for the purpose of reimbursing Recipient in the consolidation of its business operations at its La Porte site, and Recipient further acknowledges that the incentive grant provided for herein is tied to a project of the LPDC for the creation and retention of primary jobs, and that Recipient's proposed expansion at its La Porte site will be suitable for the development, retention, or expansion of manufacturing and industrial facilities, as authorized by Texas Local Government Code chapters 501 and 505.

## ARTICLE III

Disbursement and/or retention of the cash incentive identified in Article I of this Agreement shall be made as follows:

- A. Disbursement shall be made to Recipient, subject to the satisfaction of the conditions precedent or conditions subsequent contained within Article I of this Agreement.
- B. LPDC's obligation to Recipient shall not exceed **\$230,000.00**, nor shall LPDC be obligated to reimburse Recipient for requests delivered to LPDC after the termination of this Agreement.

## ARTICLE IV

Recipient understands that the funds paid to Recipient by the LPDC are derived from tax revenues collected under Texas Local Government Code 505.252, and that LPDC has estimated the tax revenues to be collected during the term of this Agreement. Recipient further understands, acknowledges, and agrees that if the tax revenue actually collected is less than 90% of the estimated tax revenues to be collected in any fiscal year during the term of this Agreement, LPDC will be under no obligation to provide funding to Recipient for any payment or payments during or after the fiscal year for which there is a revenue shortfall. Upon execution of the Agreement, funds will be placed in a City of La Porte designated commitment account for purposes of this Agreement.

## ARTICLE V

In the event of any default by Recipient hereunder, including, but not limited to, use of the funds provided herein for purposes other than those stated in Article I of this Agreement, LPDC may cease all future payments hereunder and terminate this

Agreement. In addition, LPDC shall have the right to reclaim and recapture, and Recipient shall refund, any funds that are not spent in accordance with the terms of this Agreement, including 1) LPDC funds spent by Recipient in contravention of this Agreement and 2) any unspent and unobligated LPDC funds previously paid to Recipient. In each such case, the previously paid cash payment or payments shall be remitted to the LPDC within sixty (60) of receipt of written demand for same.

Any breach of this covenant shall be grounds for immediate termination of the distribution of funds.

## **ARTICLE VI**

The term of this Agreement is for a period beginning on the date of approval by LPDC and ending **five (5) years** later.

## **ARTICLE VII**

All funds provided by the LPDC pursuant to this Agreement may be used only for the purposes authorized by this Agreement. Notwithstanding Article I, above, City shall be under no obligation to make any fund disbursements if the reports required under this Article have not been delivered to the LPDC.

## **ARTICLE VIII**

This Agreement does not create any joint venture, partnership, or agency relationship between the LPDC and Recipient. Recipient shall have exclusive control of, and the exclusive right to control the details of the work to be performed by Recipient hereunder and all personnel performing same, and shall be solely responsible for the acts and omissions of its officers, members, agents, servants, employees, subcontractors, program participants, volunteers, licensees, and invitees. In no event shall any person participating in or performing any of Recipient's duties or responsibilities hereunder be considered an officer, agent, servant, or employee of the LPDC.

## **ARTICLE IX**

Recipient agrees to assume and does hereby assume all responsibility and liability for damages sustained by persons or property, whether real or asserted, by or from the

carrying on of work by Recipient or in the performance of services performed and to be performed by Recipient hereunder. Recipient covenants and agrees to, and does hereby indemnify, defend, and hold harmless LPDC and all their respective officers, agents, and employees from all suits, actions, claims, and expenses of any character, including attorney's fees, brought for or incurred on account of any injuries or damages, whether real or asserted, sustained by any person or property by or in consequence of any intentional or negligent act, omission, or conduct of Recipient, its agents, servants or employees.

## **ARTICLE X**

This Agreement may be amended by the mutual agreement of the Parties hereto in writing to be attached to and incorporated into this Agreement.

#### **ARTICLE XI**

Recipient shall adhere to all local, state, and federal laws and regulations that may affect its actions made pursuant to this Agreement, and shall maintain in effect during the term of this Agreement any and all federal, state, and local licenses and permits which may be required of Recipients generally.

#### **ARTICLE XII**

Recipient may not assign this Agreement without the written consent of LPDC.

#### **ARTICLE XIII**

The waiver by LPDC of any breach of any term, condition, or covenant herein contained shall not be deemed a waiver of any subsequent breach of the same, or any other term, condition, or covenant.

#### **ARTICLE XIV**

The obligations of the Parties to this Agreement are performable in Harris County, Texas and if legal action is necessary to enforce same, venue shall lie in Harris County, Texas.

#### **ARTICLE XV**

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

#### **ARTICLE XVI**

This Agreement may be executed in triplicate, each of which shall be deemed an original and constitute one and the same instrument.

#### **ARTICLE XVII**

Neither LPDC nor Participant shall be required to perform any term, condition, or covenant in this Agreement so long as such performance is delayed or prevented by force majeure, which shall mean Acts of God, civil riots, floods, and any other cause not reasonably within the control of LPDC or Recipient except as herein provided, and which by the exercise of due diligence LPDC or Recipient is unable, wholly or in part, to prevent or overcome.

#### **ARTICLE XVIII**

In submitting this application, the applicant whose signature appears below affirms its intent and commitment to comply in full with Section 2264.052 of the Government Code and certifies that it does not and will not knowingly employ an undocumented worker during any time period associated with the public subsidy for which the application is being submitted. The applicant further certifies its understanding and agreement that if it is convicted of a violation of 8 U.S.C. Section 1324a(f), providing for civil and/or criminal penalties for engaging in a pattern or practice of knowingly hiring or continuing to employ unauthorized aliens, it shall repay the amount of the public subsidy with interest, at the rate and according to the terms of the agreement signed under Section 2264.053 of the Government Code, not later than the 120th day after the date the city notifies the business of the violation.

**ARTICLE XIX**

The Agreement embodies the complete agreement of the parties hereto, superceding all oral or written pervious and contemporary agreements between the Parties, which relate to matters in this Agreement.

SIGNED AND AGREED to by LPDC and Recipient on the dates indicated below.

LA PORTE DEVELOPMENT CORPORTION

\_\_\_\_\_  
Richard Warren, President

\_\_\_\_\_  
Date

ATTEST

\_\_\_\_\_  
Secretary of the Corporation

NORTHERN SAFETY COMPANY, INC., a New York Corporation

By:

\_\_\_\_\_

\_\_\_\_\_

Date

ATTEST

---

### La Porte Development Corporation Project Score Card

<u>Project Name</u>	<u>Added Taxable Value</u>	<u>10 Year PILOT or Tax Revenue</u>	<u># of Full Time Jobs</u>	<u># of Part Time/Coop Positions</u>	<u>Actual or Est. Grant Award</u>	<u>Raw Payback Period (Years)</u>	<u>Adj. Payback Period for # of Jobs (Years)</u>
InterGulf Corporation	\$2.1 million	\$149,100	30	0	\$450,000	30.18	25.68 <sup>8</sup>
Rob Johnson	\$6 million	\$843,750 <sup>2</sup>	10	0	\$106,000	1.26	1.26 <sup>7</sup>
Pipeline Grill	\$656,728	\$846,628 <sup>3</sup>	100	0	\$300,000	3.54	3.54
Fischer's Hardware	\$600,000	\$116,600 <sup>4</sup>	4	3	\$120,000	10.29	9.89
Richard Industrial Group	\$500,000	\$10,650 <sup>5</sup>	75	0	\$15,000	4.23	-7.02 <sup>8</sup>
ACT Independent Turbo	\$6 million	\$426,000	60	5	\$426,000	10.00	0.25 <sup>8</sup>
Northern Safety and Industrial	\$1.25 million <sup>1</sup>	\$145,500 <sup>6</sup>	120	0	\$230,000	7.90	4.65 <sup>9</sup>

**Notes:**

1. Investment of \$1.25 million in new business personal property and inventory.
2. Estimated sales of \$2 million x 2%, plus the annual tax revenue from the improved property.
3. Estimated sales of \$4 million x 2%, plus the annual tax revenue from the improved property.
4. Estimated increase in annual taxable sales by 20%, plus the annual tax revenue from the improved property.
5. Estimated increase in annual tax revenue from improved property, and the term for this project is three (3) years.
6. Estimated, annual taxable retail sales for years #3 and #4 of \$1.5 million and year #4 of \$2.5 million. **Five** Year Project.
7. Grant Award/Annual PILOT or Tax Revenue - (# of Full Time Positions x 0) - (# of Coop Positions x 0).
8. Grant Award/Annual PILOT or Tax Revenue - (# of Full Time Positions x 0.15) - (# of Coop Positions x 0.15).
9. Grant Award/Annual Tax Revenue - (3\*0.15)-(13\*0.1)-(20\*0.075)-(0\*0.075)

**\$35,500**  
**\$60,000**  
**\$50,000**  


---

**\$145,500**

Property Tax for \$1.25 million over 4 years.  
 New retail sale tax revenue for years #3 and 4 of agreement.  
 New retail sale tax revenue for year #5 of agreement.

## REQUEST FOR LA PORTE DEVELOPMENT CORPORATION AGENDA ITEM

Agenda Date Requested: <u>June 27, 2016</u> Requested By: <u>Traci Leach</u> Department: <u>Economic Development/Tourism</u> Report: <input checked="" type="radio"/> Resolution: <input type="radio"/> Ordinance: <input type="radio"/>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;"><u>Appropriation</u></td> </tr> <tr> <td>Source of Funds:</td> <td><u>Fund 038</u></td> </tr> <tr> <td>Account Number:</td> <td>_____</td> </tr> <tr> <td>Amount Budgeted:</td> <td><u>\$426,000.00</u></td> </tr> <tr> <td>Amount Requested:</td> <td><u>\$ 75,000.00</u></td> </tr> <tr> <td>Budgeted Item:</td> <td><input type="radio"/> YES <input type="radio"/> NO</td> </tr> </table>	<u>Appropriation</u>		Source of Funds:	<u>Fund 038</u>	Account Number:	_____	Amount Budgeted:	<u>\$426,000.00</u>	Amount Requested:	<u>\$ 75,000.00</u>	Budgeted Item:	<input type="radio"/> YES <input type="radio"/> NO
<u>Appropriation</u>													
Source of Funds:	<u>Fund 038</u>												
Account Number:	_____												
Amount Budgeted:	<u>\$426,000.00</u>												
Amount Requested:	<u>\$ 75,000.00</u>												
Budgeted Item:	<input type="radio"/> YES <input type="radio"/> NO												

**Exhibits:**

- 1. Required C.O's received**
- 2. ACT Turbo Update, Presentation**
- 3. Development Agreement**

### SUMMARY & RECOMMENDATIONS

On 22 September 2014, both the ED Board and City Council approved an economic development incentive for “ACT Independent Turbo Services, Inc.” (ACT) in the amount of \$426,000. The ED Board approved and executed the development agreement for this project on 17 November 2014.

According to the terms of the development agreement, ACT may receive three separate payments of up to \$75,000, \$185,000, and \$166,000 over a three year period. In order to qualify for the first payment of \$75,000, ACT must:

- Complete all proposed construction of both a (a) business office building, and (b) industrial manufacturing/repair building,
- Submit proof of a Certificate of Occupancy for both (a) and (b) issued by the City of La Porte, and
- Submit proof of a Certificate of Occupancy by/before 1 June 2016.

Staff has evaluated the required documentation and recommends execution of payment in the amount of \$75,000 to “ACT Independent Turbo Services, Inc.” per the terms of the enclosed economic development agreement.

The enclosed file called “Pictures of Completed Construction” shows pictures of the company’s new facility in La Porte, and representatives of the company will be available to answer any questions that the Board may have about the project.

**Action Required by the La Porte Development Corporation:**

Consider approval or other action to authorize staff to execute payment in the amount of \$75,000.00 to “ACT Independent Turbo Services, Inc.” in accordance with terms of incentive agreement.

**Approved for the La Porte Development Corporation Agenda**

\_\_\_\_\_  
**Corby D. Alexander, City Manager**

\_\_\_\_\_  
**Date**

CITY OF LA PORTE  
604 W FAIRMONT PARKWAY  
LA PORTE, TEXAS  
LA PORTE TX 77571

C E R T I F I C A T E   O F   O C C U P A N C Y

P E R M A N E N T

Issue Date . . . . . 4/25/16

Parcel Number . . . . . 023-147-000-0918

Property Address . . . . 12000 N P ST UB  
LA PORTE TX 77572

Subdivision Name . . . . LA PORTE OUTLOTS

Legal Description . . . . TR 902B  
MID 101.5 FT  
LA PORTE OUTLOTS

Property Zoning . . . . . IND - BUSINESS

Owner . . . . . COLEMAN WILLIS H JR

Contractor . . . . . FOLLIS CONSTRUCTION  
281 471-6881

Application number . . . 15-00000202 000 000

Description of Work . . . NEW, COMMERCIAL

Construction type . . . . NON-COMBUSTIBLE II

Occupancy type . . . . . BUSINESS

Flood Zone . . . . .

CL

Approved . . . . . Mark Huber  
Building Official

VOID UNLESS SIGNED BY BUILDING OFFICIAL

CITY OF LA PORTE  
604 W FAIRMONT PARKWAY  
LA PORTE, TEXAS  
LA PORTE TX 77571

C E R T I F I C A T E   O F   O C C U P A N C Y

P E R M A N E N T

Issue Date . . . . . 4/25/16

Parcel Number . . . . . 023-147-000-0923

Property Address . . . . . 12022 N P ST C  
LA PORTE TX 77571

Subdivision Name . . . . . LA PORTE OUTLOTS

Legal Description . . . . . TR 903  
LA PORTE OUTLOTS

Property Zoning . . . . . IND - BUSINESS

Owner . . . . . COLEMAN WILLIS H JR

Contractor . . . . . FOLLIS CONSTRUCTION  
281 471-6881

Application number . . . . . 15-00000366 000 000

Description of Work . . . . . NEW, COMMERCIAL BUILDOUT

Construction type . . . . . NON-COMBUSTIBLE II

Occupancy type . . . . . FACTORY & INDUSTRIAL

Flood Zone . . . . .

CL

Approved . . . . . -----  
Building Official

VOID UNLESS SIGNED BY BUILDING OFFICIAL

# FOLLIS CONSTRUCTION

ADDRESS	PERMIT #	C.O. ISSUED DATE	DESCRIPTION
12000 N. P ST.	15-1040	N/A (zoning permit- no C.O. needed)	ZONING PERMIT ACT INDEPENDENT TURBO SERV. (MACHINERY REPAIR)
12000 N. P ST.	15-0202	4/25/16	NEW COMMERCIAL (OFFICE BLDG. & PARKING)
12022 N. P ST.	12-0742	3/3/13	NEW COMMERCIAL (PHASE I & II)
12022 N. P. ST.	16-0160	PENDING	NEW COMMERCIAL (ROTOR BLDG. EXPANSION)
12022 N. P ST. SUITE C	15-0053	N/A (zoning permit- no C.O. needed)	ZONING PERMIT (ACT INDEPENDENT TURBO SERVICES)
12022 N. P ST. SUITE C	15-0366	4/25/16	NEW COMMERCIAL (BUILD-OUT)

## Livingston, Scott

---

**Subject:** FW: Status of the C.O. for Permit #16-0160 at 12022 N. P Street?

**From:** Glenn Turner [mailto:GTurner@act-texas.com]  
**Sent:** Monday, June 06, 2016 12:41 PM  
**To:** Livingston, Scott <LivingstonS@laportetx.gov>  
**Subject:** RE: Status of the C.O. for Permit #16-0160 at 12022 N. P Street?

The Rotor & Building Expansion was not part of the business relocation plan. This is an expansion of our current business in La Porte and wasn't even being considered in 2014 when we made the request with the City.

The two CO's you received were for the buildings that were built to accommodate moving our Houston based production and personnel to La Porte.

Hope this helps clarify! I'll be sending you a presentation to review shortly.

Best regards,

Glenn

**From:** Livingston, Scott [mailto:LivingstonS@laportetx.gov]  
**Sent:** Monday, June 6, 2016 12:33 PM  
**To:** Glenn Turner <GTurner@act-texas.com>  
**Subject:** Status of the C.O. for Permit #16-0160 at 12022 N. P Street?

Glenn,

I have received two (2) Certificates of Occupancy for ACT Turbo's current construction. Please see attached.

I understand that **Permit #16-0160** for address 12022 N. P. St. for the Rotor & Building expansion has **not** received a C.O. as of today.

When are you likely to take receipt of this C.O.?

Sincerely,



**Scott D. Livingston, CE&D, CPM**  
Economic Development & Main Street  
City of La Porte  
604 W. Fairmont Pkwy; La Porte, TX 77571  
[LivingstonS@laportetx.gov](mailto:LivingstonS@laportetx.gov) | 281-470-5016



**ACT Independent Turbo Services**  
**City of La Porte EDC Presentation**  
**June 2016**

# June 2016 La Porte EDC Presentation

## City of La Porte Economic Development Grant Milestones - \$426k

- 1 Lever-1 / Occupancy Permit: \$75k**  
Achieved 04/25/16 – Expires 06/01/16
- 2 Lever-2 / >=75 People Move-In: \$185k**  
Achieve 09/01/16 – Expires 09/30/16
- 3 Lever-3 / HCAD Tax Appraisal: \$166k**  
Start 09/16/16 - Achieve 10/15/17 – Expires 10/30/17



## ACT Independent Turbo Service EDC Presentation Update – June 2016

Construction Progress and Update

Impact on Local Businesses and Community

Continued Business Expansion



# June 2016 La Porte EDC Presentation



Independent Turbo Services



November 2011



October 2012



April 2013



October 2013



April 2014



October 2014



29



# June 2016 La Porte EDC Presentation



Independent Turbo Services



March 2015



May 2015



July 2015



March 2016



## Local Economic Impact

### La Porte Suppliers

- In the move/transition process, ACT worked to source products from La Porte Businesses
- In the last 12 months, ACT has spent \$635,000+ with businesses within the City limits
- The economic impact made by these initiatives have resulted in job creation and additional tax revenues in La Porte



#1 IN CUSTOMER SERVICE AND SATISFACTION



CLEAN-TEX SERVICES



## Local Economic Impact

### Employment Opportunities

- In the past 24 months, ACT has interviewed ~20 people that live in La Porte or graduated from LPHS. Hiring several.
- ACT currently employs ~40 people in La Porte
- ACT plans to move ~40 more people to La Porte in the next couple of months.



## Local Economy Impact

Restaurants  
Frequented

- ACT employees are active patrons of La Porte Restaurants on a daily basis to the tune of ~\$25,000/yr
- Lunch Meetings
- Customer Entertainment
- Catering

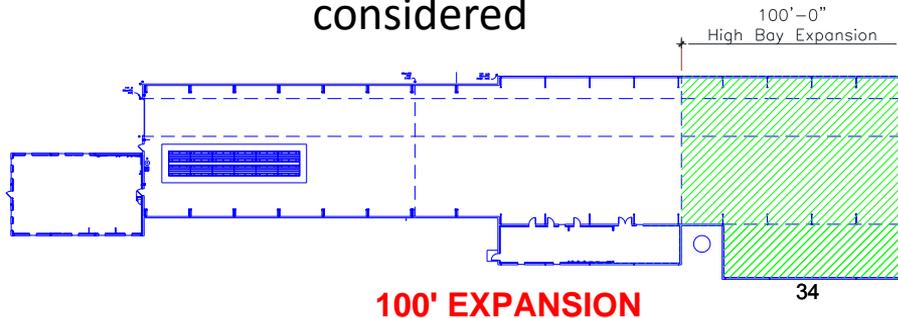


# June 2016 La Porte EDC Presentation

## Growth in Addition to the Incentive Package

Additional  
Business  
Growth

- 100ft Expansion underway of existing Mechanical/rotor overhaul building
- Moving the business to La Porte played an integral role in the decision to expand the facility
- Board Approval Obtained late 2015
- Additional business in La Porte considered



**ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BETWEEN THE LA PORTE DEVELOPMENT CORPORATION, AND **A.C.T. INDEPENDENT TURBO SERVICES**, A DELAWARE CORPORATION, FOR USE OF TYPE B DEVELOPMENT CORPORATION SALES TAX FUNDS**

THIS AGREEMENT made by and entered into this 17th day of November, 2014, between the La Porte Development Corporation, a Type B non-profit corporation operating under authority of Texas Local Government Code Chapters 501 and 505, hereinafter "LPDC", and A.C.T. Independent Turbo Services, Inc., a Delaware Corporation, hereinafter referred to as "Recipient."

**WITNESSETH:**

WHEREAS, the voters of the City of La Porte authorized the levying of additional sales tax within the City for promotion of economic development and the LPDC is authorized to use such tax revenues for certain qualifying projects and other economic development related purposes; and

WHEREAS, Recipient is a Delaware based corporation that specializes in industrial gas turbine machine overhaul and repair, and which employs positions classified as primary jobs, as the term "primary jobs" is defined in Chapter 501 of the Texas Local Government Code; and

WHEREAS, Recipient leases space adjacent to Hobby Airport in Houston, Texas at which is located its primary business facilities, but also leases a secondary facility in La Porte, Texas; and

WHEREAS, Recipient wishes to consolidate its current business operations by transferring its Houston, Texas, based facilities and employees to its existing La Porte, Texas, site, where it will construct a network of office and industrial buildings to accommodate increasing business demand, creating an estimated increase to the tax base valuation in La Porte of \$6,000,000.00, and which operation is anticipated to employ an estimated seventy-five (75) personnel; and

WHEREAS, Recipient has requested that LPDC provide financial incentives towards the proposed consolidation of Recipient's business operations at its La Porte, Texas site, under a qualifying project of the LPDC for the creation and retention of primary jobs, as authorized by Texas Local Government Code Chapters 501 and 505, and it is the desire of LPDC to assist in the funding of same, finding that such expenditures will contribute to 1) the creation or retention of primary jobs, and 2) will be suitable for the development, retention, or expansion of manufacturing and industrial facilities, as well as regional or national corporate headquarters facilities.

WHEREAS, Texas law and the by-laws of the LPDC require that certain expenditures and projects by the LPDC be approved by the governing body of the City; and whereas the LPDC Board has duly approved such project and the expenditures for same have been authorized by the La Porte City Council; and

NOW THEREFORE, in consideration of the covenants and conditions stated herein, and in consideration of the mutual benefits that will accrue to each of the parties hereof, as well as to the citizens of the City of La Porte, Texas, the parties have agreed and do hereby agree as follows:

## ARTICLE I

In consideration of Recipient consolidating its business operations at its La Porte, Texas site, which proposal was considered in that certain public hearing authorizing a proposed project for the expenditure of LPDC funds for the creation and retention of primary jobs and the development, retention, or expansion of manufacturing and industrial facilities, held before the LPDC on September 22, 2014, LPDC agrees to provide Recipient an incentive package consisting of cash payments in a total sum not to exceed \$426,000.00, to be distributed in three increments of \$75,000.00, \$185,000.00, and \$166,000.00, with each distribution conditioned on the attainment of certain performance thresholds, more specifically outlined as follows:

- 1) A cash incentive payment in an amount equal to \$75,000.00 will be distributed to Recipient by LPDC, upon receipt by LPDC of proof of Certificate of Occupancy issued by the City of La Porte, Texas to Recipient for completion of each of the following improvements: a) business office building and b) industrial manufacturing/repair building. However, in no case will the \$75,000.00 payment be made by LPDC if a copy of a Certificate of Occupancy issued for a business office building and an industrial manufacturing/repair building is not delivered to and received by LPDC by June 1, 2016. In the case that proof of Certificate of Occupancy for each of the aforementioned buildings is presented to LPDC on or before said June 1, 2016 deadline, the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof of the Certificate of Occupancy by LPDC from Recipient. Upon verification of the completion of the aforementioned buildings, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit the \$75,000.00 to Recipient within a period not to exceed thirty (30) days.
  
- 2) A cash incentive payment in an amount equal to \$185,000.00 will be distributed to Recipient by LPDC, upon receipt of documentation that Recipient employs a minimum of seventy-five (75) full-time individuals as employees, all of which are permanently located at the La Porte site. However, in no case will the \$185,000.00 payment be made by LPDC if proof of the employment of a minimum of seventy-five (75) full-time individuals is not delivered to and received by LPDC by September 30, 2016. Proof of employment, for purposes of this agreement, shall be established by submission to LPDC, by the said September 30,

2016 deadline, of a) copies of Recipient's 941 Report to the Internal Revenue Service and C3 Report to the Texas Workforce Commission for each employee (but with social security numbers of each employee redacted) and b) a notarized statement executed by Recipient's Board of Directors affirming that seventy-five (75) employees are employed by Recipient for positions permanently located at the La Porte site. Notwithstanding the foregoing requirements, Recipient will be entitled to receive a pro-rata portion of the \$185,000.00 incentive payment in the event that it should fail to employ seventy-five (75) or more employees at the La Porte site by the September 30, 2016 deadline, for each full-time position at the La Porte site actually filled, at such time. However, Recipient shall be entitled to payment of a pro rata share of the \$185,000.00 incentive grant for each full-time position only in the instance that Recipient employees at least 60 full-time employees. Where Recipient fails to employ at least 60 full-time positions by the September 30, 2016 deadline, it shall be disqualified from receiving any portion of the \$185,000.00 incentive payment. In the case that proof of employment by the Recipient in an amount of at least 60 fulltime positions is presented to LPDC on or before said September 30, 2016 deadline, the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof of the expenditures from Recipient. Upon verification of Recipient's employment of seventy-five or more full-time positions, or minimum of sixty positions for qualification of pro rata payment, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit the \$185,000.00, or pro rata share as applicable, to Recipient within a period not to exceed thirty (30) days. For purposes of clarification only, the following two examples shall serve to illustrate the application of this paragraph:

*Example 1: If Recipient provides evidence for the employment of 59 employees by the September 30, 2016 deadline, the incentive payment under this section would be \$0.*

*Example 2: If Recipient provides evidence required for the employment of 63 employees by the September 30, 2016 deadline, the incentive payment under this section would be calculated at 63/75, or 84%, of the \$185,000.00 incentive payment, for a total payment of \$155,400.00.*

- 3) A cash incentive in an amount not to exceed \$166,000.00 will be distributed to Recipient by LPDC, upon receipt of documentation evidencing that the total taxable value of all property of Recipient, at the conclusion of Recipient's consolidation of its business operations at the La Porte site, including interests in all real property occupied by the Recipient, equipment, and inventory, is

assessed at a minimum value of six million dollars (\$6,000,000.00) by the Harris County Appraisal District. However, in no case will the \$166,000.00 payment be made by LPDC if the total taxable value of all property of Recipient, including interests in all real property occupied by the Recipient, equipment, and inventory is not appraised by the Harris County Appraisal District at a minimum value of six million dollars (\$6,000,000.00), as of October 31, 2017. Notwithstanding the foregoing requirements, Recipient will be entitled to receive a pro-rata portion of the \$166,000.00 incentive payment in the event that its business operation at the La Porte site is appraised below six million dollars (\$6,000,000.00), as of the October 31, 2017 deadline. However, Recipient shall be entitled to payment of a pro rata share of the \$166,000.00 incentive grant only in the instance that Recipient's business operation is appraised at a value of no less than five million dollars (\$5,000,000.00). In the event that Recipient's business operation is appraised for less than five million dollars (\$5,000,000.00) as of the October 31, 2017 deadline it shall be disqualified from receiving any portion of the \$166,000.00 incentive grant. In the case that proof of the total taxable value of the total taxable value of all property of Recipient, including interests in all real property occupied by the Recipient, equipment, and inventory is assessed at a minimum value of five million dollars (\$5,000,000.00) by the Harris County Appraisal District is presented to LPDC on or before said October 31, 2017 deadline, the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof of the expenditures from Recipient. Upon verification of Recipient's business receiving an appraised taxable value of six million dollars (\$6,000,000.00), or minimum of five million dollars (\$5,000,000.00) for qualification of pro rata payment, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit the \$166,000.00, or pro rata share as applicable, to Recipient within a period not to exceed thirty (30) days. Notwithstanding anything to the contrary herein, "property of Recipient" as used in this paragraph shall include any property located at the La Porte site that is leased by Recipient but owned by others. For purposes of clarification only, the following two examples shall serve to illustrate the application of this paragraph:

*Example 1: If Recipient provides evidence for total taxable value for its La Porte Site of \$4.9 Million by the October 31, 2017 deadline, the incentive payment under this section would be \$0.*

*Example 2: If Recipient provides evidence for total taxable value for its La Porte Site of \$5.25 Million by the October 31, 2017 deadline, the incentive payment under this section would be calculated at  $5.25/6.0$ , or 87.5%, of the \$166,000.00 incentive payment, for a total payment of \$145,250.00.*

## **ARTICLE II**

All funds received as herein provided shall be solely for the purpose of reimbursing Recipient in the consolidation of its business operations at its La Porte site, and Recipient further acknowledges that the incentive grant provided for herein is tied to a project of the LPDC the for the creation and retention of primary jobs, and that Recipient's proposed expansion at its La Porte site will be suitable for the development, retention, or expansion of manufacturing and industrial facilities, as authorized by Texas Local Government Code chapters 501 and 505.

## **ARTICLE III**

Disbursement and/or retention of the cash incentive identified in Article I of this Agreement shall be made as follows:

- A. Disbursement shall be made to Recipient, subject to the satisfaction of the conditions precedent or conditions subsequent contained within Article I of this Agreement.
- B. LPDC's obligation to Recipient shall not exceed \$426,000.00, nor shall LPDC be obligated to reimburse Recipient for requests delivered to LPDC after the termination of this Agreement.

## **ARTICLE IV**

Recipient understands that the funds paid to Recipient by the LPDC are derived from tax revenues collected under Texas Local Government Code 505.252, and that LPDC has estimated the tax revenues to be collected during the term of this Agreement. Recipient further understands, acknowledges, and agrees that if the tax revenue actually collected is less than 90% of the estimated tax revenues to be collected in any fiscal year during the term of this Agreement, LPDC will be under no obligation to provide funding to Recipient for any payment or payments during or after the fiscal year for which there is a revenue shortfall. Upon execution of the Agreement, funds will be placed in a City of La Porte designated commitment account for purposes of this Agreement.

## **ARTICLE V**

In the event of any default by Recipient hereunder, including, but not limited to, use of the funds provided herein for purposes other than those stated in Article I of this Agreement, LPDC may cease all future payments hereunder and terminate this Agreement. In addition, LPDC shall have the right to reclaim and recapture, and Recipient shall refund, any funds that are not spent in accordance with the terms of this Agreement, including 1) LPDC funds spent by Recipient in contravention of this Agreement and 2) any unspent and unobligated LPDC funds previously paid to Recipient. In each such case, the previously paid cash payment

or payments shall be remitted to the LPDC within sixty (60) of receipt of written demand for same.

Any breach of this covenant shall be grounds for immediate termination of the distribution of funds.

#### **ARTICLE VI**

The term of this Agreement is for a period beginning on the date of approval by LPDC and ending three (3) years later.

#### **ARTICLE VII**

All funds provided by the LPDC pursuant to this Agreement may be used only for the purposes authorized by this Agreement. Notwithstanding Article I, above, City shall be under no obligation to make any fund disbursements if the reports required under this Article have not been delivered to the LPDC.

#### **ARTICLE VIII**

This Agreement does not create any joint venture, partnership, or agency relationship between the LPDC and Recipient. Recipient shall have exclusive control of, and the exclusive right to control the details of the work to be performed by Recipient hereunder and all personnel performing same, and shall be solely responsible for the acts and omissions of its officers, members, agents, servants, employees, subcontractors, program participants, volunteers, licensees, and invitees. In no event shall any person participating in or performing any of Recipient's duties or responsibilities hereunder be considered an officer, agent, servant, or employee of the LPDC.

#### **ARTICLE IX**

Recipient agrees to assume and does hereby assume all responsibility and liability for damages sustained by persons or property, whether real or asserted, by or from the carrying on of work by Recipient or in the performance of services performed and to be performed by Recipient hereunder. Recipient covenants and agrees to, and does hereby indemnify, defend, and hold harmless LPDC and all their respective officers, agents, and employees from all suits, actions, claims, and expenses of any character, including attorney's fees, brought for or incurred on account of any injuries or damages, whether real or asserted, sustained by any person or property by or in consequence of any intentional or negligent act, omission, or conduct of Recipient, its agents, servants or employees.

#### **ARTICLE X**

This Agreement may be amended by the mutual agreement of the Parties hereto in writing to be attached to and incorporated into this Agreement.

#### **ARTICLE XI**

Recipient shall adhere to all local, state, and federal laws and regulations that may affect its actions made pursuant to this Agreement, and shall maintain in effect during the term of this Agreement any and all federal, state, and local licenses and permits which may be required of Recipients generally.

## **ARTICLE XII**

Recipient may not assign this Agreement without the written consent of LPDC.

## **ARTICLE XIII**

The waiver by LPDC of any breach of any term, condition, or covenant herein contained shall not be deemed a waiver of any subsequent breach of the same, or any other term, condition, or covenant.

## **ARTICLE XIV**

The obligations of the Parties to this Agreement are performable in Harris County, Texas and if legal action is necessary to enforce same, venue shall lie in Harris County, Texas.

## **ARTICLE XV**

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

## **ARTICLE XVI**

This Agreement may be executed in triplicate, each of which shall be deemed an original and constitute one and the same instrument.

## **ARTICLE XVII**

Neither LPDC nor Participant shall be required to perform any term, condition, or covenant in this Agreement so long as such performance is delayed or prevented by force majeure, which shall mean Acts of God, civil riots, floods, and any other cause not reasonably within the control of LPDC or Recipient except as herein provided, and which by the exercise of due diligence LPDC or Recipient is unable, wholly or in part, to prevent or overcome.

## **ARTICLE XVIII**

In submitting this application, the applicant whose signature appears below affirms its intent and commitment to comply in full with Section 2264.052 of the Government Code and certifies that it does not and will not knowingly employ an undocumented worker during any time period associated with the public

subsidy for which the application is being submitted. The applicant further certifies its understanding and agreement that if it is convicted of a violation of 8 U.S.C. Section 1324a(f), providing for civil and/or criminal penalties for engaging in a pattern or practice of knowingly hiring or continuing to employ unauthorized aliens, it shall repay the amount of the public subsidy with interest, at the rate and according to the terms of the agreement signed under Section 2264.053 of the Government Code, not later than the 120th day after the date the city notifies the business of the violation.

## ARTICLE XIX

The Agreement embodies the complete agreement of the parties hereto, superceding all oral or written pervious and contemporary agreements between the Parties, which relate to matters in this Agreement.

SIGNED AND AGREED to by LPDC and Recipient on the dates indicated below.

LA PORTE DEVELOPMENT CORPORTION

  
\_\_\_\_\_  
Richard Warren, President

  
\_\_\_\_\_  
Date 18

ATTEST

  
\_\_\_\_\_  
Secretary of the Corporation



A.C.T. Independent Turbo Services, Inc., a Delaware Corporation

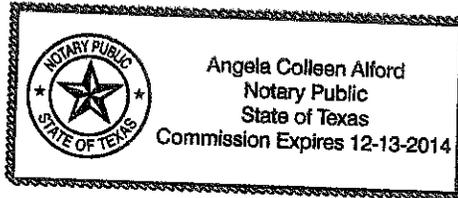
By:

  
\_\_\_\_\_  
Willis H. Coleman, President & CEO

11-3-2014  
Date

ATTEST

  
\_\_\_\_\_



# REQUEST FOR LA PORTE DEVELOPMENT CORPORATION AGENDA ITEM

Agenda Date Requested: <u>27 June 2016</u>
Requested By: <u>Traci Leach</u>
Department: <u>Administration/Economic Development</u>
Report: _____ Resolution: _____ Ordinance: _____

<u>Budget</u>	
Source of Funds: <u>CIP #015-9892-993</u>	
Account Number: _____	
Amount Budgeted: <u>\$240,835.31</u>	
Amount Requested: <u>\$25,000.00</u>	
Budgeted Item: <span style="border: 1px solid black; border-radius: 50%; padding: 2px 5px;">YES</span> NO	

Exhibit: Application, Blondie's, 31 May 2016

Exhibit: Bid Sheet Summary

Exhibit: Enhancement Grant Evaluation Summary

Exhibit: Development Agreement – Signed

## SUMMARY & RECOMMENDATION

The Enhancement Grant Review Committee reviewed an Enhancement Grant Application from Blondie's Bar & Grill (dba "MARGARET LINDSEY RUSSELL") at 1026 S. 8<sup>th</sup> Street in La Porte, Texas. The applicant collected bids to complete each of three projects. For each project for a value equal to or greater than \$2,000, the applicant collected three bids. The proposed projects are as follows:

1) Install patio and building wrap-around covers/awnings	-- \$21,300.00
2) Paint the sides and roof of the building	-- \$ 5,965.00
3) Re-pave and re-stripe the parking lot	-- \$25,899.00
<b>TOTAL</b>	<b>\$53,164.00</b>

As a result of the lowest bids for each project, the total expenditure proposed to be made by the applicant is estimated to be **\$53,164.00**. Although 50% of this sum is **\$26,582.00**, the maximum amount that the applicant might receive without petitioning the City Council for additional funding is \$25,000.00. Therefore, in the interest of time, the applicant is requesting the reduced sum of **\$25,000.00**. Please refer to the "Bid Sheet Summary" for project bid details.

The Enhancement Grant Evaluation Committee reviewed this enhancement project and believes that this project will encourage similar re-development throughout the community of La Porte. The Enhancement Grant Evaluation Committee gave this project a score of **3.90** out of a maximum possible score of 5.0. Please refer to the enclosed "Evaluation Summary" for additional details.

In the Budget block at the top of the page, \$240,835.31 represents the amount of uncommitted

funds in the enhancement grant account and includes a recent payment in the amount of \$18,091.56 to the “4 Ever Clear Pool Chemical Co., LLC”, plus a commitment of \$17,045.50 to the “Lawrence W Maher Jr Family Trust”.

The applicant is available to address any questions the Board may have about this proposed project.

---

**Action Required by the La Porte Development Corporation:**

Consider approval or other action to authorize President Richard Warren to sign and execute a development agreement with “**MARGARET LINDSEY RUSSELL**” for an enhancement grant for an amount not to exceed **\$25,000.00** to be awarded at the completion of the project.

---

**Approved for the La Porte Development Corporation Agenda**

---

**Corby D. Alexander, City Manager**

### La Porte Enhancement Grant Application

Please print clearly. Please submit a completed application to:

Scott D. Livingston  
Economic Development  
Coordinator City of La Porte  
604 W. Fairmont Parkway  
La Porte, TX 77571

**APPLICANT INFORMATION:**

(dba "Lindsey Investments")

APPLICATION DATE: \_\_\_\_\_

Margaret Lindsey Russell  
Applicant Name

Blondies Bar & Grill  
Business Name

1026 South 8th  
Physical Business Address

Business Owner (if different from applicant)  
PO Box 511 La Porte, TX 77571

Mailing Address  
281-639-0198      JORU46@Yahoo.com

Contact Phone      Email Address

**TYPE OF WORK (check all that apply):**

- Façade
- Awnings/Signage
- Beautification
- Parking Lot Improvements

**DETAILS OF PLANNED IMPROVEMENTS (attach additional pages if necessary):**

- 1) 54' x 36' patio cover metal  
6' x 128' sidewalk cover metal  
new metal on compose roof over apartment
- 2) paint Roof Brown wall of entire building gold
- 3) ceiling fans on patio new elect. (8 fans)
- 4) pave entire parking lot app. 12,150 sq feet  
stripe entire parking lot add handy cap spaces

Please list the name of each Contractor and/or Project Architect and the Total Amount of each bid. Please, also, attach the original proposals and work estimates:

CONTRACTOR/PROJECT ARCHITECT	TOTAL
1.	\$
2.	\$
3.	\$
4.	\$
5.	\$

**BUDGET DETAIL**

PROJECT EXPENDITURES	FUNDS	FUNDS APPLIED	TOTAL
<del>Paint</del> — Façade Rehab	\$	\$	\$ 5,965.-
— Awnings/Signage	\$	\$	\$ 21,300.-
<del>Lighting</del> — Beautification	\$	\$	\$ —
— Parking Lot Improvements	\$	\$	\$ 25,899.-
Other (list):	\$	\$	\$ —
<b>TOTAL</b>	\$	\$	\$ 53,164.-

\* \$26,582 is 50% of \$53,164, Total estimated cost of proposed project: \$53,164.<sup>00</sup>  
 but in the interest of time, Amount requested (up to 50% of total cost, \$2,500 to \$50,000): \$ 25,000

Please attach color samples, model numbers (for windows, doors, etc.), photos, scaled drawings, and other illustrations of work to be completed. Please include as much detail as possible.

the applicant will be satisfied with the maximum the ED Board may award without Council approval.

Your signature on this application certifies that you understand and agree with the following statements: I have met with the EGEC and I fully understand the Enhancement Grant procedures and details established. I intend to use these grant funds for the eligible renovation projects, as spelled out in the application. I have not received, nor will I receive insurance monies for this revitalization project, OR I have disclosed all pertinent insurance information. I understand that if I am awarded an Enhancement Grant, any deviation from the approved project may result in the partial or total withdrawal of the grant funds.

Council approval.  
S.S.L.

Margaret Lindsey Russell  
 APPLICANT SIGNATURE

5/31/16  
 DATE

# Before Pictures



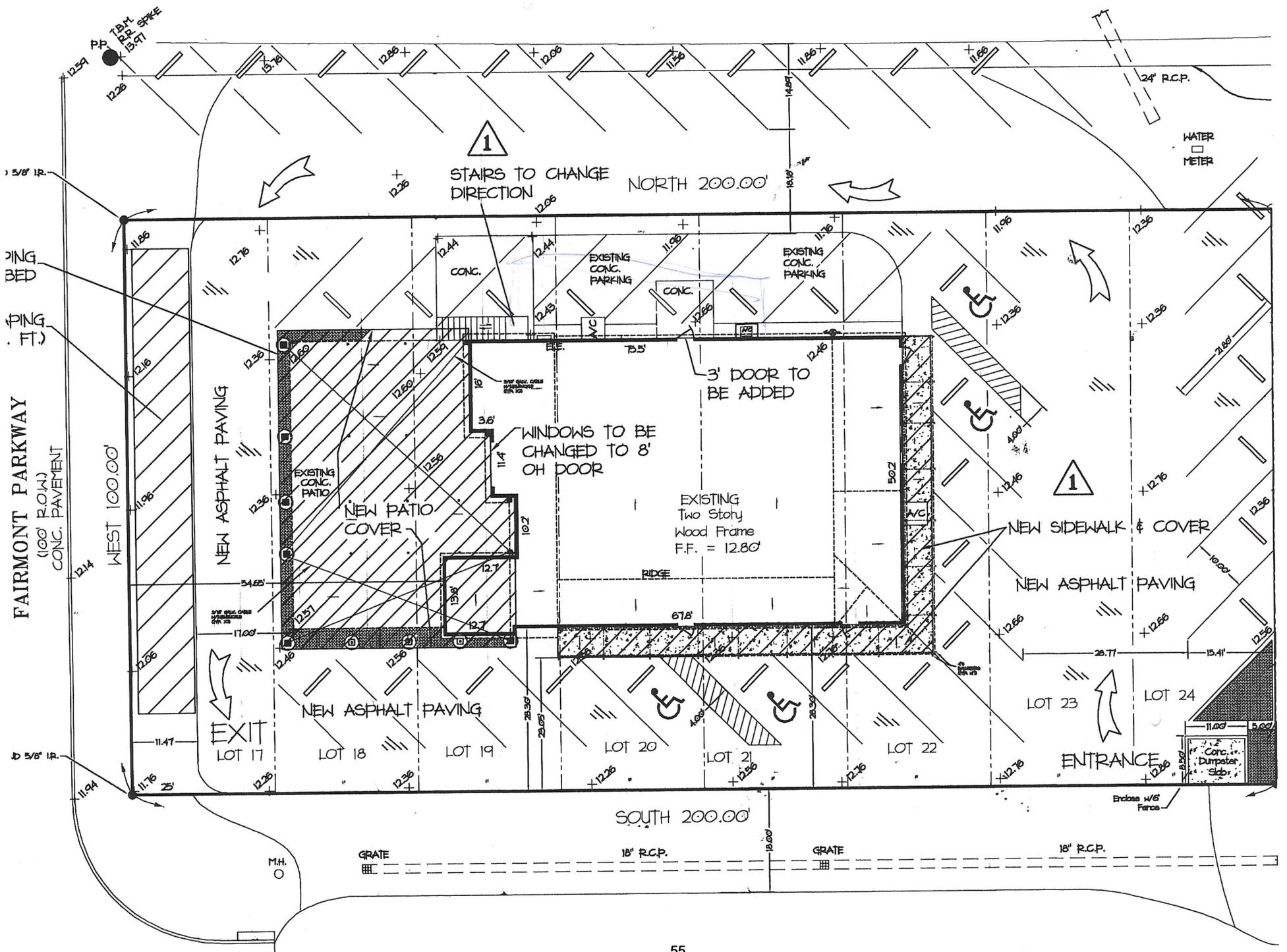








# Conceptual Renderings



FAIRMONT PARKWAY  
(100' R.O.W.)  
CONC. PAVEMENT

5/8" IR.  
PING BED  
PING FT.)

1  
STAIRS TO CHANGE  
DIRECTION

NORTH 200.00'

WINDOWS TO BE  
CHANGED TO 8'  
OH DOOR

3' DOOR TO  
BE ADDED

EXISTING  
Two Story  
Wood Frame  
F.F. = 12.80'

1  
NEW SIDEWALK & COVER

NEW ASPHALT PAVING

EXIT  
LOT 17

NEW ASPHALT PAVING

LOT 20

LOT 21

LOT 22

LOT 23

LOT 24

ENTRANCE

SOUTH 200.00'

GRATE

18" R.C.P.

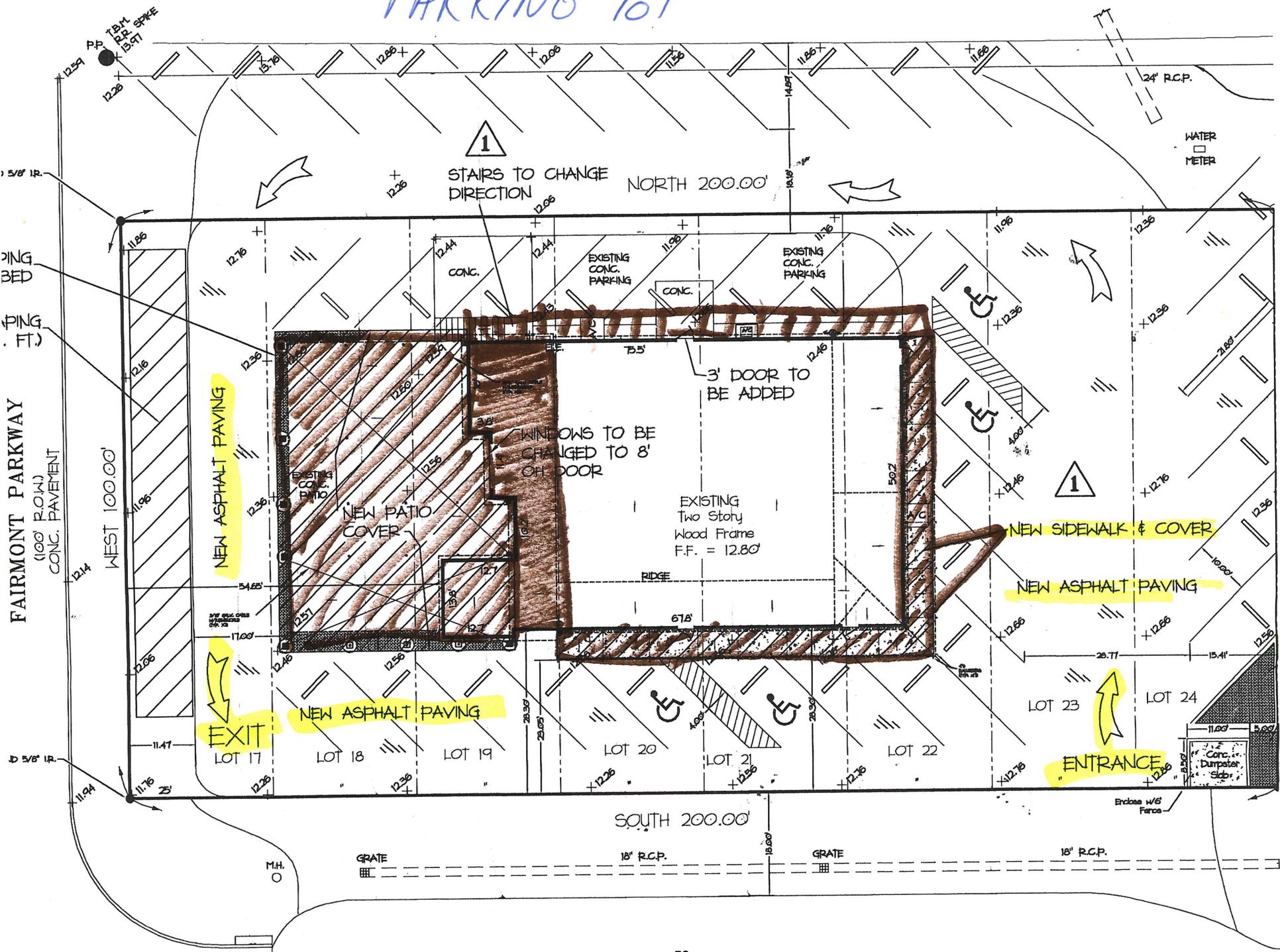
GRATE

18" R.C.P.

Enclose w/6' Fence

# PARKING lot

Little Central Valley



West

North

2nd story

2nd story

New Metal Awning BROWN



post every 8'  
6 1/4' front east side  
6 1/2' side North  
10 4' west side

1026 S. 8th

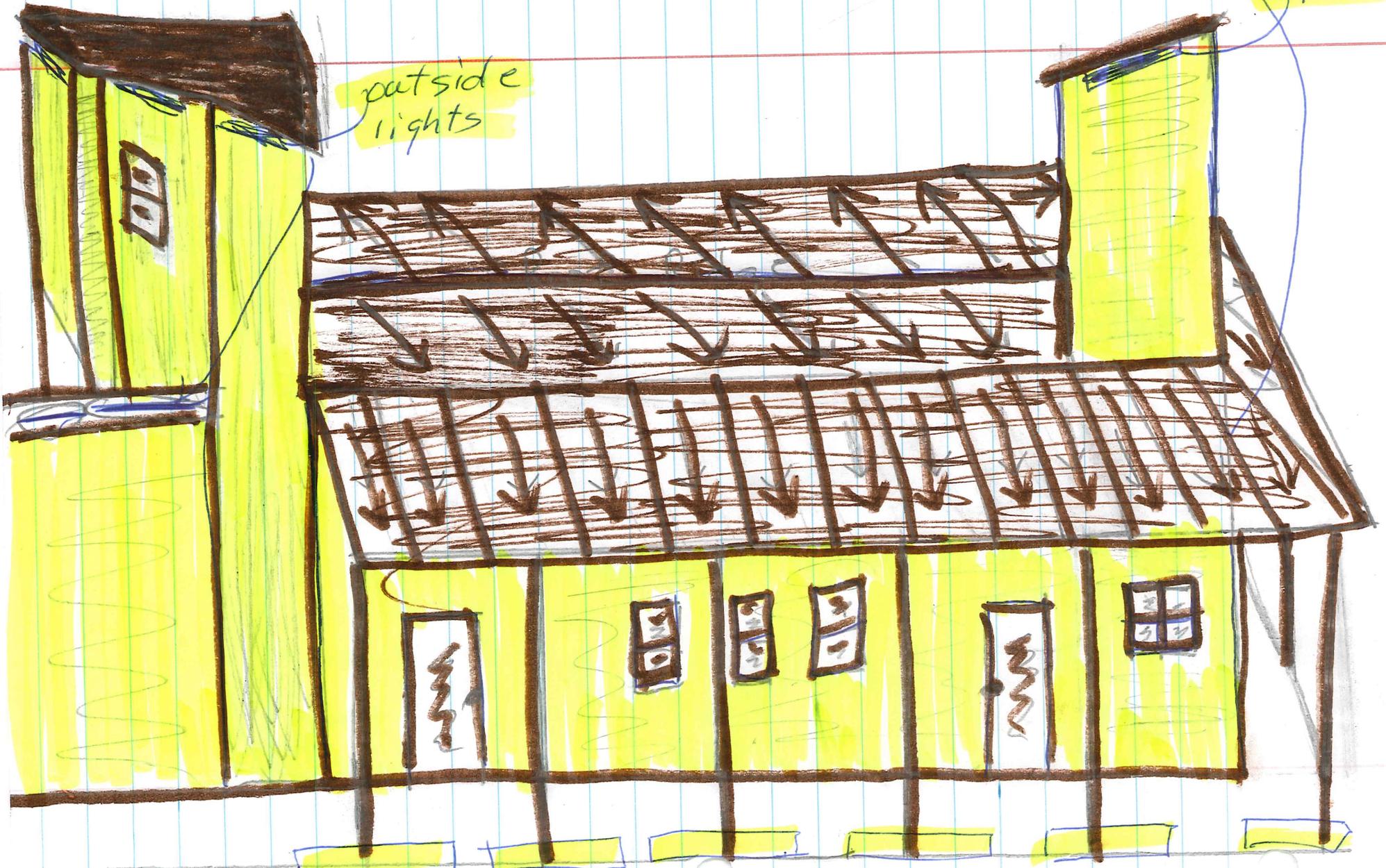
281-639-0188

EAST

NEW 6' HORSESHOE AWNING  
POST EVERY 8'

outside  
lights

outside  
lights

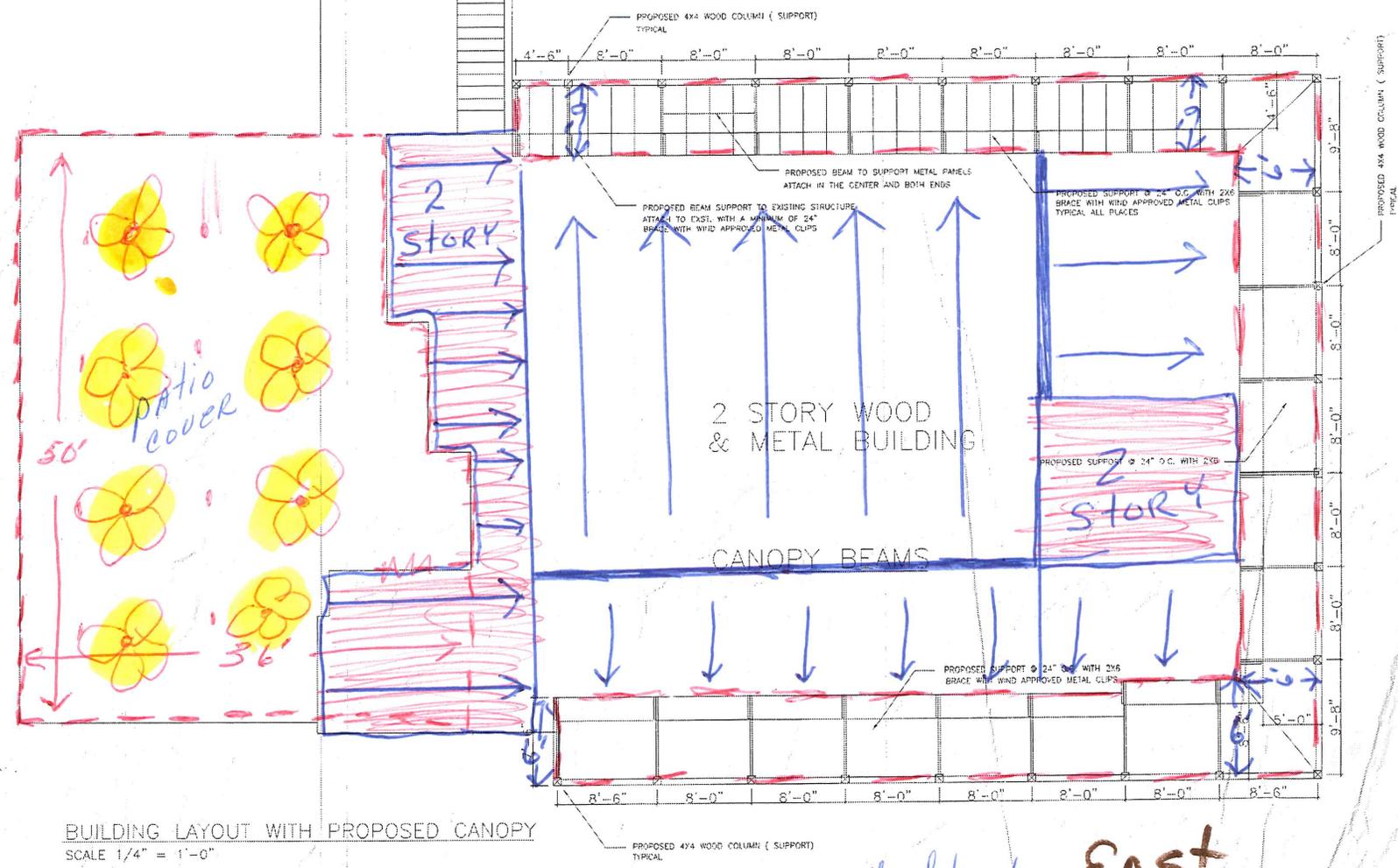


1026 S. 8<sup>th</sup>

281-639-0198

Bayou Side  
West

Terminothk.



BUILDING LAYOUT WITH PROPOSED CANOPY  
SCALE 1/4" = 1'-0"

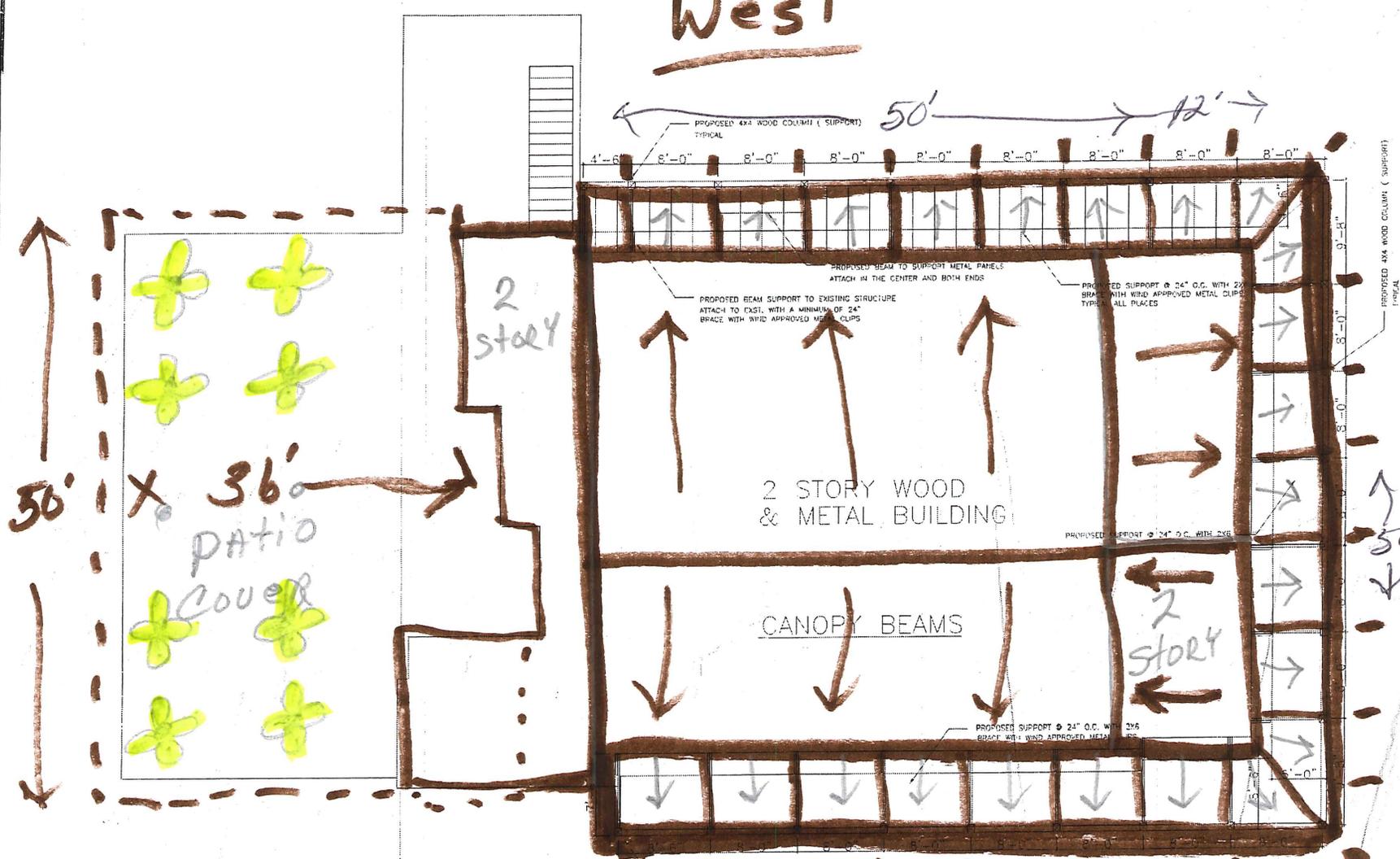
8th Street EAST

- Red is New METAL cover
- 1- 50' X 36' patio cover
- 1- horseshoe 6' cover

1026 S. 8th  
281-639-0198

PROJECT NO.	10
DATE	1-23-01
<b>MEC = PROFESSIONAL DESIGNERS</b>	
10 Harold Lane Baytown, Texas 77521	
Phone: (713) 488-2377 Fax: (713) 488-2602	
 	
OWNER: MAGARET L. HILDEY DRAWN BY: JG CHECKED BY: JACM DATE: 01-23-01 PLANT: 10-1570	
R-3	

West



BUILDING LAYOUT WITH PROPOSED CANOPY  
SCALE 1/4" = 1'-0"


MEC = PROFESSIONAL DESIGNERS

10 Harold Lane  
Baytown, Texas 77521

Phone: (713) 428-2377  
Fax: (713) 428-2062



DRAWN BY: MAGARET LINDE

CHECKED BY: ALAN

DATE: 01/15/02

SHEET: 01 OF 01

R-3

B/B

North

EAST

1026  
8th Street

281-639-0198

REVISION	BY

**MEC = PROFESSIONAL DESIGNERS**

Phone: (713) 425-2377  
 Fax: (713) 425-2052

10 Harold Lane  
 Baytown, Texas 77521

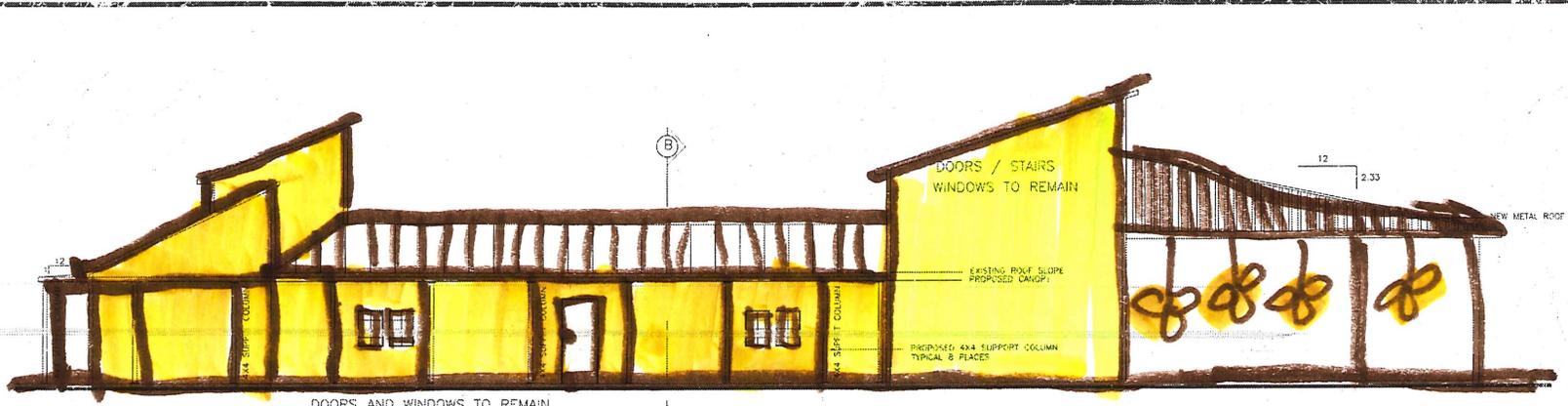
N.C.C.D.C.  
 1-29-01

REGISTERED PROFESSIONAL ARCHITECT  
 State of Texas  
 No. 12901

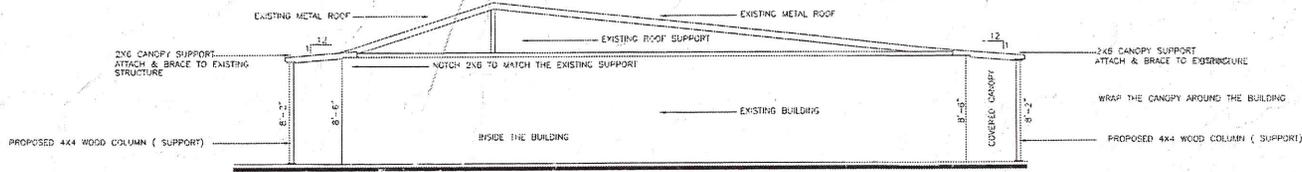
DESIGNER  
**MAGNET LINDSEY**

DATE: 02-23-01  
 SCALE: SEE PLAN

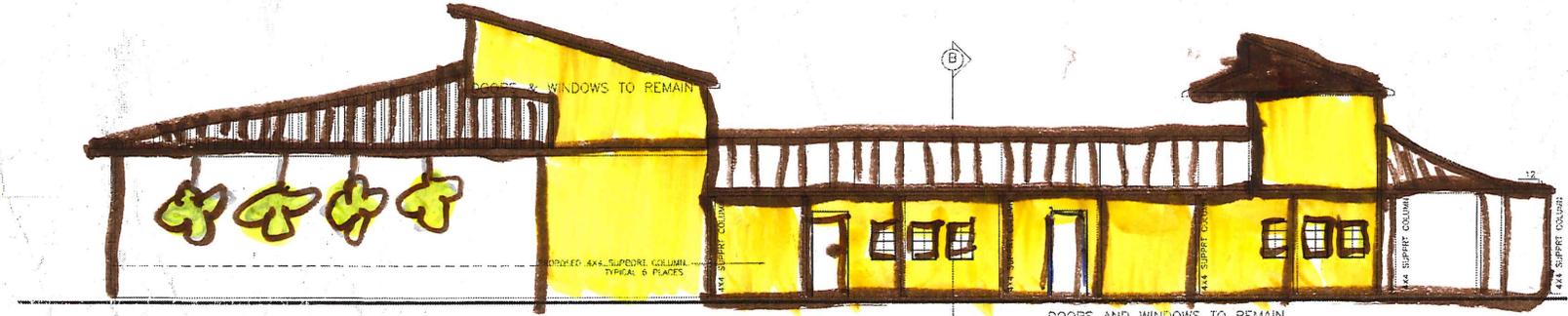
**R-1**



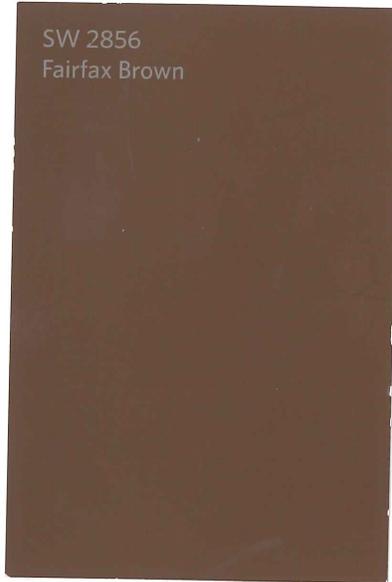
**WEST ELEVATION WITH PROPOSED CANOPY**  
 SCALE 1/4" = 1'-0"



**SECTION B-B**



**EAST ELEVATION WITH PROPOSED CANOPY**  
 SCALE 1/4" = 1'-0"



**New Color  
for the Roof**



**New Color for  
the Sides**

# Project Bids

Canopies

&

Awnings

# Structural Steel Covers

## Triple H Carport & Patio Covers

2011 Caroline Ave. Baytown, Texas 77523  
 281-303-8500 Fax 281-303-85802

To: Rodney Slaton  
 Re: Quote for Blondies Club

52' x 38' x 12' clear freestanding cover  
 8" x 2 1/2" galvanized cee channel  
 4' X 4" Galvanized posts  
 1/2" Bolts to posts  
 Fern Green "R" panel sheets  
 Fern Green Trim

Total \$ 12,725.00

2-66'x6' walkways  
 1-62'x6' walkway

Add \$18,200.00  
\$ 38,925.00



# ABC AWNING COMPANY

(713) 645-4281  
Fax (713) 645-3646  
3703 Broadway  
Houston, Texas 77017  
sales@abccarports.com

May 27, 2016

Blondie's Bar & Grill  
1026 South 8th. Street  
LaPorte, Texas 77571

Attn: Margaret Russel

A B C Awning Company proposes to build one (1) 54' X 36' freestanding cover.

Cover will be built to 2014 City building code.

Sheeting ----- Baked enamel finish steel "PBU" panels, your choice of available colors, 26 gauge.

Frame ----- 10" X 2½" galvanized finish steel "Cee" beams, 16 gauge.

Post ----- 4" X 4" steel, hot dipped galvanized finish, set in ground in concrete, 11 gauge.

Trim ----- Your choice of available colors.

Total construction ----- \$38,875.00

The above cost includes all engineering fees and Texas Wind storm certificate.

Thank you for contacting A B C Awning Company. Please call or email if I can be of any further assistance.

Sincerely,

Gaylan Smith  
Sales Representative  
A B C Awning Company

GS/blm

[www.abccarports.com](http://www.abccarports.com)  
STEEL PATIOS AND CARPORTS

\$21,300.00

Mike W. Sales

# State Contractors, LLC

(Physical Address) 17920 Huffmeister, Suite 120, Cypress, Texas 77429

(Mailing Address) 15311 Mustang Valley Circle, Cypress, Texas 77429

Phone: 713-223-4640 • Fax: 281-304-6701

info@State713.com

www.State713.com

Margaret Lindsey 4-8-16

Homeowner Home # Work # Date

1026 58th LA Porte [initials] 77571

Street City Zip

STATE CONTRACTORS, LLC, (the "Company"), hereby proposes to furnish materials and labor to complete roof for (the "Owner") at above address per the specifications (the "Work") below:

- ROOF TO INSTALL:** Manufacturer \_\_\_\_\_ Type/ Year \_\_\_\_\_ Color \_\_\_\_\_
- Remove NA layer(s) of existing roof materials.
  - Install New Decking on entire roof surface Type:  OSB  Radiant Barrier  Other \_\_\_\_\_
  - Install New ASTM Felt with 1.0" Plastic Caps.  Other Underlayment \_\_\_\_\_
  - Install New Starter Shingle on all Rakes and Eaves per Manufactures Specifications
  - Install New Ice and Water Shield in all Valleys per Manufacturers Specifications  Open  Other \_\_\_\_\_
  - Install  1.5" x 1.5" or  2" x 2" Pre-Painted Drip Edge as needed. Color \_\_\_\_\_  DL Type
  - Install 3-Tab Hip and Ridge Shingles  Other \_\_\_\_\_
  - Replace the following Lead Roof Jacks \_\_\_\_\_ 4" \_\_\_\_\_ 3" \_\_\_\_\_ 2" \_\_\_\_\_ 1 1/2" (Color to Match)
  - Replace the following Galvanized Roof Vents \_\_\_\_\_ 6" \_\_\_\_\_ 8" (Color to Match)
  - Re-flash Chimney and Wall Abutments as needed.  Install 8 x 8 Step Flashing as needed.  Build Cricket
  - Install Ridge Vents on all main ridges  \_\_\_\_\_ Turbines  \_\_\_\_\_ Air Hawks  Install \_\_\_\_\_ Lf of Soffit Vent
  - Replace Flat Roof \_\_\_\_\_  Replace Metal Roof \_\_\_\_\_
  - Magnetic Nail Sweep Entire Yard  Protect Landscaping  Remove Debris
  - Protect Pool  Protect A/C Unit(s)  Protect Other \_\_\_\_\_
  - The Company Will Maintain General Liability Insurance During Work.
  - All Roof Installations will be to Manufactures Guidelines
  - Enhanced Manufactures Warranty  Type lifetime labor (to original owner)

Labor Warranty: \_\_\_\_\_ Years 24 gauge Metal Shingle Warranty \_\_\_\_\_ Years

1-54' X 36' FREE STANDING Total Cost Excluding Options: \$ \_\_\_\_\_

Options/Special Instructions: Galvanized Frame Pro-painted Metal Roof.

proposal for metal cover on complete

left side corporate exposed area. 8250.00

includes roof = 5250.00 Total Cost of Options: 6' porch \$ 13,500.00

6' WRAP AROUND PORCH Total Costs (With Options): \$ 7,800.00

\$21,300.00

Terms: Amt. Down: \$ 30 % Complete Draw Payment: \$ \_\_\_\_\_ Balance Upon Completion: \$ \_\_\_\_\_

Deposit Check Number \_\_\_\_\_ CC Number: \_\_\_\_\_ (3% Fee) Exp. Date: \_\_\_\_\_

► The above quoted price is only good for \_\_\_\_\_ days. ◀

**Additional Charges For Rotten Wood:** The first \_\_\_\_\_ sheets of plywood decking replaced at no additional charge. Additional decking, if needed is billed at \$40.00 per sheet of decking & fascia at \$ \_\_\_\_\_ per lineal foot. All other wood repairs billed on time and materials basis.

**Note Regarding Supplemental Coverage:** If your insurance company provides supplemental coverage for the Work, any such insurance-paid supplements will increase the Total Price by the amount of such supplements and will be paid to the Company.

**Extra Charges Only Upon Your Approval.** Any alterations or deviation from the above specifications which involve any extra cost, will be performed by Company only upon Owner's approval, and will result in an extra charge over and above the contract price, which additional charges, if any, shall be set forth in the change order.

**Owner Has Read Contract.** Owner acknowledges that it has received a true copy of this contract, acknowledges that he/she has read and knows the contents of this Contract, including all Contractual Terms & Conditions on the reverse of this page, which terms and conditions are part of the Contract. Owner acknowledges that the Owner has had an opportunity to ask the Company's agents questions about the Contract. Please note, this proposal becomes a contract when signed by a corporate officer or member of State Contractors, LLC. Texas law requires all owners to sign this contract. Single signature represents sole ownership or authority to enter into a contractual agreement on behalf of co-owner(s).

### "OWNER"

Owner Signature: \_\_\_\_\_ Date of Acceptance \_\_\_\_\_

Owner Signature: \_\_\_\_\_ Date of Acceptance \_\_\_\_\_

### "COMPANY"

State Contractors, LLC, 832-760-7344

Submitted By [Signature] (Estimator) Date \_\_\_\_\_

Accepted By State Contractors, LLC

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

# Paving

913-829-840

**Asphalt Maintenance Inc**

P O Box 2617  
Pearland, TX 77588

Estimate

Date	Estimate #
5/26/2016	4155

Name / Address
Blondie's Bar & Grill Margaret Russell 1026 South 8th St La Porte, Texas 77571

P.O. No.
La Porte TX

Description	Qty	Total
Blondie's Bar & Grill 1026 South 8th St La Porte TX 77571  Provide labor, materials and equipment necessary for the following: Repair and overlay existing asphalt parking lot - app 12,360 Sq Ft Remove all concrete car stops Reclaim all existing materials to a depth of 7" Stabilize with 35 lbs Portland cement per Sq Yd Blade, wet, roll, and shape to drain Prime with SS1 Emulsion Lay compacted 2" Type D Hot Mix Restripe for parking All above work will carry a one (1) year guarantee under normal use Materials and Labor  <b>ACCEPTANCE OF PROPOSAL</b> The total price, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified.  Signature: _____ Date: _____ Sales Tax		
281-821-7188 or 281-573-1460	Fax 281-573-1076	<b>Total</b> \$47,652.

Proposal #30,875.00 ✓

Jeffrey  
409-539-2888

### League City Industrial Pavers, Inc.

PO Box 1038 - 2514 Anders Lane

Kemah, TX 77565

Phone: 281-334-1519

Email: [lcindustrialpaving@yahoo.com](mailto:lcindustrialpaving@yahoo.com)

May 27, 2016

Blondies Bar & Grill  
Attn: Ms. Margret Russel  
Phone: 281.639.0198  
Fax: 281.842.7630

Proposal # P-05272016-1

RE: Asphalt Overlay

Labor & equipment necessary for the following:

- o Damaged area equals approximately 2,500 square feet *BASC*
- o Remove vegetation and damaged areas of asphalt (base failures)
- o Install approximately 6" of base into the excavated areas, process and compact
- o Overlay using 2" of Type "D" Hot Mixed Asphaltic Concrete, rolled and compacted *12,500 sq feet*
- o Restripe parking lot using existing layout

**Price: \$ 30,875.00**

\*All barricades, traffic control, permits obtained by others and at their expense

\*\*All necessary materials need with exception of the forms, are to be furnished by others and at their expense

**Thank You,**

*League City Industrial Pavers, Inc.*

*This price does not include the cost of any testing (safety related classes or testing &/or materials density or any permits that may be required) and are the owner's responsibility. State sales and use tax, which may apply, are not included and will be added to invoice.*

*All materials are guaranteed to be as specified, and the above work to be performed in accordance and completed in a workman-like manner with **PAYMENT DUE UPON COMPLETION. EFT, Check & Credit Card payment accepted the day work is completed, unless other arrangements made prior to work beginning. All Credit Card payments will be assessed a fee of 2.75% when card swiped or 3.5% plus \$0.15 for manual input method.** All material measurements based on loose layed dimensions. Any alteration or diversion from the specifications involving extra costs, will be executed only upon written orders, and will become an extra charge over and above the estimate. No Engineering permits or taxes are included in this contract. Prices quoted are firm for 15 days ONLY.*

Date of acceptance \_\_\_\_\_

By \_\_\_\_\_

League City Industrial Pavers, Inc.

**DERK HARMSSEN**

**CONSTRUCTION CO., INC.**

2820 CENTER STREET • DEER PARK, TEXAS 77536 • 281-479-3400

May 31, 2016

Mrs. Margret Lindsay  
Blondies  
1026 south 8th Street  
LaPorte, Texas 77571

Re: Parking lot  
Our bid #160406

Dear Mrs. Lindsay:

As per our conversation and site visit, I would like to submit to you my bid and proposal for the work that we discussed. This bid includes all labor, materials, tools, equipment, insurance and supervision necessary to complete the work.

**JOB SCOPE: REPAIR, AND OVERLAY PARKING LOT, AS WE DISCUSSED, (APPROX. 12,925 SQ. FT.)**

- Remove car stops and stock pile.
- Asphalt repairs as per attached specs. (approx. 846 sq. ft.), these are damaged areas and soft spots in the asphalt, also the area at the north side along the edge where grass has grown through. light grade stone areas to allow water to flow to existing CMP at NW corner of property.
- Clean lot of all loose dirt and debris.
- Tack coat with SS-1 at a rate of .10 gal. per sq.yd.
- Lay 1 1/2" of compacted Type "D" Asphalt, we will widen the drive at the south approx. 15' where you pointed out, and around west end of parking lot we will overlay out from the concrete 20' where the base stops.
- Stripe in Osha yellow.
- Re-set carstops.

ESTIMATED LABOR, OVERHEAD, ETC.....	\$12,993.00	} # 25,899.00
ESTIMATED MATERIALS.....	\$12,906.00	
NO TAX INCLUDED IN BID, TAX BY BLONDIES		

**NOTE: YOU WILL PROBABLY NEED A PERMIT, IF SO THIS WILL BE CONSIDERED AN EXTRA DUE TO THE UNKNOWN DRAWINGS THEY MIGHT REQUEST.**

For your convenience, all work will be completed as soon as possible. Job site will be dressed and ready for immediate use. All work is warranted for a period of one (1) year.

Thank you for your consideration and the opportunity to submit this proposal. If you have any questions or require additional information, please feel free to contact our office.

We look forward to the possibility of working with you in the near future.  
Sincerely,

**Steve G. Wiggington**  
Vice-President

ACCEPTED: \_\_\_\_\_

DATE: \_\_\_\_\_

# Paint

# 22,500.00  
XX

# Glynn's Contracting Services

P.O. Box 5905  
Pasadena, TX 77508

Estimate #:

2016 1384

5/21/2016

Blondies Bar & Grill  
1026 South 8th Street  
La Porte, TX 77571  
281.639.0198

Empl. In.	Ref.#
YM	

**Description**

**Qty**

**Cost**

**Total**

Exterior Paint - Metal Building

Install metal panel on rake on North-East at roof.

Install metal panel around electrical panels where accessible.

Metal panels will be supplied by property.

Re-nail roof fascia on West side at top of roof - second story. (Note: any replacement of materials will be charged additionally)

Pressure wash.

Scrape where necessary.

Caulk where necessary.

Supply & apply primer to all bare areas.

Supply & apply paint to all previously painted surfaces.

Colors:

Roof - Brown

Walls - Gold

Total, labor & materials

22,500.00 22,500.00

There will be a one-year warranty on workmanship

Glynn's Contracting will not be responsible for any fluorescent light fixtures

[Signature Box]

Approved:

Sign

**Total**

**\$22,500.00**

Print name & title

Date 73

Our prices are good for 30 days from date of estimate unless otherwise noted in description field.

Interest on 30+ accounts: 1.5% per month. By signing this estimate all prices, specifications, and conditions are satisfactory and hereby accepted. We are authorized to do the work as specified. Residential accounts are due on receipt. Act Of God - not covered by our warranty. Projects exceeding amount of \$2,000 will require a written contract and up-front payments.

\$ 9,585.00  
XX

# Angel's Painting

2656 Center Street Deer Park, TX 77536 281.479.4221 Office 281.479.7987 Fax

Date 12-30-15

Margret Lindsey  
1026 S. 8th St.  
LaPorte, Tx  
281-639-0198

## Exterior

Power wash complete exterior including roof  
At roof apply Ospho (rust inhibitor) to all rusted areas as needed  
Apply rust inhibitor primer to all areas as needed at roof including vents  
Paint roof with a latex DTM one solid color  
Paint all metal walls with DTM 2nd color and paint wooden fascia 3rd color.

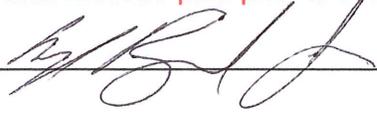
Scrape all flake of soffit and fascia as needed and apply exterior grade primer as needed.

Install Hardi over existing plywood at upper right section at front of building.

Paint to be used will be a DTM semi-gloss on all metal work and Valspar Emblem at all woodwork.

Above work to be preformed in accordance and submitted in a substantial workman like manner for the sum of \$9,585.00 . Price includes paint, labor and materials. **Payments are to be made half upon commencement of job \$4,792.50 and balance upon completion \$4,792.50** unless other wise specified. Surcharge for any signed contract cancelled.

**Note: When paying with credit card total must be paid prior to commencement of job**

Respectfully Submitted By: 

Accepted By: \_\_\_\_\_



\$ 5,965.00

**B&B PAINTING CONTRACTORS**  
2027 Westlake Rd.  
Houston, Texas 77062  
Ron Cell: (832) 202-7890  
Phone/Fax: (281) 488-3513  
Email : kclacher@comcast.net  
Web: [www.b-b-paintingcontractors.com](http://www.b-b-paintingcontractors.com)

**PROPOSAL**  
Sheet No. 1  
Date: 05/26/2016

**Proposal Submitted To:**

**Work To Be Performed At:**

Blondie's Bar & Grill	ATTENTION: Marget Russell
1026 8 <sup>th</sup> Street	1026 8 <sup>th</sup> Street
La Porte, Texas 77571	
Phone: 832.306.6894	

We hereby propose to perform the labor and material necessary for the completion of:

**EXTERIOR WORK:**

<b>A. Pressure Wash:</b> 1. Building/Facial/Roof
<b>B. Scrape:</b> 1. Loose Paint/Facial/Aluminum Siding
<b>C. Caulk:</b> 1. Any Cracks on Wood
<b>D. Install:</b> 1. Aluminum Section/Upper Roof Area *NOTE: Customer Supply Aluminum
<b>E. Replace:</b> 1. Ten (10) ft. Section of Facial
<b>F. Paint:</b> 1. Paint: Roof/Facial/Soffit/Siding

The proposed work above to be performed in accordance with the specifications submitted and completed in a substantial workmanlike manner for the sum of:

**Labor and Material: (\$5965.00)**

**A Thirty (30%) Deposit is Required on Start of Job – Balance Upon Completion**  
Our Company will always work with a customer on payment options.  
Credit Cards (2.75%) fee, Checks, Cash, Money Orders and Pay Pal (small fee) are accepted.

Any alteration or deviation from above specifications involving extra costs, will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon delays beyond our control.

## Bidder Sheet Summary

**Blondie's Bar Grill**  
 1026 S. 8th Street  
 La Porte, Texas 77571

	<u>Canopies/Awnings</u>	<u>Paving</u>	<u>Paint</u>	<u>Project Total</u>
Triple H Carport & Patio Covers	\$38,925.00			
ABC Awning Company	\$38,875.00			
<b>State Contractors, LLC</b>	<b>\$21,300.00</b>			
Asphalt Maintenance, Inc.		\$47,652.00		
League City Industrial Pavers, Inc.		\$30,875.00		
<b>Derk Harmsen Construction Co., Inc.</b>		<b>\$25,899.00</b>		
Glynn's Contracting Services			\$22,500.00	
Angel's Painting			\$9,585.00	
B&B Painting Contractors			<b>\$5,965.00</b>	
<b>Project Total</b>				<b>\$53,164.00</b>
50% of the Project Total				\$26,582.00
<b>LPDC's Contribution:</b>				<b>\$25,000.00</b>

La Porte Enhancement Grant Program  
Application Evaluation Summary

Application Date:	31 May 2016	Initial Review Date: 6/1/2016
Business Name:	Blondie's Grill & Bar	
Contact Name:	Margaret Lindsey Russell	
Business Address:	1026 S. 8th Street; La Porte, TX 77571	
Phone:	(281) 639-0198	
Recommendation:	This project is recommended by the Evaluation Committee.	

Following is a summary of the evaluations of the La Porte Enhancement Grant Evaluating Committee (EGEC). If you have any questions about the items listed below, please call the Economic Development Office at (281) 470-5016.

Criteria	Total Score	# of Evaluators	Average Score
Project Demonstrates a significant improvement over the existing situation.	16	4	4.00
Project will add to the beautification of the City of La Porte.	15	4	3.75
Project will enhance the City of La Porte's appeal to new businesses and visitors.	17	4	4.25
Project will complement the surrounding buildings.	13	4	3.25
Project adds value to the City of La Porte.	17	4	4.25
<b>Total Average Score (out of 5)</b>			<b>3.90</b>

**Evaluating Committee Members:**

Name	Title
Scott D. Livingston	Economic Development Coordinator
Ryan Cramer	Planning Technician
Monica Rogers	Owner, Bay Port Animal Clinic
Cris Santiago	Resident

**ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BETWEEN THE LA PORTE DEVELOPMENT CORPORATION, AND MARGARET LINDSEY RUSSELL, FOR USE OF TYPE B DEVELOPMENT CORPORATION SALES TAX FUNDS IN CONNECTION WITH THE LA PORTE DEVELOPMENT CORPORATION ENHANCEMENT GRANT PROGRAM**

THIS AGREEMENT made by and entered into this 27<sup>th</sup> day of June 2016, between the La Porte Development Corporation, a Type B non-profit corporation operating under authority of Texas Local Government Code Chapters 501 and 505, hereinafter "LPDC", and MARGARET LINDSEY RUSSELL, hereinafter referred to as the "Recipient".

**WITNESSETH:**

WHEREAS, the voters of the City of La Porte authorized the levying of additional sales tax within the City to promote economic development and the LPDC is authorized to use such tax revenues for certain qualifying projects and other economic development related purposes; and

WHEREAS, the La Porte Development Corporation has established the La Porte Enhancement Grant Program, the purpose of which is to offer financial incentives in the form of matching grants to aid business establishments located in the City of La Porte, Texas; and

WHEREAS qualifying applicants for matching grants under the La Porte Enhancement Grant Program are eligible to use grant funds for building site improvements including façade rehabilitation/enhancement, new awnings, canopies, porches, and signage, beautification projects, and parking lot improvements as outlined in the guidelines of the La Porte Enhancement Grant Program; and

WHEREAS, upon approval as a project of the La Porte Development Corporation, the La Porte Development Corporation will provide to the qualifying applicant a subsidy of one-half (1/2) of the cost of building site enhancements, up to a maximum match amount of \$50,000; and

WHEREAS, the Recipient owns commercial property located at 1026 S. 8<sup>th</sup> Street, La Porte, Texas, (the "Business Site" herein) for which Recipient wishes make certain improvements, hereinafter described, under an Enhancement Grant Program application; and

WHEREAS, the Recipient wishes to renovate the Business Site by completing the following projects: 1) Install a new metal patio cover and metal awning around the perimeter of the building; 2) Paint the full exterior and roof of the building; and 3) Re-pave and re-stripe the parking lot, which would result in the expenditure by Recipient of an estimated **\$53,164.00** in capital improvements and directly or indirectly support the employment of at least four (4) full time and six (6) part time employees at the Business Site, with one-half (50%) of such capital expenditure being eligible for reimbursement by the La Porte Development Corporation, up to a maximum of \$50,000.00; and

WHEREAS, the provision of financial incentives to the Recipient in connection with a La Porte Enhancement Grant Program application would qualify as a project of the LPDC for infrastructure, site improvements and other related improvements, as authorized by Texas Local Government Code Chapters 501 and 505, and it is the desire of LPDC to assist in the funding of same, finding that such expenditures will promote or develop new or expanded business enterprises.

WHEREAS, Texas law and the by-laws of the LPDC require that certain expenditures and projects by the LPDC be approved by the governing body of the City; and whereas the LPDC Board has duly approved such project and the expenditures for any project for a contribution of the LPDC Board greater than \$25,000.00 must also be authorized by the La Porte City Council; and

NOW THEREFORE, in consideration of the covenants and conditions stated herein, and in consideration of the mutual benefits that will accrue to each of the parties hereof, as well as to the citizens of the City of La Porte, Texas, the parties have agreed and do hereby agree as follows:

## ARTICLE I

In consideration of the Recipient making eligible and approved improvements to the Business Site at 1026 S. 8<sup>th</sup> Street, La Porte, Texas, in connection with an application under the La Porte Enhancement Grant Program, which program was considered in that certain public hearing authorizing a proposed project for the expenditure of LPDC funds for the promotion or development of new or expanded business enterprises, held before the LPDC on 28 October, 2015, LPDC agrees to provide the Recipient with a one-half (50%) matching grant payment in an amount not to exceed \$25,000.00, as a one-half (50%) match for Recipient's capital expenditure of \$53,164.00, which payment shall be distributed upon the attainment of the following conditions:

- 1) Receipt by the LPDC of copies all applicable invoices and receipts of payment for the same invoices for all project components for the Business Site, which were previously approved by the LPDC Board, and have been completed,
- 2) Receipt by the LPDC of pictures showing proof of completion of each of the project components for the Business Site previously approved by the LPDC Board,
- 3) Receipt by LPDC of copies of all certificates and permits required by the City of La Porte, Texas, if any, to the Recipient for completion of the renovated Business Site;
- 4) Proof of minimum capital investment in the amount of \$53,164.00 applied towards eligible and approved improvements of the Business Site and related infrastructure and site work. The renovation to the Business Site and related infrastructure for which the required capital investment is made, must, at a minimum, include the following scope of work, and in the amounts indicated:

a) Install metal patio cover and awnings around building --	\$21,300.00
b) Paint the full exterior and roof of the building --	\$ 5,965.00
c) Re-pave and re-stripe the parking lot --	<u>\$25,899.00</u>
	<b>\$53,164.00</b>

- 5) Submission to LPDC of an employment roster evidencing that at least four (4) full time and six (6) part time employees are employed at the Business Site. Proof of employment, for purposes of this agreement, shall require the Recipient to produce either **a)** copies of the Recipient's 941 Report to the Internal Revenue Service and C3 Report to the Texas Workforce Commission for each employee (but with the social security number of each employee redacted), or **b)** a signed and notarized statement executed by a duly authorized representative of Recipient, affirming that at least four (4) full time and six (6) part time employees are employed at the Business Site.
- 6) The Recipient will partner with economic development staff to make presentation to the Board of the LPDC, during a regularly scheduled Board meeting, regarding all elements of the completed enhancement grant project.
- 7) In no case will the sum of **\$25,000.00** be made by the LPDC if all the required items listed in Article I are not delivered to and received by LPDC within one (1) year from the date on which this agreement is approved by the Board of the La Porte Development Corporation. In the case that all the required items listed in Article I for the Business Site are presented to LPDC on or before said deadline, the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days. Upon verification of the completion of all project components previously approved by the LPDC Board for the Business Site, as reflected by formal vote of the LPDC Board of Directors that the Recipient has satisfied the requirements of this paragraph, LPDC will then remit the sum of **\$25,000.00** to the Recipient within a period not to exceed thirty (30) days.

## ARTICLE II

All funds received as herein provided shall be solely for the purpose of contributing towards the Recipient's costs in making eligible and approved improvements to the Business Site.

The Recipient further acknowledges that the incentive grant provided for herein is tied to a project of the LPDC for the promotion or development of new or expanded business enterprises, as authorized by Texas Local Government Code chapters 501 and 505.

## ARTICLE III

Disbursement and/or retention of the cash incentive identified in Article I of this Agreement shall be made as follows:

- A. Disbursement shall be made to Recipient, subject to the satisfaction of the conditions precedent or conditions subsequent contained within Article I of this Agreement.
- B. LPDC's obligation to Recipient shall not exceed **\$25,000.00**, nor shall LPDC be obligated to reimburse Recipient for requests delivered to LPDC after the termination of this Agreement.

#### **ARTICLE IV**

The Recipient understands that the funds paid to the Recipient by the LPDC are derived from tax revenues collected under Texas Local Government Code 505.252, and that LPDC has estimated the tax revenues to be collected during the term of this Agreement. The Recipient further understands, acknowledges, and agrees that if the tax revenue actually collected is less than 90% of the estimated tax revenues to be collected in any fiscal year during the term of this Agreement, LPDC will be under no obligation to provide funding to the Recipient for any payment or payments during or after the fiscal year for which there is a revenue shortfall. Upon execution of the Agreement, funds will be placed in a City of La Porte designated commitment account for purposes of this Agreement.

#### **ARTICLE V**

In the event of any default by the Recipient hereunder, including, but not limited to, use of the funds provided herein for purposes other than those stated in Article I of this Agreement, LPDC may cease all future payments hereunder and terminate this Agreement. In addition, LPDC shall have the right to reclaim and recapture, and the Recipient shall refund, any funds that are not spent in accordance with the terms of this Agreement, including 1) LPDC funds spent by the Recipient in contravention of this Agreement and 2) any LPDC funds previously paid to the Recipient but not yet spent by Recipient. In each such case, the previously paid cash payment or payments shall be remitted to the LPDC within sixty (60) of receipt of written demand for same.

Any breach of this covenant shall be grounds for immediate termination of the distribution of funds.

#### **ARTICLE VI**

The term of this Agreement will expire one (1) year from the date on which the Board of the La Porte Development Corporation approved the project.

#### **ARTICLE VII**

All funds provided by the LPDC pursuant to this Agreement may be used only for the purposes authorized by this Agreement. Notwithstanding Article I, above, City shall be under no obligation to make any fund disbursements if the reports required under this Article have not been delivered to the LPDC.

## **ARTICLE VIII**

This Agreement does not create any joint venture, partnership, or agency relationship between the LPDC and the Recipient. The Recipient shall have exclusive control of, and the exclusive right to control the details of the work to be performed by the Recipient hereunder and all personnel performing same, and shall be solely responsible for the acts and omissions of its officers, members, agents, servants, employees, subcontractors, program participants, volunteers, licensees, and invitees. In no event shall any person participating in or performing any of the Recipient's duties or responsibilities hereunder be considered an officer, agent, servant, or employee of the LPDC.

## **ARTICLE IX**

The Recipient agrees to assume and does hereby assume all responsibility and liability for damages sustained by persons or property, whether real or asserted, by or from the carrying on of work by the Recipient or in the performance of services performed and to be performed by the Recipient hereunder. The Recipient covenants and agrees to, and does hereby indemnify, defend, and hold harmless LPDC and all their respective officers, agents, and employees from all suits, actions, claims, and expenses of any character, including attorney's fees, brought for or incurred on account of any injuries or damages, whether real or asserted, sustained by any person or property by or in consequence of any intentional or negligent act, omission, or conduct of the Recipient, its agents, servants or employees.

## **ARTICLE X**

This Agreement may be amended by the mutual agreement of the Parties hereto in writing to be attached to and incorporated into this Agreement.

## **ARTICLE XI**

The Recipient shall adhere to all local, state, and federal laws and regulations that may affect its actions made pursuant to this Agreement, and shall maintain in effect during the term of this Agreement any and all federal, state, and local licenses and permits which may be required of Recipients generally.

## **ARTICLE XII**

The Recipient may not assign this Agreement, or any of the benefits provided herein including but not limited to incentive payments identified in Article I, without the written consent of LPDC.

## **ARTICLE XIII**

The waiver by LPDC of any breach of any term, condition, or covenant herein contained shall not be deemed a waiver of any subsequent breach of the same, or any other term, condition, or covenant.

#### **ARTICLE XIV**

The obligations of the Parties to this Agreement are performable in Harris County, Texas and if legal action is necessary to enforce same, venue shall lie in Harris County, Texas.

#### **ARTICLE XV**

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

#### **ARTICLE XVI**

This Agreement may be executed in triplicate, each of which shall be deemed an original and constitute one and the same instrument.

#### **ARTICLE XVII**

Neither LPDC nor the Recipient shall be required to perform any term, condition, or covenant in this Agreement so long as such performance is delayed or prevented by force majeure, which shall mean Acts of God, civil riots, floods, and any other cause not reasonably within the control of LPDC or the Recipient except as herein provided, and which by the exercise of due diligence LPDC or the Recipient is unable, wholly or in part, to prevent or overcome.

#### **ARTICLE XVIII**

In submitting this application, the applicant whose signature appears below affirms its intent and commitment to comply in full with Section 2264.052 of the Government Code and certifies that it does not and will not knowingly employ an undocumented worker during any time period associated with the public subsidy for which the application is being submitted. The applicant further certifies its understanding and agreement that if it is convicted of a violation of 8 U.S.C. Section 1324a(f), providing for civil and/or criminal penalties for engaging in a pattern or practice of knowingly hiring or continuing to employ unauthorized aliens, it shall repay the amount of the public subsidy with interest, at the rate and according to the terms of the agreement signed under Section 2264.053 of the Government Code, not later than the 120th day after the date the city notifies the business of the violation.

#### **ARTICLE XIX**

The Agreement embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the Parties, which relate to matters in this Agreement.

SIGNED AND AGREED to by LPDC and the Recipient on the dates indicated below.

**LA PORTE DEVELOPMENT CORPORATION**

\_\_\_\_\_  
Richard Warren, President

\_\_\_\_\_  
Date

ATTEST

\_\_\_\_\_  
Secretary of the Corporation

MARGARET LINDSEY RUSSELL

By:

Margaret Lindsey Russell

6-8-16

Date

ATTEST

Scott D. Livingston